

State of Wyoming

Compliance Report

Fiscal Year Ended

June 30, 2019



*Photo credit:
Cirque of the Towers Waterfall,
by Chris Mickey Photography*

STATE OF WYOMING

ENTITY IDENTIFICATION NUMBER 83-0208667

COMPLIANCE REPORT

JUNE 30, 2019

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

Honorable Governor, Members of the Legislature
State of Wyoming
Cheyenne, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Wyoming (the "State") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated January 23, 2020. Our report includes a reference to other auditors who audited the financial statements of the Wyoming Community Development Authority, the University of Wyoming, the University of Wyoming Foundation (a component unit of the University of Wyoming), and the Wyoming Retirement System, as described in our report on the State's financial statements. The financial statements of the University of Wyoming Foundation were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the State's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs, identified as items 2019-001 through 2019-007, to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs, identified as items 2019-008 through 2019-014, to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs, identified as items 2019-005, 2019-015, and 2019-016.

The State's Response to Findings

The State's responses to the findings identified in our audit are described in the accompanying Corrective Action Plans (Exhibit I). The State's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
January 23, 2020



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Governor, Members of the Legislature
State of Wyoming
Cheyenne, Wyoming

Report on Compliance for Each Major Federal Program

We have audited the State of Wyoming's (the "State") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the State's major Federal programs for the year ended June 30, 2019. The State's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

The State of Wyoming's basic financial statements include the operations of the Wyoming Business Council, the Wyoming Community Development Authority, the Wyoming Department of Transportation, and the University of Wyoming, which expended approximately \$457 million in Federal awards which are not included in the accompanying Schedule of Expenditures of Federal Awards for the year ended June 30, 2019. Our audit, described below, did not include the operations of the Wyoming Business Council, the Wyoming Community Development Authority, the Wyoming Department of Transportation, or the University of Wyoming because these entities had separate audits of compliance performed in accordance with Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major Federal programs. However, our audit does not provide a legal determination of the State's compliance.

Basis for Qualified Opinion on Rehabilitation Services Vocational Rehabilitation Grants to States

As described in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States as described in finding number 2019-022 for Earmarking and finding number 2019-024 for Matching. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Qualified Opinion on Rehabilitation Services Vocational Rehabilitation Grants to States

In our opinion, except for the noncompliance described in the preceding Basis for Qualified Opinion paragraph, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States for the year ended June 30, 2019.

Basis for Qualified Opinion on Children's Health Insurance Program

As described in the accompanying Schedule of Findings and Questioned Costs, the State did not comply with requirements regarding CFDA #93.767 Children's Health Insurance Program (CHIP) as described in finding number 2019-0025 for Eligibility. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Qualified Opinion on Children's Health Insurance Program

In our opinion, except for the noncompliance described in the preceding Basis for Qualified Opinion paragraph, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA #93.767 Children's Health Insurance Program (CHIP) for the year ended June 30, 2019.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2019-017, 2019-018, 2019-020, 2019-021, 2019-023 and 2019-026. Our opinion on each major Federal program is not modified with respect to these matters.

The State's responses to the noncompliance findings identified in our audit are described in the accompanying Corrective Action Plans (Exhibit I). The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on Internal Control over Compliance

Management of the State is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2019-022, 2019-024, and 2019-025 to be a material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program, that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2019-017, 2019-018, 2019-019, 2019-020, 2019-021, 2019-023, and 2019-026 to be significant deficiencies.

The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plans (Exhibit I). The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our report thereon dated January 23, 2020, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Wyoming Community Development Authority, the University of Wyoming, or the University of Wyoming Foundation (a component unit of the University of Wyoming), which are shown as discretely presented component units. In addition, we did not audit the financial statements of the Wyoming Retirement System, which is shown as a fiduciary fund. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wyoming Community Development Authority, the University of Wyoming, the University of Wyoming Foundation, and the Wyoming Retirement System, is based solely on the reports of the other auditors.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming

March 30, 2020, except for that portion which addresses the Schedule of Expenditures of Federal Awards, as to which the date is January 23, 2020

STATE OF WYOMING

**SUMMARY SCHEDULE OF FEDERAL EXPENDITURES
BY FEDERAL AND PASS-THROUGH GRANTOR
Year Ended June 30, 2019**

Federal Grantor / Pass-Through Grantor	Total Federal Expenditures	Total Passed Through to Subrecipients
Direct Funding:		
U.S. Department of Agriculture	\$ 86,885,409	\$ 33,325,974
U.S. Department of Defense	42,925,597	-
U.S. Department of Housing and Urban Development	766,686	533,069
U.S. Department of the Interior	79,174,372	9,624,747
U.S. Department of Justice	9,641,784	5,948,862
U.S. Department of Labor	83,264,709	162,590
U.S. Department of Transportation	2,114,858	97,041
National Endowment for the Arts	1,679,638	452,193
U.S. Department of Veterans Affairs	105,476	-
U.S. Environmental Protection Agency	17,287,796	10,116,533
U.S. Department of Energy	1,205,477	1,052,726
U.S. Department of Education	111,107,496	89,801,785
National Archives and Records Administration	8,910	4,771
Election Assistance Commission	71,137	-
U.S. Department of Health and Human Services	479,850,307	33,056,946
Executive Office of the President	1,151,265	250,716
U. S. Social Security Administration	2,317,758	-
U.S. Department of Homeland Security	12,794,869	8,228,209
Other Federal Financial Awards	516,702	-
Total Direct Funding	932,870,246	192,656,162
Pass-Through Funding:		
U.S. Department of Education		
University of Wyoming	23,671	-
Total Pass-Through Funding	23,671	-
Total Expenditures of Federal Awards	\$ 932,893,917	\$ 192,656,162

The accompanying notes are an integral part of this Schedule.

STATE OF WYOMING

SUMMARY SCHEDULE OF FEDERAL EXPENDITURES

BY STATE OF WYOMING DEPARTMENT

Year Ended June 30, 2019

State of Wyoming Department	Total Federal Expenditures	Total Passed Through to Subrecipients
Department of Health	\$ 435,915,118	\$ 22,875,503
Department of Education	126,237,987	113,124,511
Department of Family Services	101,070,588	17,793,528
Department of Workforce Services	95,024,144	710,410
Department of Environmental Quality	58,079,028	6,382,445
Adjutant General (Military Department)	42,967,031	-
Game & Fish Department	23,540,251	2,546,766
Office of State Lands and Investments	14,309,014	10,075,289
Attorney General's Office	11,759,249	6,849,242
Office of Homeland Security	10,534,093	8,275,250
Department of State Parks and Cultural Resources	3,763,391	550,638
Department of Audit	2,405,477	-
Water Development Commission	2,096,865	2,031,795
Department of Agriculture	1,518,443	334,149
Department of Administration and Information	968,968	-
Community College Commission	812,777	812,777
Supreme Court	536,239	-
Department of Insurance	382,320	293,859
Livestock Board	239,657	-
Public Service Commission	221,335	-
Secretary of State	156,533	-
Geological Survey	112,570	-
State Engineer	111,485	-
Department of Corrections	98,559	-
State Public Defenders Office	31,230	-
Department of Fire Prevention and Electrical Safety	1,565	-
Total Expenditures of Federal Awards	\$ 932,893,917	\$ 192,656,162

The accompanying notes are an integral part of this Schedule.

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>Child Nutrition Cluster</u>				
U.S. Department of Agriculture				
School Breakfast Program	10.553		\$ 4,106,071	\$ 4,106,071
National School Lunch Program	10.555		14,296,775	14,296,775
Special Milk Program for Children	10.556		15,698	15,698
Summer Food Service Program for Children	10.559		933,400	886,675
Total Child Nutrition Cluster			19,351,944	19,305,219
<u>SNAP Cluster</u>				
U.S. Department of Agriculture				
Supplemental Nutrition Assistance Program	10.551		37,475,997	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		9,187,474	3,605,273
Total SNAP Cluster			46,663,471	3,605,273
<u>Food Distribution Cluster</u>				
U.S. Department of Agriculture				
Commodity Supplemental Food Program	10.565		21,008	-
Emergency Food Assistance Program (Administrative Costs)	10.568		146,203	146,203
Emergency Food Assistance Program (Food Commodities)	10.569		1,802,643	1,802,643
Total Food Distribution Cluster			1,969,854	1,948,846
<u>Fish and Wildlife Cluster</u>				
U.S. Department of the Interior				
Sport Fish Restoration Program	15.605		5,664,284	170,421
Wildlife Restoration and Basic Hunter Education	15.611		14,919,705	1,380,095
Total Fish and Wildlife Cluster			20,583,989	1,550,516
<u>WIOA Cluster</u>				
U.S. Department of Labor				
WIA/WIOA Adult Program	17.258		70,963	-
WIA/WIOA Dislocated Worker Formula Grants	17.278		2,910,719	-
Total WIOA Cluster			2,981,682	-
<u>Employment Service Cluster</u>				
U.S. Department of Labor				
Employment Service/Wagner-Peyser Funded Activities	17.207		5,363,007	-
Disabled Veterans Outreach Program (DVOP)	17.801		451,198	-
Total Employment Service Cluster			5,814,205	-
<u>Highway Planning and Construction Cluster</u>				
U.S. Department of Transportation				
Highway Planning and Construction	20.205		45,500	-
Recreational Trails Program	20.219		1,716,419	50,000
Total Highway Planning and Construction Cluster			1,761,919	50,000
<u>Highway Safety Cluster</u>				
U.S. Department of Transportation				
State and Community Highway Safety	20.600		3,414	-
National Priority Safety Programs	20.616		72,926	-
Total Highway Safety Cluster			76,340	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>Clean Water State Revolving Fund Cluster</u>				
U.S. Environmental Protection Agency				
Capitalization Grants for Clean Water State Revolving Funds	66.458		5,218,743	4,356,541
Total Clean Water State Revolving Fund Cluster			5,218,743	4,356,541
<u>Drinking Water State Revolving Fund Cluster</u>				
U.S. Environmental Protection Agency				
Capitalization Grants for Drinking Water State Revolving Funds	66.468		4,782,664	4,377,061
Total Drinking Water State Revolving Fund Cluster			4,782,664	4,377,061
<u>Special Education Cluster (IDEA)</u>				
U.S. Department of Education				
Special Education – Grants to States (IDEA, Part B)	84.027		32,743,865	28,834,205
Special Education – Preschool Grants (IDEA, Preschool)	84.173		1,107,777	148,279
Total Special Education Cluster (IDEA)			33,851,642	28,982,484
<u>Aging Cluster</u>				
U.S. Department of Health and Human Services				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044		1,717,984	1,578,616
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045		3,474,615	3,160,030
Nutrition Services Incentive Program	93.053		884,388	884,388
Total Aging Cluster			6,076,987	5,623,034
<u>TANF Cluster</u>				
U.S. Department of Health and Human Services				
Temporary Assistance for Needy Families (TANF) State Programs	93.558		15,313,905	7,334,673
Total TANF Cluster			15,313,905	7,334,673
<u>CCDF Cluster</u>				
U.S. Department of Health and Human Services				
Child Care and Development Block Grant	93.575		5,311,700	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		5,034,626	-
Total CCDF Cluster			10,346,326	-
<u>Medicaid Cluster</u>				
U.S. Department of Health and Human Services				
State Medicaid Fraud Control Units	93.775		332,042	-
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777		1,199,293	-
Medical Assistance Program	93.778		368,883,699	-
Total Medicaid Cluster			370,415,034	-
<u>Disability Insurance/SSI Cluster</u>				
U.S. Social Security Administration				
Supplemental Security Income (SSI)	96.006		2,317,758	-
Total Disability Insurance/SSI Cluster			2,317,758	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
OTHER PROGRAMS - DIRECT				
U.S. Department of Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025		365,187	-
Voluntary Public Access and Habitat Incentive Program	10.093		321,139	-
Market Protection and Promotion	10.163		10,800	-
Specialty Crop Block Grant Program - Farm Bill	10.170		298,414	242,768
Organic Certification Cost Share Programs	10.171		27,896	-
State Mediation Grants	10.435		60,307	-
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475		317,912	-
CACFP Meal Service Training Grants	10.534		14,579	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		6,646,462	-
Child and Adult Care Food Program	10.558		4,901,741	4,901,741
State Administrative Expenses for Child Nutrition	10.560		761,746	-
Farm to School Grant Program	10.575		27,842	-
Child Nutrition Discretionary Grants Limited Availability	10.579		25,701	25,701
Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	10.580		284,100	-
Fresh Fruit and Vegetable Program	10.582		1,958,970	1,863,358
Child Nutrition Direct Certification Performance Awards	10.589		3,869	-
Cooperative Forestry Assistance	10.664		1,990,993	1,314,564
Forest Legacy Program	10.676		36,507	13,813
Forest Health Protection	10.680		329,190	104,691
Good Neighbor Authority	10.691		198,589	-
Medicine Bow/Thunder Basin Participating Agreement	10.U01		262,750	-
Fuel Treatment Partnership Participating Agreement	10.U02		55,446	-
Total U.S. Department of Agriculture			18,900,140	8,466,636
U.S. Department of Defense				
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113		64,042	-
Military Construction, National Guard	12.400		20,476,063	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401		19,366,030	-
National Guard ChalleNGe Program	12.404		3,019,462	-
Total U.S. Department of Defense			42,925,597	-
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231		545,214	533,069
Housing Opportunities for Persons with AIDS	14.241		211,220	-
Continuum of Care Program	14.267		10,252	-
Total U.S. Department of Housing and Urban Development			766,686	533,069
U.S. Department of the Interior				
BLM Wildland Urban Interface Community Fire Assistance	15.228		60,000	-
Fish, Wildlife and Plant Conservation Resource Management	15.231		617,228	272,785
Environmental Quality and Protection Resource Management	15.236		613,034	-
Challenge Cost Share	15.238		12,312	6,500
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250		2,008,166	-
Abandoned Mine Land Reclamation (AMLR)	15.252		50,241,615	7,070,806
Federal Oil and Gas Royalty Management State and Tribal Coordination	15.427		2,359,977	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>OTHER PROGRAMS - DIRECT, Continued</u>				
U.S. Department of the Interior, Continued				
Title II, Colorado River Basin Salinity Control	15.509		28,867	22,709
Fish and Wildlife Coordination Act	15.517		67,547	-
Recreation Resources Management	15.524		366,520	-
Fish and Wildlife Management Assistance	15.608		262,654	-
Cooperative Endangered Species Conservation Fund	15.615		45,613	-
Sportfishing and Boating Safety Act	15.622		98,606	98,606
Enhanced Hunter Education and Safety Program	15.626		80,380	-
State Wildlife Grants	15.634		563,802	563,802
Endangered Species Conservation – Recovery Implementation Funds	15.657		70,189	-
Endangered Species Conservation – Wolf Livestock Loss Compensation and Prevention	15.666		30,894	-
Adaptive Science	15.670		1,849	1,849
National Cooperative Geologic Mapping	15.810		112,570	-
Historic Preservation Fund Grants-In-Aid	15.904		581,290	37,174
Outdoor Recreation Acquisition, Development and Planning	15.916		367,270	-
Total U.S. Department of the Interior			58,590,383	8,074,231
U.S. Department of Justice				
Sexual Assault Services Formula Program	16.017		325,288	325,288
Protection of Voting Rights	16.104		85,396	-
Juvenile Justice and Delinquency Prevention Allocation to States	16.540		24,564	-
Missing Children's Assistance	16.543		445,733	-
National Criminal History Improvement Program (NCHIP)	16.554		477,325	-
Crime Victim Assistance	16.575		5,497,325	4,256,936
Crime Victim Compensation	16.576		364,073	364,073
Violence Against Women Formula Grants	16.588		684,486	684,486
Residential Substance Abuse Treatment for State Prisoners	16.593		98,559	-
Special Data Collections and Statistical Studies	16.734		423,362	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		510,283	318,079
DNA Backlog Reduction Program	16.741		218,619	-
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		94,616	-
Support for Adam Walsh Act Implementation Grant Program	16.750		360,925	-
John R. Justice Prosecutors and Defenders Incentive Act	16.816		31,230	-
Total U.S. Department of Justice			9,641,784	5,948,862
U.S. Department of Labor				
Labor Force Statistics	17.002		1,845,952	-
Unemployment Insurance	17.225		70,200,123	-
Senior Community Service Employment Program	17.235		566,799	162,590
Trade Adjustment Assistance	17.245		30,239	-
Work Opportunity Tax Credit Program (WOTC)	17.271		94,313	-
Temporary Labor Certification for Foreign Workers	17.273		197,763	-
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277		490,481	-
Occupational Safety and Health State Program	17.503		545,104	-
Consultation Agreements	17.504		498,048	-
Total U.S. Department of Labor			74,468,822	162,590
U.S. Department of Transportation				
Pipeline Safety Program State Base Grant	20.700		221,335	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		55,264	47,041
Total U.S. Department of Transportation			276,599	47,041

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>OTHER PROGRAMS - DIRECT, Continued</u>				
National Endowment for the Arts				
Promotion of the Arts Partnership Agreements	45.025		710,670	452,193
Grants to States	45.310		968,968	-
Total National Endowment for the Arts			1,679,638	452,193
U.S. Department of Veterans Affairs				
All-Volunteer Force Educational Assistance	64.124		105,476	-
Total U.S. Department of Veterans Affairs			105,476	-
U.S. Environmental Protection Agency				
State Indoor Radon Grants	66.032		18,372	2,998
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		165,480	-
State Clean Diesel Grant Program	66.040		415,578	230,692
Water Pollution Control State, Interstate, and Tribal Program Support	66.419		115,253	-
Water Quality Management Planning	66.454		117,046	65,591
Nonpoint Source Implementation Grants	66.460		1,024,442	1,024,442
Regional Wetland Program Development Grants	66.461		59,208	59,208
Performance Partnership Grants	66.605		3,797,952	-
Source Reduction Assistance	66.717		60,034	-
Underground Storage Tank Prevention, Detection and Compliance Program	66.804		293,275	-
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805		494,527	-
State and Tribal Response Program Grants	66.817		702,434	-
Brownsfields Assessment and Cleanup Cooperative Agreements	66.818		22,788	-
Total U.S. Environmental Protection Agency			7,286,389	1,382,931
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042		1,120,095	1,052,726
Fossil Energy Research and Development	81.089		1,691	-
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions	81.106		83,691	-
Total U.S. Department of Energy			1,205,477	1,052,726
U.S. Department of Education				
Adult Education – Basic Grants to States	84.002		812,777	812,777
Title I Grants to Local Educational Agencies	84.010		34,680,690	34,089,518
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013		812,356	569,577
Career and Technical Education – Basic Grants to States	84.048		4,642,596	4,406,321
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126		8,694,719	-
Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	84.177		230,206	230,206
Special Education – Grants for Infants and Families	84.181		2,159,299	1,730,310
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187		42,571	-
Education for Homeless Children and Youth	84.196		218,102	167,851
Twenty-First Century Community Learning Centers	84.287		6,214,337	5,924,105
Special Education – State Personnel Development	84.323		369,452	-
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326		61,664	-
Rural Education	84.358		39,617	37,851
English Language Acquisition State Grants	84.365		458,192	307,723
Mathematics and Science Partnerships	84.366		758,773	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>OTHER PROGRAMS - DIRECT, Continued</u>				
U.S. Department of Education, Continued				
Supporting Effective Instruction State Grant	84.367		10,149,301	9,500,170
Grants for State Assessments and Related Activities	84.369		3,690,415	-
Student Support and Academic Enrichment Program	84.424		3,070,660	3,042,892
NAEP State Coordinator	84.U01		143,974	-
Ed Facts	84.U02		1,251	-
School Improvement Grants, Recovery Act	84.U03		4,902	-
Total U.S. Department of Education			77,255,854	60,819,301
National Archives and Records Administration				
National Historical Publications and Records Grants	89.003		8,910	4,771
Total National Archives and Records Administration			8,910	4,771
Election Assistance Commission				
Help America Vote Act Requirements Payment	90.401		71,137	-
Total Election Assistance Commission			71,137	-
U.S. Department of Health and Human Services				
Special Programs for the Aging Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041		22,867	22,867
Special Programs for the Aging Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042		78,794	77,594
Special Programs for the Aging Title III, Part D, Disease Prevention and Health Promotion Services	93.043		62,896	62,896
National Family Caregiver Support, Title III, Part E	93.052		650,369	579,927
Public Health Emergency Preparedness	93.069		3,884,364	1,707,730
Medicare Enrollment Assistance Program	93.071		26,667	26,667
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092		145,999	56,469
Food and Drug Administration Research	93.103		394,555	-
Maternal and Child Health Federal Consolidated Programs	93.110		78,462	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		130,534	-
Emergency Medical Services for Children	93.127		109,574	-
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130		145,485	-
Injury Prevention and Control Research and State and Community Based Programs	93.136		241,342	149,539
Projects for Assistance in Transition from Homelessness (PATH)	93.150		352,155	348,807
Grants to States for Loan Repayment Program	93.165		10,000	10,000
State Rural Hospital Flexibility Program	93.241		521,066	412,998
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		2,839,210	1,076,803
Universal Newborn Hearing Screening	93.251		255,890	255,890
Immunization Cooperative Agreements	93.268		6,385,563	-
Adult Viral Hepatitis Prevention and Control	93.270		121,147	-
Small Rural Hospital Improvement Grant Program	93.301		136,869	124,803
National State Based Tobacco Control Programs	93.305		839,566	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314		120,541	120,541
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		1,249,248	-
State Health Insurance Assistance Program	93.324		267,192	267,192
Behavioral Risk Factor Surveillance System	93.336		229,244	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>OTHER PROGRAMS - DIRECT, Continued</u>				
U.S. Department of Health and Human Services, Continued				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		536,830	-
ACL Independent Living State Grants	93.369		317,614	317,614
The State Flexibility to Stabilize the Market Grant Program	93.413		88,461	88,461
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426		193,807	-
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521		123,563	-
Promoting Safe and Stable Families	93.556		266,494	-
Child Support Enforcement	93.563		5,829,809	-
Child Support Enforcement Research	93.564		14,960	-
Low-Income Home Energy Assistance	93.568		9,361,864	-
Community Services Block Grant	93.569		3,338,607	3,059,463
State Court Improvement Program	93.586		226,685	-
Community-Based Child Abuse Prevention Grants	93.590		169,773	5,000
Grants to States for Access and Visitation Programs	93.597		86,149	82,140
Chafee Education and Training Vouchers Program (ETV)	93.599		83,229	-
Adoption and Legal Guardianship Incentive Payments	93.603		111,193	-
Developmental Disabilities Basic Support and Advocacy Grants	93.630		449,690	-
Children's Justice Grants to States	93.643		37,248	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		474,570	-
Foster Care Title IV-E	93.658		4,183,085	-
Adoption Assistance	93.659		785,076	-
Social Services Block Grant	93.667		2,821,833	2,821,833
Child Abuse and Neglect State Grants	93.669		84,043	-
Family Violence Prevention and Services/ Domestic Violence Shelter and Supportive Services	93.671		657,515	649,664
Chafee Foster Care Independence Program	93.674		453,205	409,968
Empowering Other Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs	93.734		54,524	885
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757		234,792	35,049
Preventive Health and Health Services Block Grant, funded solely with Prevention and Public Health Funds (PPHF)	93.758		304,804	1,117
Evidence-Based Falls Prevention Programs Financed solely by Prevention and Public Health Funds (PPHF)	93.761		15,820	-
Children's Health Insurance Program	93.767		13,205,130	-
Opioid STR	93.788		2,226,324	1,545,321
State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	93.796		664,390	-
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817		59,723	59,723
National Bioterrorism Hospital Preparedness Program	93.889		776,740	425,355
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		1,060,322	6,447
Grants to States for Operation of State Offices of Rural Health	93.913		172,226	5,809
HIV Care Formula Grants	93.917		909,187	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		282,302	-
HIV Prevention Activities – Health Department Based	93.940		926,163	82,944
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946		127,938	-

Continued

STATE OF WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
<u>OTHER PROGRAMS - DIRECT, Continued</u>				
U.S. Department of Health and Human Services, Continued				
Block Grants for Community Mental Health Services	93.958		836,354	710,496
Block Grants for Prevention and Treatment of Substance Abuse	93.959		4,645,660	4,247,289
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977		216,816	125,988
Maternal and Child Health Services Block Grant to the States	93.994		856,903	117,950
Assisted Outpatient Treatment	93.997		127,035	-
Total U.S. Department of Health and Human Services			77,698,055	20,099,239
Executive Office of The President				
High Intensity Drug Trafficking Areas Program	95.001		1,151,265	250,716
Total Executive Office of The President			1,151,265	250,716
U.S. Department of Homeland Security				
Boating Safety Financial Assistance	97.012		298,933	-
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023		66,596	-
Disaster Legal Services	97.033		5,000	-
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036		901,341	861,726
Hazard Mitigation Grant	97.039		251,827	251,827
National Dam Safety Program	97.041		111,485	-
Emergency Management Performance Grants	97.042		2,223,230	516,827
State Fire Training Systems Grants	97.043		1,565	-
Fire Management Assistance Grant	97.046		1,987,748	-
Pre-Disaster Mitigation	97.047		2,814,781	2,814,781
Homeland Security Grant Program	97.067		4,132,363	3,783,048
Total U.S. Department of Homeland Security			12,794,869	8,228,209
Other Federal Financial Awards				
Wood River Bank Stabilization Design (WRGO)	99.U01		3,640	-
Yellowstone Cutthroat Trout Collaborative (YCT0)	99.U02		9,000	-
Big Horn Sheep Monitoring	99.U03		4,503	-
Cabin Creek Bighorn Sheep Habitat Improvement (CCC2)	99.U04		25,000	-
South Fork Aspen Regeneration Project (NLR7)	99.U05		27,630	-
Sunlight Wildlife Habitat River Restoration (SLG1)	99.U06		15,909	-
Thunder Basin National Grassland Raptor Surveys (TBS0)	99.U07		13,392	-
WGFC Aquatic Invasive Species Prev (BCS0)	99.U08		18,228	-
Vital Records	99.U09		209,227	-
SNAP Bonus	99.U10		33,606	-
Head Start Program FPY17 & GFY18 (HS)	99.U11		125,042	-
Soc. Sec. Reimb./Prog. Inc.	99.U12		31,525	-
Total Other Federal Financial Awards			516,702	-
Total Direct Expenditures of Federal Awards			932,870,246	192,656,162
<u>OTHER PROGRAMS - PASS-THROUGH</u>				
U.S. Department of Education				
<i>University of Wyoming</i>				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	P334S14020	23,671	-
Total Expenditures of Pass-Through Awards			23,671	-
Total Expenditures of Federal Awards			\$ 932,893,917	\$ 192,656,162

The accompanying notes are an integral part of this Schedule.

STATE OF WYOMING

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2019

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the State of Wyoming's (the "State") Schedule of Expenditures of Federal Awards (the "Schedule") are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 2. De Minimis Cost Rate

The State has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance as the State has various Federally negotiated indirect cost rates that are being used for Federal awards or utilizes the indirect cost rates specified in the Federal awards.

Note 3. Basis of Presentation

The accompanying Schedule includes the Federal award activity of the State under programs of the Federal government for the year ended June 30, 2019, except as described in Note 4. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the State, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the State.

Note 4. Content

In accordance with the provisions of the Uniform Guidance, 2 CFR 200.514(a), the accompanying Schedule does not include the departments or agencies listed below which were separately audited and reported on in compliance with the Uniform Guidance:

Wyoming Department of Transportation
University of Wyoming
Wyoming Business Council
Wyoming Community Development Authority

Note 5. Noncash Awards

The Schedule includes the following noncash items as expenditures: USDA Commodities (CFDA #10.569) of \$1,802,643; SNAP Benefits (CFDA #10.551) of \$37,461,078; and the value of vaccines (CFDA #93.268) of \$5,358,671. The values of USDA Commodities and Vaccines have been recorded at the Federally negotiated costs at the date of issuance. SNAP Benefits are valued at face value.

Note 6. Unemployment Insurance Compensation

The Schedule includes approximately \$39.5 million of State Unemployment Insurance Compensation Benefits (SUICB) (CFDA #17.225). The SUICB is included in the Schedule pursuant to a directive issued by the Department of Labor, Office of Inspector General.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: McGee, Hearne & Paiz, LLP has audited the basic financial statements of the State of Wyoming (the "State") as of and for the year ended June 30, 2019 and has issued their report thereon dated January 23, 2020. They did not audit the financial statements of the Wyoming Community Development Authority, the University of Wyoming, or the University of Wyoming Foundation (a component unit of the University of Wyoming), which are shown as discretely presented component units. They also did not audit the Wyoming Retirement System, which is shown as a fiduciary fund. Those financial statements were audited by other auditors. The opinion on the basic financial statements of the State was unmodified, based on the opinions of McGee, Hearne & Paiz, LLP and the reports of other auditors.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditor's report issued on compliance for major Federal programs: Unmodified for all major Federal programs, except for CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States and CFDA #93.767 Children's Health Insurance Program (CHIP), which were qualified.

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes No

STATE OF WYOMING

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019**

Identification of major Federal programs:

CFDA Number	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program
10.560	State Administrative Expenses for Child Nutrition
10.582	Fresh Fruit and Vegetable Program
12.400	Military Construction, National Guard
12.401	National Guard Military Operations and Maintenance (O&M) Projects
84.002	Adult Education - Basic Grants to States
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States
84.424	Student Support and Academic Enrichment Program
93.563	Child Support Enforcement
93.568	Low-Income Home Energy Assistance
93.767	Children's Health Insurance Program
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.042	Emergency Management Performance Grants
97.047	Pre-Disaster Mitigation
97.067	Homeland Security Grant Program
Cluster	CCDF Cluster
Cluster	Child Nutrition Cluster
Cluster	Medicaid Cluster
Cluster	SNAP Cluster
Cluster	TANF Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee?

Yes

No

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

I. FINANCIAL STATEMENT FINDINGS

2019-001: State Auditor's Office (SAO), State Treasurer's Office (STO), and Department of Revenue (DOR) – Internal Controls and Audit Adjustments to Due to Other Governments and Cash and Pooled Investments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Upon receipt of a component unit's audit report near the completion of the audit, the SAO and the STO identified and recorded an adjustment to increase the amount due to components units by the General Fund by approximately \$108.9 million at June 30, 2018 and approximately \$158.5 million at June 30, 2019.

Adjusting journal entries were also proposed and recorded as follows with the SAO and the STO:

- To move cash and pooled investments held within the Treasurer's Agency Fund to the General Fund and the Foundation Fund in the amounts of approximately \$84.8 million and \$42.4 million, respectively.
- To reallocate cash and pooled investments and investment income from the Foundation Fund to the Common School Land Fund by approximately \$16.7 million.
- To reallocate cash and pooled investments and investment income from the University Endowment Fund to the Excellence in Higher Education Endowment Fund by approximately \$3.3 million.

An adjusting journal entry was also proposed and recorded with the SAO and the DOR to increase cash and pooled investments held within the Department of Revenue's Agency Fund by approximately \$131 million.

Effect: The untimely identification of the amount due to the component unit resulted in a prior period restatement to the General Fund's beginning fund balance. In addition, prior to the proposed audit adjustments, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: The adjustments were caused by ineffective and untimely communication between the agencies previously referenced. While each agency was individually aware of the events and circumstances that ultimately resulted in the adjusting journal entries, the agencies did not collectively identify the related financial reporting implications in a timely manner.

Identification as a Repeat Finding: No.

Recommendation: Due to the volume and complexity of the financial accounting and reporting associated with the State's cash and pooled investment portfolio, we recommend additional collaboration between the SAO and STO in order to more effectively identify the proper adjustments needed to properly report the activity in accordance with U.S. GAAP.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

In addition, due to the highly decentralized nature of the State's accounting functions across all agencies, we recommend that the SAO continue to review and revise its internal control processes to determine how to more effectively communicate with agencies for purposes of identifying transactions that may require adjustment to the State's financial statements at year-end. While the SAO currently relies primarily on year-end financial reporting checklists, we recommend that the SAO consider whether the necessary resources are available to conduct year-end planning conferences with the leadership of the larger agencies for purposes of providing another means in which to identify events and circumstances that may have financial reporting implications.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-002: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Fund Balance and Mineral Severance Taxes

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Adjusting journal entries were proposed and recorded as follows:

- To reclassify approximately \$42.7 million and \$40.4 million from unassigned fund balance to assigned fund balance and committed fund balance, respectively, within the General Fund.
- To reallocate cash held within the Department of Revenue's Agency Fund for mineral severance tax revenue to the General Fund, the Permanent Mineral Fund, and the Environmental Quality Fund – Committed in the amounts of approximately \$76.5 million, \$25.9 million, and \$1.7 million, respectively.

Effect: Prior to the proposed audit adjustments, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP or in accordance with State Statutes.

Cause: The SAO did not have a control system in place to review enabling legislation for purposes of ensuring that all financial reporting implications were properly identified and incorporated into the respective projects.

Identification as a Repeat Finding: No.

Recommendation: We recommend the SAO implement a control system to capture all new or changing legislation that may have a financial impact and ensure it is properly incorporated into the respective projects.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

2019-003: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Pooled Cash and Investments, Due to Component Units, and Qualified Rate Adjustment payments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Adjusting journal entries were proposed and recorded as follows:

- To reallocate cash and pooled investments within various funds for i) the liability under securities lending of approximately \$295.3 million, ii) interest income of approximately \$14 million, iii) interest receivable of approximately \$3.5 million, iv) accounts payable of approximately \$25.4 million, v) accounts receivable (net) of approximately \$18.2 million, and vi) various expense of approximately \$4.5 million.
- To reduce due to component units and business regulation expense by approximately \$8.6 million within the General Fund.
- To properly post the fund versus entity-wide entries within the General Fund for the qualified rate adjustment (QRA) payment revenues, expenditures, due from other governments, and other deferred inflows of approximately \$6.7 million.

Additionally, an adjusting journal entry was proposed and passed to reallocate cash and pooled investments and investment income of approximately \$6.6 million from the Excellence in Higher Education Endowment Fund to the University Endowment Fund.

Effect: Prior to the proposed audit adjustments, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: With the exception of the QRA adjustment, the other adjustments were caused by data entry errors and/or incorrect formulas within spreadsheets used to calculate the supporting financial statement balance. In regards to the QRA adjustment, the fund and entity-wide entries were inadvertently posted to the opposite opinion units. In addition, the errors were also not subsequently identified during the SAO's review and compilation of the information for posting to the State's financial statements.

Identification as a Repeat Finding: No.

Recommendation: We recommend the SAO continue to refine its internal review process in order to determine the propriety of the journal entries posted during the preparation of the State's financial statements. In addition, the SAO may also want to consider performing a high-level analytical review of the financial statement balances after adjustment to assist in identifying unusual changes in account balances.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

2019-004: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Cash and Pooled Investments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: An adjusting journal entry was proposed and passed to increase cash and pooled investments and investment income by approximately \$12 million within the General Fund, \$4.9 million in the Foundation Fund and \$2 million in the Workers' Compensation Fund.

Effect: Prior to the proposed audit adjustment, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: When the STO reallocates funds between cash and investment pools within the same investment manager, the re-allocation is treated like a sale for internal accounting purposes and investment gains and losses are recorded within the State's accounting system. However, as the investments are not sold from a U.S. GAAP perspective, these investment gains and losses must be manually eliminated from the investment income as of year-end. While the STO was aware of the net realized loss activity that had been recorded within the State's accounting system, they were unaware of the financial reporting implications, and as such, did not provide the necessary information to the SAO in order to eliminate the activity.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the STO collaborate with the State Auditor's Office (SAO) with respect to the internal accounting processes over the investment portfolio in order to more effectively identify potential financial reporting implications resulting from the investment and management of the State's cash and investment portfolio. In addition, we also recommend that any new or modified reconciling items identified during the STO's month-end cash reconciliation processes be specifically reviewed for purposes of determining if there are any related financial reporting implications.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-005: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Cash and Pooled Investments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In addition, internal controls are designed to safeguard assets, help prevent loss from employee dishonesty or error, and improve the accuracy and timeliness of financial reporting. Fundamental concepts in an adequate system of internal control is the identification and prevention or detection of errors on a timely basis and compliance with state statutes.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Condition/Context: Deficiencies in both the design and operating effectiveness of the STO's internal control system were identified as follows:

- The STO did not distribute approximately \$127.2 million of Federal mineral royalties earned by the State in accordance with Wyoming State Statute 9-4-602(a)(ii), which requires distribution of the Federal mineral royalties for the last quarter of the fiscal year not later than June 30, 2019.
- Reconciliations of the State's year-end cash and pooled investment balances were not completed and reviewed on a timely basis.
- Over the course of several weeks, including the period of time crossing fiscal year-end, the STO did not perform cash deposit and reconciliation procedures in accordance with their established internal control policy. As a result, an adjusting journal entry was proposed and passed to increase cash and pooled investments and decrease due from other governments by approximately \$2.6 million within the Foundation Program Fund.

Effect: The failure to distribute Federal mineral royalties timely resulted in noncompliance with Wyoming State Statutes. The lack of accurate and timely reconciliations increases the risks of fraud and error and could also result in misstatements of the cash and pooled investment balances and related disclosures. In addition, prior to the proposed audit adjustment, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: The STO had an established internal control system in place; however, the internal control system did not allow for effective cross-training to ensure that the established internal control functions could be performed accurately and timely in the absence of key personnel. As a result, certain internal control functions were not performed on a timely basis following significant turnover of personnel within the Financial Accounting division of the STO. In addition, key internal controls did not operate as designed as personnel responsible for the controls did not possess the knowledge, skills and experience to perform the control effectively.

Identification as a Repeat Finding: No.

Recommendation: We recommend the STO continue its efforts to cross-train its personnel and to refine and document its internal control system and processes to ensure all functions can be performed accurately and timely in the absence of key personnel. In addition, we recommend that each position's essential job duties and responsibilities be reviewed to ensure those charged with responsibility for performing those function have the experience and proficiency required to do so effectively.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

2019-006: State Treasurer's Office (STO) – Internal Controls Related to Allocation of Cash and Pooled Investments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In addition, internal controls are designed to safeguard assets, help prevent loss from employee dishonesty or error, and improve the accuracy and timeliness of financial reporting. Fundamental concepts in an adequate system of internal control is the identification and prevention or detection of errors on a timely basis.

Condition/Context: Certain spreadsheets prepared by the STO and used to allocate pooled cash and investment balances contained formula errors, as well as unsupported activity. There was also an inconsistent application of the methodologies used to allocate pooled cash and investment balances throughout the fiscal year.

Effect: Errors and inconsistencies in the methodologies used to allocate cash and pooled investments could result in misstatements of the year-end balances and related disclosures.

Cause: Throughout the 2018 and 2019 fiscal years, the responsibility for the preparation of the spreadsheets utilized by the STO to determine the cash and pooled investment allocation percentages was transitioned among several individuals, and the spreadsheets were not subject to independent review. In addition, there were no documented procedures in place to ensure the spreadsheets were updated consistently. As a result, the STO elected to automate the allocation process by using the plan sub accounting (PSA) module offered by J.P. Morgan, the State's investment custodian.

The PSA allocations were implemented January 1, 2019; however, it was later determined that the allocation methodology was not being performed on the basis consistent with STO's expectations. As such, the STO reverted back to the manual spreadsheet allocations effective June 1, 2019.

Identification as a Repeat Finding: Yes – see prior year finding 2018-001.

Recommendation: We recommend the STO continue its efforts to transition from the use of internal spreadsheets to the automated PSA module, which will assist in reducing data entry errors that impact the accounting and reporting of pooled cash and investments. When internal spreadsheets are used, we recommend that the STO ensure there are documented procedures in place to ensure consistent completion of such spreadsheets and that the spreadsheets are then subjected to independent review processes.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

2019-007: Department of Workforce Services (DWS) – Internal Controls and Audit Adjustment to Federal Revenue

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State’s financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: An adjusting journal entry was proposed and recorded within the General Fund to increase Federal revenue by approximately \$31.6 million and increase the Federal receivables and decrease the Federal unearned revenue by approximately \$17.3 million and \$14.3 million, respectively.

Effect: Prior to the proposed audit adjustment, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: There was significant turnover in the fiscal department of the DWS, which resulted in a loss of institutional knowledge. The DWS did not accurately complete the Schedule of Expenditures of Federal Awards (SEFA) as they inadvertently excluded the current year expenditures of the Unemployment Insurance program from their SEFA.

Identification as a Repeat Finding: Yes – see prior year finding 2018-006.

Recommendation: We recommend DWS revise its internal control processes over the preparation of its SEFA to ensure the accuracy and completeness of all Federal programs’ activity. When amounts are identified within the “Difference” column of the SEFA, they should be evaluated for accuracy to assist in the identification and communication of any financial statement impacts to the State Auditor’s Office for purposes of ensuring the activity will be properly reflected in the State’s financial statements.

View of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-008: State Auditor’s Office (SAO) – Internal Controls and Audit Adjustments to Accounts and Warrants Payable

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State’s financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Adjusting journal entries were proposed as follows, which were recorded and passed respectively:

- To re-allocate accounts payable and cash within various funds by approximately \$6 million.
- To decrease cash and warrants payable within the Warrant Clearing Fund by approximately \$23.1 million.

Effect: Prior to the proposed audit adjustments, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Cause: Both adjustments were caused by the failure to identify the financial reporting implications of upgrades to the SAO's information technology systems. In the first instance, a new front-end split allocation was implemented during an upgrade to the State's payroll system, which caused an initial misallocation of the associated payables within funds. In the second instance, an upgrade to the State's accounting system allowed for the processing of electronic fund transfer (EFT) payments on daily basis versus a weekly basis, which resulted in an overstatement of the associated cash and warrants payable for EFT processing that crossed over year-end.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the SAO review and revise its internal control processes related to system upgrades and conversions in order to provide for a more thorough identification of potential impacts of system upgrades and conversions on the resulting financial information and reporting. In addition, we also recommend that the SAO collaborate with the State Treasurer's Office (STO) and that any new or modified reconciling items identified during the STO's month-end cash reconciliation processes be specifically reviewed for purposes of determining if there are any related financial reporting implications.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-009: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Pension and Other Post-Employment Benefit (OPEB) Related Deferred Outflows and Inflows

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Adjusting journal entries were proposed and recorded as follows:

- To net certain pension related deferred inflows and outflows within the government-wide financial statements by approximately \$59 million and within the enterprise funds by approximately \$1.4 million.
- To record OPEB related deferred outflows and expense within the government-wide financial statements of approximately \$18.2 million and within the enterprise funds of approximately \$501,000.

Additionally, an adjusting journal entry was proposed and passed to increase the OPEB related expense and increase beginning net position for the prior period OPEB related deferred outflows within the government-wide financial statements by approximately \$17.5 million.

Effect: Prior to the proposed audit adjustments, the government-wide and enterprise fund-level financial statements were not properly stated in accordance with U.S. GAAP.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Cause: Pension and OPEB balances are required to be reported in accordance with Government Accounting Standards Board (GASB) Statements No. 68 and 75, *Financial Accounting for Pension Plans* and *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, respectively. The SAO did not record the pension related deferred inflows and outflows properly due to misinterpretations of GASB Statement No. 68. The OBEP related deferred outflows were not recorded as they were not specifically identified in the actuarial valuation report.

Identification as a Repeat Finding: No.

Recommendation: We recommend the SAO continue to identify training opportunities specific to unique and complex financial reporting topics, inclusive of any recently issued GASB pronouncements. In addition, we also recommend that the SAO collaborate with the Department of Administration and Information, who contracts with the actuary for the OBEP liability, and request that the year-end deferred outflow be specifically identified in the actuarial valuation report.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-010: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Bonds Payable Related Transactions

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: Adjusting journal entries were proposed and recorded as follows:

- To reclassify transfers out to general government expenditures within the Common School Land Fund of approximately \$4 million.
- To reduce cash with fiscal agent and interest income within the Common School Land Fund and Debt Service Fund by approximately \$1.2 million and \$103,000, respectively.

Effect: Prior to the proposed audit adjustments, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: Historically, the State Treasurer's Office (STO) has recorded all bonds payable related transactions prior to year-end within the State's accounting system; however, this did not occur in the current year. As a result, the SAO was required to record additional year-end journal entries, which were recorded properly. However, the SAO did not modify their historical recurring journal entries as necessary to account for the change.

Identification as a Repeat Finding: No.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Recommendation: We recommend the SAO continue to collaborate and communicate with the STO regarding modifications to posting of transactional activity, specifically near year end. In addition, we recommend the SAO maintain heightened awareness related to modified accounting processes to ensure the timely and accurate identification of any additional and/or modified year-end journal entries.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-011: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Accounts Payable

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: An adjusting journal entry was proposed and recorded within the General Fund to decrease accounts payable and general government expense by approximately \$5.1 million.

Effect: Prior to the proposed audit adjustment, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: The STO experienced turnover in the position responsible for the veteran's property tax exemption transactions, and the new employee entered incorrect service dates for the transactions into the State's accounting system. In addition, the STO did not have a control system in place to review the accuracy of the service dates entered into the State's accounting system.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the STO implement a review process over the accuracy of the service dates entered into the State's accounting system to ensure the underlying transactions are properly recorded in the correct fiscal period.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-012: Department of Workforce Services – Internal Controls and Audit Adjustment to Taxes Receivable

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: An adjusting journal entry was proposed and recorded within the Unemployment Insurance Fund to decrease charges for sales and services revenue and taxes receivables by approximately \$8.5 million.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Effect: Prior to the proposed audit adjustment, the business-type and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: The initial reports utilized to calculate the taxes receivable balance were incorrect. The financial reporting module of the Unemployment Insurance Division's new information technology system (WYUI) was implemented shortly before year end, and adequate testing had not been performed to ensure the accuracy of the financial reports produced by the system.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the Unemployment Insurance Division implement a control system to validate the accuracy of all financial information generated and reported from the WYUI system.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-013: Department of Health (DOH) – Internal Controls and Audit Adjustments Related to Qualified Rate Adjustment payments

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the State's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition/Context: An adjusting journal entry was proposed and recorded within the General Fund to reduce the qualified rate adjustment (QRA) payment revenues, expenditures, due from other governments, and other deferred inflows by approximately \$6.7 million.

Effect: Prior to the proposed audit adjustment, the government-wide and fund-level financial statements were not properly stated in accordance with U.S. GAAP.

Cause: The original due date (August 15) of the QRA information being requested by the State Auditor's Office (SAO) did not allow the DOH sufficient time to compile a report with the information needed to calculate the QRA payment amounts. In addition, turnover within the DOH resulted in a new employee being responsible for providing the requested QRA information to the SAO, who was unaware as to what the information was being utilized for.

The DOH originally provided the SAO with the FY18 information as the FY19 information was not available. The subsequent document provided for audit was a draft document, although that was also not effectively communicated. This resulted in the use of an incorrect listing of QRA payments.

Identification as a Repeat Finding: No.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Recommendation: We recommend that the DOH implement a control system to ensure the accuracy of the information provided to the SAO. The control system should be adequately documented to ensure it will operate effectively following turnover of the responsible personnel. In addition, we recommend the DOH collaborate with the SAO to ensure an adequate understanding of how the information being requested is being utilized, as well as to ensure the due date of the information being requested allows the DOH to provide complete and accurate information.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-014: Enterprise Technology Services (ETS) – Information Technology Risk Assessment

Criteria: Enterprise Technology Services (ETS) was established by the Wyoming State Legislature to coordinate, consolidate and provide information technology (IT) services; to promote economy and efficiency in government use of IT; and to establish uniform standards of IT administration. Many of the IT systems previously housed by individual agencies have been brought under the purview of ETS, which includes several IT systems that manage and report the State’s financial data. As a result, the controls in place at ETS have increased in their significance to the State and its financial and compliance reporting and data safeguarding responsibilities.

Condition/Context: During the Information Systems General Controls Review, we noted that a risk assessment has not been performed by ETS since August of 2010.

Effect: A risk assessment enables an organization to identify threats and associated vulnerabilities with the potential to negatively impact their business. Resources can then be effectively allocated to implement controls that reduce the likelihood and/or the potential impact of the threat being realized. If risk assessments are not performed at least annually or upon significant changes, the State may not keep up-to-date with organizational changes and evolving threats, trends and technologies.

Cause: The corrective action plan provided by the previous State of Wyoming CISO was to implement the FAIR risk model. The FAIR risk model was never implemented across ETS or any state agency as ETS does not have the resources or funding to implement the FAIR model.

Identification as a Repeat Finding: Yes – see prior year finding 2018-007.

Recommendation: We recommend that ETS perform a risk assessment on an annual basis in order to assess current risks and potential vulnerabilities. The State needs to be aware of the risks and vulnerabilities to determine if existing controls are in place to adequately mitigate potential threats. In addition, the State should add additional security measures where controls are identified as being “not in place” or lacking to protect against the potential threats.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

2019-015: State Auditor's Office (SAO) – Timeliness of Transfers

Criteria: Session Law 2018, Chapter 134, Section 300(f) states “The state auditor shall transfer eighty-one million five hundred sixty-two thousand six hundred thirty dollars (\$81,562,630.00) from the general fund to the capitol building rehabilitation and restoration account created by W.S. 9-5-109(j). The state auditor shall transfer funds in this subsection not later than July 31, 2018.”

Session Law 2018, Chapter 134, Section 322 states “The unexpended, unobligated balance of the one percent severance tax account as of June 30, 2018 shall be transferred to the budget reserve account on June 30, 2018 to occur not later than September 30, 2018 to include any reconciliations.”

Condition/Context: With respect to the first transfer, the transfer was initiated September 25, 2018, which was 56 calendar days after the statutory deadline of July 31, 2018.

With respect to the second transfer, a portion of the transfer (approximately \$6.9 million) was initiated July 22, 2019, which was 295 calendar days after the statutory deadline of September 30, 2018.

Effect: The failure to timely initiate and complete the transfers resulted in noncompliance with Wyoming State Statutes. However, there were no financial statement impacts as the first transfer was made in the same fiscal year as the deadline and the funds impacted by the second transfer are within the same opinion unit (the General Fund).

Cause: With respect to the first transfer, the State's accounting system requires that the agency establish a budget before the transfer can be processed by the SAO, which did not occur by the statutory deadline.

With respect to the second transfer, while the majority of funds were transferred timely, the balance related to the reconciliations performed was not transferred by the statutory deadline as the calculation of the reconciliation cannot be performed prior to that date.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the SAO implement a control system to ensure transfers are processed in accordance with the timelines established by state statute.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-016: Department of Revenue (DOR) – Mineral Severance Tax Distribution

Criteria: Wyoming State Statute 39-14-801 (g) for fiscal year 2019 states “When distributions under paragraph (d) (ii) of this section equal \$137,000,000, additional funds that would otherwise be distributed under paragraphs (d) (i) and (ii) of this section shall be credited to the school foundation program reserve account and the budget reserve account in equal amounts until credits to the school foundation program reserve account for the fiscal year reach \$50,000,000.”

Condition/Context: Mineral severance tax distributions of approximately \$13.7 million were distributed to the general fund (fund 001) that should have been distributed in equal amounts to the budget reserve account (fund 002) and the school foundation program reserve account (fund 105).

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Effect: Mineral severance tax distributions were not deposited into the proper funds which resulted in noncompliance with Wyoming State Statutes. However, as all three funds are within the same opinion unit (the General Fund), there was no financial statement impact.

Cause: The mineral severance tax distribution was not modified properly for fiscal year 2019 due to an incorrect interpretation of the statute.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the DOR implement a control system to ensure all distributions are performed in accordance with state statute.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2019-017: Schedule of Expenditures of Federal Awards

Catalog of Federal Assistance (CFDA) Number and Title: <ol style="list-style-type: none">1. CFDA #10.558 Child & Adult Care Food Program2. CFDA #10.560 State Administrative Expenses for Child Nutrition3. CFDA #10.582 Fresh Fruit & Vegetable Program4. CFDA #10.559 Summer Food Service Program for Children5. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters)6. CFDA #17.225 Unemployment Insurance
Federal Agency Name: <ol style="list-style-type: none">1. U.S. Department of Education2. U.S. Department of Education3. U.S. Department of Education4. U.S. Department of Education5. U.S. Department of Homeland Security6. U.S. Department of Labor
Pass-Through Entity Name (if applicable): <ol style="list-style-type: none">1. Not applicable2. Not applicable3. Not applicable4. Not applicable5. Not applicable6. No applicable
Award Number/Name: <ol style="list-style-type: none">1. 3WY3005092. 3WY3000143. 3WY3103794. 3WY3003125. 4227-DR-WY-P00000001; 4327-DR-WY-P00000001; EMD-2017-PC-00076. UI-23928-13-55-A-56; UI-26430-14-60-A-56; UI-28013-16-55-A-56; UI-29877-17-55-A-56; UI-30121-16-55-A-56; UI-31385-18-55-A-56; UI-31493-17-55-A-56; UI-32636-19-55-A-56
Award Year(s): <ol style="list-style-type: none">1. October 1, 2018 – September 30, 20192. October 1, 2018 – September 30, 20203. October 1, 2018 – September 30, 20194. October 1, 2018 – September 30, 20195. Various; various; March 15, 2016 – August 30, 20196. Various
Department: <ol style="list-style-type: none">1. Wyoming Department of Education2. Wyoming Department of Education3. Wyoming Department of Education4. Wyoming Department of Education5. Wyoming Department of Homeland Security6. Wyoming Department of Workforce Services

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Criteria: Per 2 CFR 200.510, the auditee must prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements, which must include toward Federal awards expended as determined in accordance with §200.502 basis for determining Federal awards expended.

Condition/Context: The Wyoming Department of Education did not provide a schedule of expenditures of Federal awards (SEFA) that properly identified all Federal funds expended. During the course of testing performed on the initial SEFA provided for audit, we noted the following:

1. During reconciliation of the Department's general ledger to the SEFA, it was determined that \$88,002 of expenditures were improperly reported under CFDA# 10.560, State Administrative Expenses for Child Nutrition, when those expenditures should have been reported as follows under CFDA# 10.558 Child & Adult Food Care program.
2. During reconciliation of the Department's general ledger to the SEFA, it was determined that \$13,661 of expenditures were improperly reported under the Child Nutrition Cluster, when those expenditures should have been reported under CFDA# 10.560, State Administrative Expenses for Child Nutrition.
3. During reconciliation of the Department's general ledger to the SEFA, it was determined that \$16,155 of expenditures were improperly reported under the CFDA #10.582, Fresh Fruit and Vegetable Program when those expenditures should have been reported under CFDA# 10.560, State Administrative Expenses for Child Nutrition.

The Wyoming Department of Homeland Security did not provide a Schedule of Expenditures of Federal Awards (SEFA) that properly identified all Federal funds expended. Specifically, we noted the following:

1. Expenditures for award 4227-DR-WY-P0000001 were overstated by \$1,045,375.
2. Expenditures for award 4327-DR-WY-P0000001 were understated by \$248.
3. Expenditures for award EMD-2017-PC-0007 were understated by \$60,677.

The Wyoming Department of Workforce Services did not provide a Schedule of Expenditures of Federal Awards (SEFA) that properly identified all Federal funds expended. Specifically the final SEFA provided for audit did not include any expenditures for CFDA #17.225.

Questioned Costs: \$0

Effect: An inaccurate or incomplete schedule of expenditures of Federal awards could result in the improper identification and/or exclusion of major programs and the related audit requirements. In the instances noted above, major program determination was not impacted.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Cause: Wyoming Department of Education – This SEFA issue is related to timing and coding only. Rather than showing the expenditures in the month in which the expenditures were incurred in WOLFs, the Department was showing the expenses on the SEFA in the period in which the expenditures were drawn down. As a result, a small portion of June expenditures were excluded from the SEFA. In a separate instance, the SEFA was not properly reflecting the expenditures under the correct CFDA number, as they were requested.

Wyoming Department of Homeland Security – The Department did not reconcile Federal expenditures to the general ledger properly and did not take into account the state match required for the award. This appears to be the result of human error when compiling the SEFA.

Wyoming Department of Workforce Services – There was significant turnover in the fiscal department of the Department, which resulted in a loss of institutional knowledge. The Department did not accurately complete the Schedule of Expenditures of Federal Awards (SEFA) as they inadvertently excluded the current year expenditures of the Unemployment Insurance program from their SEFA.

Identification as a Repeat Finding: No.

Recommendation: Wyoming Department of Education – We recommend the Department begin reporting expenditures on the SEFA in the month in which the underlying expenditure is incurred, not when the reimbursement is drawn down from the Federal awarding agency. We also recommend the Department strengthen their controls over the SEFA to ensure that expenditures are reported on the SEFA under the same CFDA number in which the funds were drawn.

Wyoming Department of Homeland Security – We recommend the Department implement an independent review process to ensure that the SEFA is accurate and complete.

Wyoming Department of Workforce Services – We recommend the Department revise its internal control processes over the preparation of its SEFA to ensure the accuracy and completeness of all Federal programs' activity.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

2019-018: Subrecipient Monitoring

Catalog of Federal Assistance (CFDA) Number and Title: <ol style="list-style-type: none">1. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters)2. CFDA #97.042 Emergency Management Performance Grant3. CFDA #97.047 Pre-Disaster Mitigation Grant4. CFDA #97.067 Homeland Security Grant Program
Federal Agency Name: <ol style="list-style-type: none">1. U.S. Department of Homeland Security2. U.S. Department of Homeland Security3. U.S. Department of Homeland Security4. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): <ol style="list-style-type: none">1. Not applicable2. Not applicable3. Not applicable4. Not applicable
Award Number: <ol style="list-style-type: none">1. 4227-DR-WY-P00000001, 4306DRWYP00000001, 4327DRWYP000000012. EMD-2017-EP-00004, EMD-2018-EP-000063. 14FEMA-CHE-PD-PDCH14, 16FEMA-BUF-PD-PDMB164. EMW-2015-SS-00037, EMW-2016-SS-00067, EMW-2017-SS-00056, EMW-2018-SS-00065
Award Year(s): <ol style="list-style-type: none">1. Various; various; various2. October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 20193. April 21, 2014 – March 30, 2019; March 15, 2016 – August 30, 20194. September 1, 2015 – August 31, 2018; September 1, 2016 – August 31, 2019; September 1, 2017 – August 31, 2020; September 1, 2018 – August 31, 2021
Department: <ol style="list-style-type: none">1. Wyoming Department of Homeland Security2. Wyoming Department of Homeland Security3. Wyoming Department of Homeland Security4. Wyoming Department of Homeland Security

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Criteria: Per 31 USC 7502(f)(2)(B) (Single Audit Act Amendments of 1996 (Pub. L. No. 104-156)); 2 CFR sections 200.505, 200.521, and 200.331; program legislation; and Federal awarding agency regulations and terms and conditions of the award, all pass-through entities must ensure that every sub-award is clearly identified to the subrecipient as a sub-award and includes the following information at the time of the sub-award and if any of these data elements change, include the changes in subsequent sub-award modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and sub-award. Required information per 2 CFR 200.331 includes:

- Federal Award Identification
- Subrecipient name
- Subrecipient's unique entity identifier
- Federal Award Identification Number
- Federal Award Date
- Sub-award Period of Performance Start and End Date
- Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient
- Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation
- Total Amount of the Federal Award committed to the subrecipient by the pass-through entity
- Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act,
- Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity
- CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement
- Identification of whether the award is R&D
- Indirect cost rate for the Federal award
- All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award
- Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports
- An approved Federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient;
- A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and
- Appropriate terms and conditions concerning closeout of the sub-award

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Per 2 CFR 200.331, all pass-through entities must evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the sub-award for purposes of determining the appropriate subrecipient monitoring. Depending upon the pass-through entity's assessment of risk posed by the subrecipient, the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- Providing subrecipients with training and technical assistance on program-related matters; and
- Performing on-site reviews of the subrecipient's program operations

Condition/Context: There are various components of subrecipient monitoring, which include Award Identification (providing complete and accurate information to the subrecipient), During-the-Award Monitoring (monitoring the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws regulations, and the provisions of contracts or grant agreements and that sub-award performance goals are achieved), and the Audit Requirement (verify that every subrecipient is audited as required).

1. CFDA #97.036 – The Program's sub-award agreements did not contain all of the required award identification information, as required by Uniform Grant Guidance. This affects all sub-awards made by the Program.
2. CFDA #97.042 – The Program's sub-award agreements did not contain all of the required award identification information, as required by Uniform Grant Guidance. This affects all sub-awards made by the Program.
3. CFDA #97.047 – The Program's sub-award agreements did not contain all of the required award identification information, as required by Uniform Grant Guidance. This affects all sub-awards made by the Program.
4. CFDA #97.067 – The Program's sub-award agreements did not contain all of the required award identification information, as required by Uniform Grant Guidance. This affects all sub-awards made by the Program.

In addition, Uniform Grant Guidance also requires that pass-through entities perform and document formal risk assessments of each subrecipient. Ultimately, these risk assessments should be used to drive how and to what extent the pass-through entity should monitor each subrecipient (desk reviews vs. on-site reviews, frequency of reviews, etc.).

1. CFDA #97.036 – The Program did not perform and document these assessments for the year under audit. This affects all sub-awards made by the Program.
2. CFDA #97.042 – The Program did not perform and document these assessments for the year under audit. This affects all sub-awards made by the Program.
3. CFDA #97.047 – The Program did not perform and document these assessments for the year under audit. This affects all sub-awards made by the Program.
4. CFDA #97.067 – The Program did not perform and document these assessments for the year under audit. This affects all sub-awards made by the Program.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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Finally, Uniform Grant Guidance also requires that pass-through entities determine if the subrecipient requires a single audit and, if so, inspect the audit report for findings and follow up on any findings in a timely manner.

1. CFDA #97.047 – Of the two subrecipients selected for testing, one subrecipient had findings in their audit report related to the Pre-Disaster Mitigation Grant; however, the Program did not follow up with the subrecipient on those findings.
2. CFDA #97.067 – Of the five subrecipients selected for testing, the Program did not receive the requested Single Audit verification from the subrecipient, nor did they follow up with the subrecipient on the lack of communication until the issue was brought to the Program's attention during the single audit.

Questioned Costs: \$0

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: The Department did not have a control process in place to identify and enforce the Federal requirements surrounding subrecipient monitoring. Regarding CFDA #97.047 and CFDA #97.067, the Programs did not have a sufficient process in place to review single audit reports and appropriately follow up on material findings (and issue management decisions).

Identification as a Repeat Finding: No.

Recommendation: We recommend the Department implement procedures to ensure all required information is provided to the subrecipients. In addition, we recommend the Department formally document risk assessment procedures utilized in determining the risk analysis of the individual subrecipients. Lastly, we recommend that the Department ensure that all audit reports received from subrecipients are fully reviewed and all findings are followed up on in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

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2019-019: Suspension and Debarment

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.042 Emergency Management Performance Grant
Federal Agency Name: 1. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 1. EMD-2018-EP-00006
Award Year(s): 1. October 1, 2017 – September 30, 2019
Department: 1. Wyoming Department of Homeland Security

Criteria: The Department must design internal controls to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Per review of 2CFR 200.213, non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include contracts for goods and services awarded under a non-procurement transaction that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., sub-awards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

Condition/Context: Excluding subrecipients, there were seven additional vendors with aggregate expenditures greater than \$25,000 during the year under audit. Of those seven vendors, two were selected for testing compliance with the suspension and debarment requirements. Of those two vendors, one vendor did not have a suspension and debarment clause in the contract (per Program policy) and Program staff did not perform other verification procedures to ensure the vendor was not suspended or debarred. This is not a compliance finding, as the vendor was not suspended or debarred.

Questioned Costs: \$0

Effect: If the Program is not verifying that vendors with which it contracts are neither suspended nor debarred, it is possible that the Program could contract with a vendor that is suspended or debarred, in which case the Program may be required to return the funds expended to that vendor to the Federal awarding agency.

Cause: The contract in question was initially executed by the Attorney General’s Office for the Division of Victim’s Services, which is not within the Wyoming Department of Homeland Security. At the date of execution, the contract was to be fully state funded. During the year under audit, the Program allocated some of their Federal resources to the contract under question. As the payment of this contract was outside of the Program’s standard operating procedures, there was not an internal control process in place to ensure that the vendor was not suspended or debarred.

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Identification as a Repeat Finding: No.

Recommendation: We recommend the Program implement internal control procedures to ensure suspension and debarment compliance for all contracts executed outside of the Program’s standard operation procedures.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-020: Reporting

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters) 2. CFDA #97.067 Homeland Security Grant Program
Federal Agency Name: 1. U.S. Department of Homeland Security 2. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not applicable 2. Not applicable
Award Number/Name: 1. 4227-DR-WY-P00000001, 4306DRWYP00000001 2. EMW-2017-SS-00056
Award Year(s): 1. Various; various 2. September 1, 2017 – August 31, 2020
Department: 1. Wyoming Department of Homeland Security 2. Wyoming Department of Homeland Security

Criteria: CFDA #97.036 – As allowed for under 2 CFR 200.327, *financial reporting*, as well as identified in FEMA agency regulations and the terms and conditions of the awards, FEMA requires quarterly reporting of financial information on the SF-425, Federal Financial Report. FEMA also provides instructions to recipients of Federal funds, which details how each line item should be reported.

CFDA #97.067 – The Homeland Security Grant Program Notice of Funding Opportunity outlines the terms and conditions of the Federal Awards, including Federal Financial Reporting (SF-425). The Notice of Finding Opportunity provides a web link to the SF-425 Form and related Instructions, which defines how each field should be calculated.

Condition/Context: CFDA #97.036 – Twelve SF-425 reports were filed during the year under audit by the Program. Of those twelve, three were selected for testing. In two of the three reports testing, Line 10J, Recipient Share of Expenditures was reported incorrectly. In one report, the Program did not retain support for Line 10E, Federal Share of Expenditures.

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CFDA #97.067 – Thirteen SF-425 reports were filed during the year under audit. Of these thirteen reports, three were selected for testing. Of those three reports, one report, the Quarter ending March 31, 2019, had amounts reported incorrectly. Specifically, the Cash Receipts line and the Federal share of expenditures line were flipped, leaving a positive cash on hand balance.

Questioned Costs: \$0

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: Although the Department has a process in place to review the information input into the report prior to submittal, this process did not catch the errors. The Department does not have a process in place to ensure that all support and records utilized to prepare the reports are documented effectively and maintained.

Identification as a Repeat Finding: No.

Recommendation: We recommend that the Wyoming Department of Homeland Security strengthen controls surrounding the preparation and review process of the financial reports to ensure that accurate information is being submitted as well as surrounding the maintenance of proper support for amounts reported. We also recommend the Program contact their Federal Awarding Agency to see if corrected SF-425 reports should be filed for the quarters in which the errors occurred.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

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2019-021: Period of Performance

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.067 Homeland Security Grant Program
Federal Agency Name: 1. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 2. EMW-2015-SS-00037
Award Year(s): 1. September 1, 2015 – August 31, 2018
Department: 1. Wyoming Department of Homeland Security

Criteria: Per §200.343 and the 2015 Homeland Security Grant Program (HSGP) Notice of Funding Opportunity from the US Department of Homeland Security, the recipient must liquidate all obligations incurred under the HSGP award no later than 90 calendar days after the end date of the period of performance or issuance of a Grant Amendment Notice that closes out the award, whichever comes first.

Condition/Context: The 2015 award closed August 31, 2018 with a final liquidation date of November 29, 2018. Subsequent to the final liquidation date, the Program incurred expenditures of \$47,070.

Questioned Costs: \$47,070

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: The Department did not have adequate controls in place in order to effectively monitor the closeout of grant awards.

Identification as a Repeat Finding: No.

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Recommendation: We recommend that the Department strengthen controls surrounding the period of performance, and specifically the closeout, of grant awards.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-022: Earmarking

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A170075
Award Year(s): 1. October 1, 2016 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

Criteria: Per 29 U.S.C. 16 Part B, Section 730(d)(1), a State shall not reserve less than 15 percent of the allotted Federal funds for the provision of pre-employment transition services.

Condition/Context: Program guidelines require that 15 percent of each grant award should be earmarked for pre-employment transition services to student with disabilities. For the 2017 grant award, the program only earmarked \$1,091,514 for pre-employment transition services, which is 12.5 percent of the 2017 award amount (\$8,705,236).

Questioned Costs: \$214,272

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.

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- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: The earmarking requirement was a new aspect of the compliance supplement for the 2015 award, as such there was not an established method to track and monitor the spending of pre-employment transition services expenditures. The Program is in the process of adjusting the State Plan and budget to address this earmark. This is an ongoing process and the Program has shown progress in improving this earmark each fiscal year.

Identification as a Repeat Finding: Yes – see prior year finding 2018-014.

Recommendation: We recommend the Program implement a tracking system which will allow personnel to monitor the earmarking requirement to ensure that this requirement will be met when the grant is closed.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-023: Level of Effort

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A180075
Award Year(s): 1. October 1, 2017 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

Criteria: Per 29 U.S.C. 731(a)(2)(B)), the amount otherwise payable to a State for a fiscal year under this section shall be reduced by the amount by which expenditures from non-Federal sources under the State plan under this subchapter for any previous fiscal year are less than the total of such expenditures for the second fiscal year preceding that previous fiscal year.

Condition/Context: Program guidelines require that State funded expenditures in the most recent fiscal year should be equal to or exceed the total State funded program expenditures from the fiscal years 2 years prior to the previous fiscal year. As such, the total state funded expenditures in fiscal year 2018 should be equal to or greater than the total state funded expenditures in fiscal year 2016. For the 2018 fiscal year, the program spending was \$2,449,410 compared to the 2016 fiscal year state spending of \$2,512,314. The level of effort requirement was not met by \$62,904.

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Questioned Costs: \$62,904

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: There was significant turnover in the fiscal department of the Department of Workforce Services, which resulted in a loss of institutional knowledge and human error in monitoring spending policies of Program.

Identification as a Repeat Finding: No.

Recommendation: We recommend the Program implement a tracking system which will allow personnel to monitor the level of effort requirement to ensure that this requirement is met.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

2019-024: Matching

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A180075
Award Year(s): 1. October 1, 2017 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

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Criteria: Per 29 U.S.C. 705(14), the Federal share of expenditures means 78.7 percent, therefore making the required state share of expenditures made by a State Vocational Rehabilitation agency 21.3 percent. In addition, section 19(b) of the Rehabilitation Act requires grantees to satisfy the applicable non-Federal share requirement for the year in which the Federal funds were appropriated.

Condition/Context: Under Program guidelines, the Program is required to match each Federal Award 21.3 percent with State funds. This match must be met as of the last day of the initial funding period. The funding period for the 2018 award ending September 30, 2018. The cumulative award amount was \$10,616,162, which required a minimum match of \$2,261,243. The State only matched \$2,064,850, under matching by \$196,393.

Questioned Costs: \$196,393

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: There was significant turnover in the fiscal department of the Department of Workforce Services, which resulted in a loss of institutional knowledge and human error in monitoring matching policies of Program.

Identification as a Repeat Finding: No.

Recommendation: We recommend the Program implement a process which will allow personnel to monitor the matching requirement to ensure that this requirement will be met during the grant's initial funding period.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

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2019-025: Eligibility

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #93.767 Children’s Health Insurance Program (CHIP)
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 1. 1705WY0301; 1805WY5021; 1905WY5021
Award Year(s): 1. October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 2019; October 1, 2018 – September 30, 2020
Department: 1. State of Wyoming Department of Health

Criteria: 42 USC 1397 bb (b) establishes the basic criteria for the State of Wyoming’s Child Health Plan. Wyoming’s CHIP eligibility requirements include those that are U.S. citizens, a lawful qualified non-citizen or a lawful, permanent alien who has lived in the U.S. for at least 5 consecutive years; a Wyoming resident; less than 19 years of age; not eligible or already enrolled in Medicaid; not currently covered by health insurance nor has had health insurance during the last 30 days except as provided for under section 4.6; not eligible to receive health insurance benefits under Wyoming’s state employee benefit plan as a state employee or the dependent of a state employee; not residing in a public institution for mental disease; not residing in a public correctional institution; financially eligible based on modified adjusted gross income eligibility determination.

Condition/Context: Of the 40 participants selected for testing compliance with the eligibility requirements of the CHIP program (the “Program”) we noted three instances in which the Department of Health (the “Department”) allowed ineligible participants to participant in the Program. The following instances were noted:

1. In instance one, the participant turned 19 in February 2019, at which time the participant became ineligible. However, the Program continued to provide benefits to this ineligible participant until August 2019. As a result, there was an overpayment of benefits of \$1,022.
2. In instance two, the participant was eligible for Medicaid, but instead was improperly enrolled in the Program. As a result, there was an overpayment of benefits of \$1,613.
3. In instance three, during the reapplication process, the Program improperly approved the participant’s eligibility, when the participant was actually ineligible due to income restrictions. Program controls eventually identified the ineligible participant and benefits were stopped in August of 2019. As a result, there was an overpayment of benefits of \$1,613.

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Within the sample of 40 participants, there were also several control deficiencies identified. In these instances, the participants were eligible, however, there were deviations from the Program's standard operating controls:

1. The CHIPs State Plan requires that all applications, original and renewals, be processed within 45 days. There were two instances identified where the application was not approved/denied in timely manner. There was also no indication within the eligibility files that supported why the processing time frame was delayed.
2. There was one instance where there was no income information entered into the Wyoming Eligibility System. The participant was ultimately found to be eligible.

There was one instance where the approval letter indicated an original application, when it should have been a reapplication. There was a gap in participation between April of 2018 and July of 2018, but the Program lacked documentation of the situation.

Questioned Costs: \$4,248 (Known); \$486,353 (Projected)

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: There are both manual and system controls within the Wyoming Eligibility System, however not all controls appear to be working as designed. The instances identified above were caused by human error.

Identification as a Repeat Finding: No.

Recommendation: We recommend the Department continue to identify areas subject to error and implement employee trainings and quality control procedures to address those areas more susceptible to human error.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

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2019-026: Eligibility

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 93.778 Medicaid Assistance Program
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. Various
Award Year(s): 1. Various
Department: 1. Wyoming Department of Health

Criteria: Per 42 USC 1320b-7(a), a State must have in effect an income and eligibility verification system which meets the requirements of subsection (d) and under which—...(2) wage information...shall be requested and utilized to the extent that such information may be useful in verifying eligibility for, and the amount of, benefits available under any program. In addition, 42 CFR Section 435.916, states that the agency must re-determine the eligibility of Medicaid beneficiaries, with respect to circumstances that may change, at least every 12 months and the agency must have procedures designed to ensure that beneficiaries make timely and accurate reports of any change in circumstances that may affect their eligibility.

Condition/Context: Of the 60 recipients selected for testing compliance with the eligibility requirements within the Medicaid Cluster, we noted two instances in which the recipient was not timely removed from the system at the time the recipient became ineligible to receive benefits.

In the first instance, the individual was properly marked as ineligible within the Eligibility system but that information was not transmitted properly to or received properly by the pharmacy claims system. There are known questioned costs of \$7, which constitutes the amount of claims paid by the Program on behalf of the recipient for which the recipient was not eligible to receive.

In the second instance, the individual did not submit the required income information in order to renew eligibility. The Program failed to mark the individual as ineligible within the Eligibility system. As a result, the individual improperly continued their eligibility until the income information was received. Under Program rules, eligibility should have ended when the income information was not received. The individual should have remained ineligible until income verification occurred. At that point in time, eligibility would have started again. During timeframe where the individual was ineligible, claims were submitted and paid for on behalf of this individual. Known questioned costs are \$283, which constitutes the amount of claims paid on behalf of the recipients for which the recipient was not eligible to receive.

Questioned Costs: \$290 (Known) / \$1,080,387 (Projected)

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2019

Effect: Per 2 CFR 200.338, if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Cause: In regards to the first instance, there is a control system in place to ensure that eligible persons are periodically reviewed to ensure he or she meets the eligibility requirements on an on-going basis, and those controls worked effectively on the Eligibility side of the process. However, the Pharmacy claims processing software did not have controls in place to remove an individual's pharmacy eligibility once that person was no longer on the daily eligibility feed/file which is transmitted from the Wyoming Eligibility System (WES) to the Medicaid Management Information System (MMIS) and then to Change Healthcare. This specific issue is isolated to pharmacy claims.

In regards to the second instance, that there is a control system in place to ensure that eligible persons are periodically reviewed to ensure he or she meets the eligibility requirements on an on-going basis and there is a report which is generated by the WES system in order to determine which cases were "potentially eligible" in a given month. However, it did not appear that the controls surrounding the renewal process were effective in their use. Although the report can be generated from the system, the report was not used effectively by Eligibility caseworkers (human error). Lastly, there appeared to be no controls implemented in the System which could effectively remove an individual's eligibility when he/she did not provide the proper documentation necessary for a determination. Due to the volume of recipients participating in the Medicaid Program, occasionally ineligible recipients are not timely removed from the system (manually by case workers).

Identification as a Repeat Finding: No.

STATE OF WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Recommendation: We recommend that the Program continue to work with the Pharmacy claim system provider to determine the full impact of the issue at hand and ensure that all applicable claims are paid back to the Medicaid program with State funds.

We also recommend that the State increase training efforts surrounding annual reviews and eligibility determinations to ensure ineligible participants are removed timely.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. See Exhibit I.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

FINANCIAL STATEMENT PRIOR AUDIT FINDINGS:

2018-001: State Treasurer's Office (STO) – Internal Controls and Audit Adjustments Related to Pooled Cash and Investments

Condition/Context: Adjusting journal entries were proposed and recorded as follows:

- Within all funds participating in the Permanent Mineral Trust Fund and the State Agency Pool to correct an improper allocation of unrealized gains and losses in the amount of approximately \$141 million.
- Within certain funds participating in the Permanent Mineral Trust Fund and the State Agency Pool to correct an improper allocation of accrued interest attributable to public purpose investments in the amount of approximately \$4 million.

In addition to the adjusting journal entries proposed, it was identified that certain spreadsheets prepared by the STO and used to allocate pooled cash and investment balances contained formula errors, as well as unsupported activity.

Status: The STO has hit hurdle after hurdle with implementation of the plan sub accounting (PSA) process. We have encountered improper percentage usage in the PSA report, inadequate reconciliations between the PSA reports and STO investment accounting balancing, missed allocations in pools by JP Morgan, inaccurate information being provided to JP Morgan from the STO for allocations needed, and improper starting balances for PSA. As a result, it was in the best interest of the State of Wyoming for STO not to rely on PSA for fiscal year end numbers.

On a positive note, all of these setbacks have provided opportunities for exponential improvement to the PSA process. Since the end of fiscal year 2019, a complete re-balance of the PSA has been finalized, proper reconciliations have been developed and tested, information provided to JP Morgan by the STO has been polished, and – most importantly – the needs and uses of PSA have been mutually understood by the STO and JP Morgan. All of these improvements have not been without sacrifice, however, which is evidenced by our delayed income distributions for fiscal year 2020.

The STO continues to work with JP Morgan to ensure the most accurate investment allocations are made as we rapidly make up ground for income distributions. PSA is running smoothly for fiscal year 2020.

Auditor's Comments: Based on the above, the STO was still in the process of implementing their corrective action plan at June 30, 2019. This finding remains open – see current year finding 2019-006.

2018-002: State Auditor's Office (SAO) – Internal Controls and Audit Adjustment to Claims and Benefits Payable

Condition/Context: An adjusting journal entry was proposed and recorded within the Workers' Compensation Insurance Fund to increase the claims and benefits payable and the corresponding expense by approximately \$285 million. The error within the spreadsheet provided by the SAO was not identified during their review and compilation of the information for posting to the State's financial statements.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

Status: The SAO has added additional procedures to the project for the calculation of the accrual, as well as included additional items on the review checklist when the project is reviewed. The SAO will implement a reasonableness or analytical review for the adjusted account balances.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-003: State Auditor's Office (SAO) – Internal Controls and Audit Adjustment to Compensated Absences Payable

Condition/Context: An adjusting journal entry was proposed and recorded in the government-wide financial statements to increase the compensated absences liability and the corresponding expense by approximately \$9 million.

The error within the spreadsheet provided by the SAO was not identified during their review and compilation of the information for posting to the State's financial statements.

Status: The SAO has added additional procedures to the project for the calculation of the accrual, as well as included additional items on the review checklist when the project is reviewed. The SAO will implement a reasonableness or analytical review for the adjusted account balances.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-004: State Auditor's Office (SAO) – Internal Controls and Audit Adjustment to Government-Wide Eliminations

Condition/Context: An adjusting journal entry was proposed and recorded in the government-wide Statement of Activities to reverse the elimination of approximately \$55 million in revenues and expenses related to operating transfers.

The error within the spreadsheet provided by the SAO was not identified during their review and compilation of the information for posting to the State's financial statements.

Status: The SAO has added additional procedures and clarification to the project for the entity-wide eliminations to include this elimination requirement.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-005: State Auditor's Office (SAO) – Internal Controls and Audit Reclassifications Related to Fund Balance Restatements

Condition/Context: Reclassifying journal entries were proposed and recorded as follows:

- Within the Environmental Quality Fund – Committed, approximately \$21 million was reclassified to Federal aid and grants revenue from recreation and resource development expense.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

- Within the Special Projects Fund – Committed, approximately \$500,000 was reclassified to deferred revenue from accounts payable.

The errors within the spreadsheet provided by the SAO were not identified during their review and compilation of the information for posting to the State's financial statements.

Status: The SAO has added additional procedures and altered the timeline on the fund balance restatement project. The SAO has improved the review process on the Fund Balance Restatement Project to allow for adequate review time.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-006: Department of Workforce Services (DWS) – Internal Controls and Audit Adjustment to Federal Revenue

Condition/Context: An adjusting journal entry was proposed within the General Fund to increase Federal revenue and reduce related assets, liability, and the beginning fund balances by approximately \$10 million.

The prior period corrections and errors within the Schedule of Expenditures of Federal Awards (SEFA) submitted by the DWS were not communicated to the SAO and/or identified by the DWS during DWS's review and compilation of the SEFA.

Status: DWS will continue to review its SEFA quarterly to ensure the accuracy and completeness of all Federal programs' activities. When differences are noted, DWS will evaluate to determine the impact to the financial statements and communicate with SAO to ensure all activities are properly reflected. DWS feels confident with the addition of a Deputy CFO and with filling several Accounting Manager positions that we will have the expertise to review the SEFA and ensure its accuracy. DWS takes this finding seriously and we understand the importance of ensuring the SEFA's accuracy.

Auditor's Comments: Based on the above, DWS was still in the process of implementing their corrective action plan at June 30, 2019. This finding remains open – see current year finding 2019-007.

2018-007: Enterprise Technology Services (ETS) – Information Technology Risk Assessment

Condition/Context: During the Information Systems General Controls Review, we noted no new observations with respect to ETS. Of the two observations noted in the prior year, ETS implemented procedures to remedy one of the observations; however, the following observation remains open: A risk assessment for ETS has not been performed since August of 2010.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

Status: The FAIR risk model was never implemented across ETS or any state agency as ETS does not have the resources or funding to implement the FAIR model.

ETS currently identifies and mitigates information security risks with tools and controls that manage cybersecurity risk to systems, people, assets, data, and capabilities. ETS implements appropriate safeguards to ensure the delivery of critical services. ETS actively identifies the occurrence of a cybersecurity incident with our endpoint protection, firewall logs, and ISAC (Information Sharing and Analysis Centers) partners. These activities enable ETS to take action regarding detected cybersecurity incidents. ETS currently references the CIS basic controls to assess and mitigate risk.

Auditor's Comments: Based on the above, ETS was still in the process of implementing their corrective action plan at June 30, 2019. This finding remains open – see current year finding 2019-014.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019

FEDERAL AWARD PRIOR AUDIT FINDINGS:

2016-010: Subrecipient Monitoring

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #93.558 Temporary Assistance for Needy Families (TANF Cluster)
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. N/A
Award Numbers: 1. 2016G996115; 2015G996115
Award Years: 1. October 1, 1999 – September 30, 2016
Department: 1. Wyoming Department of Family Services

Condition/Context: There are various components of subrecipient monitoring, which include *Award Identification* (providing complete and accurate information to the subrecipient), *During-the-Award Monitoring* (monitoring the subrecipient’s use of Federal awards through reporting, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws regulations, and the provisions of contracts or grant agreements and that sub-award performance goals are achieved), and the *Audit Requirement* (verifying that every subrecipient is audited as required).

In addition, the Uniform Grant Guidance (UGG) went into effect for all awards made on or after December 26, 2014. This significantly expanded the *Award Identification* elements that need to be included with each sub-award. As a part of *During-the-Award Monitoring*, the UGG also established a requirement that pass-through entities must perform formal risk assessments of each subrecipient. These risk assessments are then used to drive *how* and to *what extent* the pass-through entity monitor each subrecipient.

One Department of Family Services program failed to perform or provide documentation for one or more of the components of subrecipient monitoring, including the new UGG requirements. During the course of testing performed, the following item was noted:

1. Due to the award periods, this finding is evaluated under both Circular A-133 and the UGG. Of the five subrecipients subjected to testing for the TANF Cluster, there were five instances in which the sub-awards failed to contain all required award information. In addition, of the five subrecipients selected for testing, the Program was required to perform risk assessment procedures on four of those subrecipients in conjunction with the UGG. In all four instances tested, the Program failed to perform and document the required risk assessment procedures.

Status: The Department implemented an updated Grants Management Policy and Procedures Manual during state fiscal year 2019 which addresses the Department of Family Services; processes and controls to ensure subrecipient monitoring and effective grants management. This includes providing subrecipient monitoring tools including a subrecipient risk-based assessment and standard gran award templates.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019

Auditor’s Comments: The corrective action plan was implemented. This finding is considered resolved.

2017-009: Subrecipient Monitoring

Catalog of Federal Assistance (CFDA) Numbers and Titles: 1. CFDA #66.460 Non-point Source Implementation Grants
Federal Agency Names: 1. U.S. Environmental Protection Agency
Pass-Through Entity Name (if applicable): 1. Not Applicable
Award Numbers: 1. C9-000863015-0; C9-00863016-0
Award Years: 1. April 15, 2015 – April 14, 2020; May 15, 2016 – May 14, 2021
Departments: 1. Wyoming Department of Environmental Quality

Condition/Context: There are various components of subrecipient monitoring, which include *Award Identification* (providing complete and accurate information to the subrecipient), *During-the-award Monitoring* (monitoring the subrecipient’s use of Federal awards through reporting, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws regulations, and the provisions of contracts or grant agreements and that sub-award performance goals are achieved), and the *Audit Requirement* (verifying that every subrecipient is audited as required).

In addition, the Uniform Grant Guidance (UGG) went into effect for all awards made on or after December 26, 2014. This significantly expanded the *Award Identification* elements that need to be included with each sub-award. As a part of *During-the-award Monitoring*, the UGG also established a requirement that pass-through entities must perform formal risk assessments of each subrecipient. These risk assessments are then used to drive *how* and to *what extent* the pass-through entity monitors each subrecipient.

One Wyoming Department of Environmental Quality program failed to perform or provide documentation for one or more of the components of subrecipient monitoring, including the new UGG requirements. During the course of testing performed, the following items were noted:

Of the four subrecipients subjected to testing for the Non-point Source Program (item 6 above), two subrecipients were tested against the UGG requirements. For both subrecipients tested, the sub-awards failed to contain all required award information. In addition, the Program was required to perform risk assessment procedures on both subrecipients in conjunction with the UGG and in both instances tested, the Program failed to perform and document the required risk assessment procedures. Of the six awards tested against the Audit Requirement, there was one instance where the Program failed to obtain the audit report.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

Status: The Wyoming Department of Environmental Quality (DEQ) notified each subrecipient of the required information via letter. Similar letters accompany any new agreements and we have added this letter as a required item on DEQ's internal contract route slip. The corrective action plan to ensure subrecipients to certify and provide a copy of their audit has not been implemented.

Auditor's Comments: This corrective action plan has been partially implemented. The portion regarding the Program's internal control process to oversee obtaining subrecipient audit reports remains open.

2018-008: Subrecipient Monitoring

Catalog of Federal Assistance (CFDA) Numbers and Titles: <ol style="list-style-type: none">1. CFDA #84.010 Title I Grants to Local Educational Agencies2. CFDA #84.048 Career and Technical Education – Basic Grants to States3. CFDA #84.287 Twenty-first Century Community Learning Centers4. CFDA #84.367 Supporting Effective Instruction State Grant5. Special Education Cluster
Federal Agency Name: U.S. Department of Education
Pass-Through Entity Name (if applicable): Not applicable
Award Numbers: <ol style="list-style-type: none">1. S010A140050; S010A150050; S010A160050; S010A1700502. V048A150050; V048A160050; V048A1700503. S287C150051; S287C1600514. S367A140048; S367A150048; S367B1500435. H027A150014; H027A160014; H173A130076; H173A150076; H173A160076
Award Years: Miscellaneous
Department: Wyoming Department of Education

Condition/Context: There are various components of subrecipient monitoring, which include Award Identification (providing complete and accurate information to the subrecipient), During-the-Award Monitoring (risk assessment and monitoring the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that sub-award performance goals are achieved), and the Audit Requirement (verify that every subrecipient is audited as required).

Uniform Grant Guidance, which went into effect for all awards made on or after December 26, 2014, requires that pass-through entities perform formal risk assessments of each subrecipient in conjunction with others during the award monitoring (desk audits/on-site reviews). These risk assessments are then used to drive how and to what extent the pass-through entity monitors each subrecipient. The Special Education cluster programs (CFDA #84.027 and CFDA #84.173) did not perform and document these assessments for the year under audit.

The requirements for Award Identification were not fully met. The Department of Education did not modify their sub-award agreements for *any* of the programs tested in the current year. (See full listing of CFDA numbers listed above.) As a result, some of the required award identification under Uniform Grant Guidance was not properly provided to the Department's subrecipients.

STATE OF WYOMING

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019**

Status: The GAN template was modified by the Department. These updates were made in late May and early June of 2019. GANS are named by both CFDA number and Award number, and all reflect the current open grant information for the 2019-2020 grant year. The IDEA elements were incorporated into our agency’s Federal grants monitoring process. Sixteen districts were identified for monitoring. Twelve, based on needing to be monitored once every four years, and four based on risk components. All have gone through the monitoring process and are currently working on corrective action plans or required technical assistance and training.

Auditor’s Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-009: Suspension and Debarment

Catalog of Federal Assistance (CFDA) Numbers and Titles: 1. CFDA #84.010 Title I Grants to Local Educational Agencies 2. CFDA #84.369 Grants for State Assessments and Related Activities
Federal Agency Names: 1. U.S. Department of Education 2. U.S. Department of Education
Pass-Through Entity Names (if applicable): 1. Not applicable 2. Not applicable
Award Numbers: 1. S010A140050; S010A150050; S010A160050; S010A170050 2. S369A160052; S369A150052
Award Years: 1. July 1, 2016 – September 30, 2017; July 1, 2016 – September 30, 2018; July 1, 2017 – September 30, 2019 2. July 1, 2016 – September 30, 2017; July 1, 2016 – September 30, 2018
Departments: 1. Wyoming Department of Education 2. Wyoming Department of Education

Condition/Context: We noted the following:

1. During our review of three vendors selected for testing compliance with the suspension and debarment requirements for the Title I Grants to Local Educational Agencies program (CFDA #84.010), we were not able to verify that the Department ensured one vendor was not suspended or debarred prior to entering into the contract with the vendor. It is the Department’s practice to include a suspension and debarment clause within the contract with the vendor, which was absent. In addition, the Program did not have evidence that suspension and debarment was checked per review of www.sam.gov.

STATE OF WYOMING

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019**

2. During our review of the ten vendors selected for testing compliance with the suspension and debarment requirements for the Grants for State Assessments and Related Activities (CFDA #84.369), we were not able to verify that the Department ensured two vendors were not suspended or debarred prior to entering into the contract with the vendor. It is the Department’s practice to include a suspension and debarment clause within the contract with the vendor, which was absent. In addition, the Program did not have evidence that suspension and debarment was checked, per review of www.sam.gov.

The above did not result in a compliance finding or questioned costs as the vendors with whom the Department contracted were not suspended or debarred.

Status: The WDE has followed the corrective action plan to ensure suspension and debarment clauses are included in all grant award agreements. In addition to Federal grants, the WDE has added the clause to all state grant awards as well as for consistency. The Department checked and retained the support from SAM.gov showing the vendors were not suspended nor debarred.

Auditor’s Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-010: Eligibility

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Numbers/Names: 1. H126A160075; H126A170075; H126A180075
Award Years: 1. October 1, 2015 – September 30, 2017; October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 2019
Department: 1. Wyoming Department of Workforce Services

Condition/Context: Out of 60 participants selected for testing for compliance with the eligibility requirements, we noted five instances where the participant did not have an eligibility determination within 60 days of application or the approved extension date (generally, 120 days).

Status: DWS has taken steps to ensure that we become compliant with this requirement. The Division of Vocational Rehabilitation continues to utilize a tool build in our case management system referred to as the “alert list” to closely monitor clients in each status.

STATE OF WYOMING

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019**

Each Regional Manager and Administrative Assistant prints the Alert List on a weekly basis and works with staff to ensure that we do not have any audit exceptions. In the event that additional documentation is required for eligibility purposes, this information is communicated with the client and steps are taken to gather additional information. Additionally, with permission for eligibility extension are obtained and documented in the case management system.

The Division has also moved towards utilizing an expedited eligibility system where a qualified rehabilitation counselor is able to determine eligibility on clients presenting information and observable impairment.

In addition to having the Regional Managers and Administrative staff monitor the status of eligibility, the VR Administrator, as well as the CR Special Programs Coordinator monitor the reports on a weekly basis to ensure that clients are being determined eligible within the given timeframes and plans are being developed in a timely manner.

Auditor’s Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-011: Special Test N – Completion of Individualized Plans for Employment (IPEs)

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Numbers/Names: 1. H126A160075; H126A170075; H126A180075
Award Years: 1. October 1, 2015 – September 30, 2017; October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 2019
Department: 1. Wyoming Department of Workforce Services

Condition/Context: Out of 50 participants selected for testing, we noted seven instances where participants did not have an individualized employment plan drafted within 90 days of the eligibility determination.

Status: DWS has steps to ensure that we become compliant with this requirement. The Division on Vocational Rehabilitation continues to utilize a tool build in our case management system referred to as the “alert list” to closely monitor clients in each status.

Vocational Rehabilitation counselors are being trained to work in collaboration with their clients to draft and approve IPE’s following the eligibility determination process, in the shortest amount of time.

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

Vocational Rehabilitation Counselors are also being trained to develop exploratory guidance and counseling plans to move the clients through the rehabilitation process in the most beneficial manner to address the unique rehabilitation needs of each individual client.

In addition to having the Regional Managers and Administrative staff monitor the status of eligibility, the VR Administrator, as well as the VR Special Programs Coordinator monitor the reports on a weekly basis to ensure that clients are being determined eligible within the given timeframes and plans are being developed in a timely manner.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-012: Allowable Cost/Cost Principles

Catalog of Federal Assistance (CFDA) Numbers and Titles: 2. CFDA #17.225 Unemployment Insurance 3. WIOA Cluster
Federal Agency Names: 1. U.S. Department of Labor 2. U.S. Department of Labor
Pass-Through Entity Names (if applicable): 1. Not applicable 2. Not applicable
Award Numbers/Names: 1. UI-31385-18-55-A-56 2. AA-26816-15-55-A-56; AA-28353-16-55-A-56; AA-30844-17-55-A-56
Award Years: 1. October 1, 2017 – December 31, 2020 2. April 1, 2015 – June 30, 2018; April 1, 2016 – June 30, 2019; April 1, 2017 – June 30, 2020
Departments: 1. Wyoming Department of Workforce Services 2. Wyoming Department of Workforce Services

Condition/Context:

Instance One: Of the 40 items selected for allowable costs/cost principles for the Unemployment Insurance Program, the Program improperly allocated one expenditure. Specifically, the expenditure benefited the Unemployment Insurance Program as well as the Workers' Compensation Program. This expenditure was not allocated based on proportional benefit to each program. Instead, personnel used a 2/3rd and 1/3rd allocation methodology for all invoices benefitting both programs.

Instance Two: Of the 40 items selected for allowable costs/cost principles for the WIOA Cluster Program, the Program could not provide support for the rationale behind the allocation of the expenditures charged to the Program. Three of the expenditures were for travel reimbursement, one was for conference space rental, and one was for catering services.

STATE OF WYOMING

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019**

Status: This finding has been resolved. DWS has implemented a policy specifically for allocating to different grants including UI, Workers' Compensation, and WIOA. Information is gathered quarterly as to proportional benefit to each program and input into WOLFS and every charge is automatically allocated based on the percentages of benefit.

Auditor's Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-013: Subrecipient Monitoring

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #93.959 Block Grants for Prevention and Treatment of Substance Abuse
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Numbers/Names: 1. TI010059-16; TI010059-17
Award Years: 1. October 1, 2015 – September 30, 2017; October 1, 2016 – September 30, 2018
Department: 1. Wyoming Department of Health

Condition/Context: There are various components of subrecipient monitoring, which include Award Identification (providing complete and accurate information to the subrecipient), During-the-Award Monitoring (risk assessment and monitoring the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws regulations, and the provisions of contracts or grant agreements and that sub-award performance goals are achieved), and the Audit Requirement (verify that every subrecipient is audited as required).

Uniform Grant Guidance, which went into effect for all awards made on or after December 26, 2014, requires that pass-through entities perform formal risk assessments of each subrecipient in conjunction with other during the award monitoring (desk audits/on-site reviews) were put into place. These risk assessments are then used to drive how and to what extent the pass-through entity monitor each subrecipient. The Program did not perform and document these assessments for the year under audit.

In addition, of the five subrecipients selected for testing, two of the subrecipients were required to receive a single audit for their fiscal year 2017. While these audits were completed and communicated to the Program, the findings and deficiencies noted from these single audits were not followed up on by Program or fiscal personnel. In addition, management decisions were not issued to the subrecipients for findings identified in the single audit report. As a result, the Program did not fully/effectively monitor the award during the award year.

STATE OF WYOMING

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2019**

Status: The Department’s Grant Management team worked with the Program to utilize the Risk Assessment and Grant Monitoring forms. The Risk Assessment form was changed to make it more user friendly and to incorporate different questions. All assessments are sent to the Grants Sections, where the score is entered into a Google Sheet. This sheet is available on the department’s intranet for all program personnel to view. The implementation was delayed due to staffing issues within the Program but has been implemented and is being utilized by the Program. The Program has been working directly with the Department’s Grants Management team to understand the information requested in the forms so the subrecipients can ask questions directly of the Program staff as needed.

The Wyoming Department of Health has a subrecipient monitoring guideline/policy in place on Risk Assessments which can be found on the department’s intranet for staff.

The Program also conducted a reorganization of staff and responsibilities to better align with priorities and requirements. A Grants and Programs unit was created which allows the Program to have a dedicated team to ensure the grant requirements are being met as well as working in coordination with the Department’s Grants Management team. The Grants and Programs unit is working with the other units within the Program to ensure that the correct information is being included in contracts that include Federal funds to meet grant award requirements.

Auditor’s Comments: The corrective action plan was implemented. This finding is considered resolved.

2018-014: Earmarking

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A160075
Award Years: 1. October 1, 2015 – September 30, 2017
Department: 1. Wyoming Department of Workforce Services

Condition/Context: Program guidelines require that 15% of each grant award should be earmarked for pre-employment transition services to student with disabilities. For the 2016 grant award, the program only earmarked \$740,002 for pre-employment transition services, which is 8% of the 2016 award amount (\$8,881,107).

STATE OF WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2019

Status: This is a continued finding for 2019. However, DWS is taking steps to ensure better tracking and we are monitoring it monthly to ensure proper spending for pre-employment transition services for this current grant year. We have created better tracking procedures and documents to assist with the spending of this grant. We are holding regular meetings to review and monitor the spending of these funds. We are being more proactive with pre-employment transition services that we are offering our clients.

Auditor's Comments: This finding remains open. See current year finding 2019-022.

EXHIBIT I

CORRECTIVE ACTION PLANS



State of Wyoming

Mark Gordon
Governor

State Capitol
200 West 24th Street
Cheyenne, WY 82002

CORRECTIVE ACTION PLANS JUNE 30, 2019

The following are the corrective action plans for the *Schedule of Findings and Questioned Costs* reported in the June 30, 2019 Compliance Report for the State of Wyoming.

FINANCIAL STATEMENT FINDINGS

2019-001: State Auditor's Office (SAO), State Treasurer's Office (STO), and Department of Revenue (DOR) – Internal Controls and Audit Adjustments to Due to Other Governments and Cash and Pooled Investments

Corrective Action Plans: The SAO began scheduling and will continue to schedule and attend regular meetings with the STO to discuss the information needed for appropriate financial reporting and to request status updates on known items. The CAFR Division manager (Barb Wallace) and the STO Administrator of Financial Accounting (Katie Smith) will meet on an at least monthly basis throughout the year, with weekly meetings scheduled during CAFR season (September through December). When possible the Deputy State Auditor (Eydie Trautwein) and the Deputy State Treasurer (Dawn Williams) will attend these meetings as well. The SAO will also schedule monthly meetings with the DOR to discuss financial statement related items.

The CAFR Division will compile and provide to the STO a comprehensive PBC listing of all items the CAFR Division needs for the compilation of the State's financial statements, including deadlines, by August 2020. The CAFR Division will create the PBC listing with feedback and input from STO. The PBC listing will be discussed and reviewed during the weekly SAO and STO meetings scheduled during CAFR season (September through December). As an additional measure to ensure SAO's and STO's complete understanding of audit process and requirements as they relate to one another, STO will be represented at the audit entrance conference.

Contact Person: Barb Wallace, CAFR Division Manager and Katie Smith, Administrator of Financial Accounting

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-002: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Fund Balance and Mineral Severance Taxes

Corrective Action Plans:

- The SAO has added additional procedures and clarification to the fund establishment form to ensure the fund balance classification is addressed at the fund's creation.
- We will include the mineral severance tax distribution calculations to the agenda for the monthly meetings between DOR and SAO. This will ensure SAO and DOR are on the same page in regards to the distributions, as well as any year-end adjustments needed.

Contact Person: Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: Completed on February 1, 2020

2019-003: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Pooled Cash and Investments, Due to Component Units, and Qualified Rate Adjustment payments

Corrective Action Plans: The SAO has added additional procedures to the related projects effected by this finding. The SAO has implemented an additional review process for journal entries. The CAFR Division will closely monitor submission deadlines and if any agency begins to miss critical deadlines, the CAFR Division will notify the Department of Audit and set frequent check-ins with the agency to proactively mitigate the impact of missed deadlines.

Contact Person: Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: June 30, 2020

2019-004: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Cash and Pooled Investments

Corrective Action Plans: The STO included all in-kind investment transfers properly in our year end reporting. Through talks with the SAO and MHP, we determined that neither office was aware of how the other one used the work papers for financial reporting purposes. Had either office been aware, we certainly would have taken steps to ensure each understood the implications of in-kind transfers and how they are reflected in work papers.

The STO is committed to ensuring there is a mutual understanding with the SAO on all work papers provided to assist in the accurate completion of the State's financial statements. The STO and the SAO have already met to discuss needs and uses of STO work papers. Further, the STO has made adjustments to processes and internal tracking of investment activity to better illustrate in-kind investment transfers for financial reporting purposes.

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

Through added communication with the SAO, as well as the STO's proactive measures to enhance transparency of in-kind investment transfers, the STO has confidence this control deficiency is being addressed in fiscal year 2020.

Contact Person: Dawn Williams, Deputy State Treasurer

Anticipated Date of Completion: June 30, 2020

2019-005: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Cash and Pooled Investments

Corrective Action Plans: The STO Financial Accounting Division did experience turnover in the first half of fiscal year 2019, however, policies and procedures were in place to ensure the new additions to the STO would be able to accurately perform duties as assigned. The STO is aware that policies and procedures are more effective with training, so in addition, extensive training was also provided to the new additions. Despite these efforts by the STO, errors were made at the end of fiscal year 2019 that resulted in this finding.

The STO recently completed a long overdue reorganization of the Financial Accounting Division. The reorganization includes the addition of two high level accounting positions to assume supervisory and mentoring functions for staff. Their added expertise will not only offer our current staff more opportunities to thrive, but they will also bring much-needed support to the Administrator, creating strategic placement of personnel to ensure those charged with responsibility for performing key controls have the experience and proficiency required to do so effectively. The STO has also reassigned tasks to better fit the accounting skill of each position, provided additional cross training to create depth in cases of absence, and re-worked internal policies to better complete fiscal year end cash deposits.

Although the STO did not submit reconciliations of year-end and pooled investment balances on the schedule used in prior audits, all recomputations were accurate. The STO has discussed clarification of priorities between the State Auditor's Office and MHP to eliminate this finding in future audits.

The rapid improvements being implemented by the STO as stated above will effectuate compliance with Wyoming Statutes, more timely reporting and smoother year-end cash processing.

Contact Person: Dawn Williams, Deputy State Treasurer

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-006: State Treasurer's Office (STO) – Internal Controls Related to Allocation of Cash and Pooled Investments

Corrective Action Plans: The STO has hit hurdle after hurdle with the implementation of the plan sub accounting (PSA) process. We have encountered improper percentage usage in the PSA report, inadequate reconciliations between the PSA reports and STO investment accounting balancing, missed allocations in pools by JP Morgan, inaccurate information being provided to JP Morgan from the STO for allocations needed, and improper starting balances for PSA. As a result, it was in the best interest of the State of Wyoming for STO not to rely on PSA for fiscal year end numbers.

On a positive note, all of these setbacks have provided opportunities for exponential improvement to the PSA process. Since the end of fiscal year 2019, a complete re-balance of the PSA has been finalized, proper reconciliations have been developed and tested, information provided to JP Morgan by the STO has been polished, and – most importantly – the needs and uses of PSA have been mutually understood by the STO and JP Morgan. All of these improvements have not been without sacrifice, however, which is evidenced by our delayed income distributions for fiscal year 2020.

The STO continues to work with JP Morgan to ensure the most accurate investment allocations are made as we rapidly make up ground for income distributions. PSA is running smoothly for fiscal year 2020.

Contact Person: Dawn Williams, Deputy State Auditor

Anticipated Date of Completion: Completed on December 1, 2019

2019-007: Department of Workforce Services (DWS) – Internal Controls and Audit Adjustment to Federal Revenue

Corrective Action Plans: DWS will continue to review its SEFA quarterly to ensure the accuracy and completeness of all Federal programs' activities. When differences are noted, DWS will evaluate to determine the impact to the financial statements and communicate with SAO to ensure all activities are properly reflected. DWS feels confident with the addition of a Deputy CFO and with filling several Accounting Manager positions that we will have the expertise to review the SEFA and ensure its accuracy. DWS takes this finding seriously and we understand the importance of ensuring the SEFA's accuracy.

Contact Person: Kristin Burkart, Chief Financial Officer

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-008: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Accounts and Warrants Payable

Corrective Action Plans:

- The SAO will be implementing a change in process to account for the front-end split on expenditures in the financial system. The process will now have expenditures move money from the agency's budgeted fund into the payroll clearing fund 415. The liabilities will then charge the payroll clearing fund and move the money to its designated revenue or balance sheet account. By having both the expenditures and liabilities hit the payroll clearing fund this will eliminate the issue of the expenditures and liabilities being split across multiple funds. This change in process will be completed by June 30, 2020.
- The SAO has a robust documented process for system changes; including testing and approval processes. The SAO will implement additional procedures to review the system changes for downstream business process impacts and incorporate a communication plan related to system changes and possible downstream effects.

Contact Persons: Kris Quick, Payroll Division Manager, and Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: June 30, 2020

2019-009: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Pension and Other Post-Employment Benefit (OPEB) Related Deferred Outflows and Inflows

Corrective Action Plans: The SAO has added additional procedures to the project for the calculation of deferred outflows and inflows, with notations as to presenting them net or gross.

SAO will also more thoroughly review the actuary report provided by Employee Group Insurance's Actuary to ensure it contains pertinent information needed for the OPEB accruals and request additional information if it is not part of the actuary's report.

Contact Person: Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-010: State Auditor's Office (SAO) – Internal Controls and Audit Adjustments to Bonds Payable Related Transactions

Corrective Action Plans: The SAO has added additional procedures to the related projects effected by this finding. The SAO has implemented additional review processes for Bonds Payable and Cash with the Fiscal Agent to ensure they are properly accounted for regardless of STO's treatment during the fiscal year.

Contact Person: Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: June 30, 2020

2019-011: State Treasurer's Office (STO) – Internal Controls and Audit Adjustment to Accounts Payable

Corrective Action Plans: The STO has a procedure for this transaction in place, however, the procedure was simply not followed properly, including the internal review.

The STO takes these types of errors very seriously. Consequently, we have implemented a more robust control system to ensure the accuracy of the service dates entered into the State's accounting system to properly record the transaction in the correct fiscal period.

Contact Person: Dawn Williams, Deputy State Treasurer

Anticipated Date of Completion: Completed on October 1, 2019

2019-012: Department of Workforce Services – Internal Controls and Audit Adjustment to Taxes Receivable

Corrective Action Plans: The DWS Unemployment Insurance Division (UID) is currently testing and validating the corrected report in the WYUI test environment. This corrected report will be deployed to the WYUI production environment around March 4, 2020. UID will validate the accuracy of the report and financial information prior to submission of the UI Financials for FY 2020 audit.

Contact Person: Kristin Burkart, Chief Financial Officer

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-013: Department of Health (DOH) – Internal Controls and Audit Adjustments Related to Qualified Rate Adjustment payments

Corrective Action Plans: The DOH will request that the CAFR Division and the external auditors contact the Medicaid fiscal group management directly with document requests so the financial impact and any potential adjustments are appropriately understood. DOH will not provide any draft documents to minimize the potential incorrect adjustments are recorded. DOH will also work with the CAFR Division to push the requested deadline of the documents for the qualified rate adjustment projects as the current deadline does not allow DOH to provide final reviewed documents.

Contact Person: Matt Hager, Medicaid Accounting Manager

Anticipated Date of Completion: Implemented immediately and will be in effect for the audit of the period ending June 30, 2020

2019-014: Enterprise Technology Services (ETS) – Information Technology Risk Assessment

Corrective Actions Plans: ETS currently identifies and mitigates information security risks with tools and controls that manage cybersecurity risk to systems, people, assets, data, and capabilities. ETS implements appropriate safeguards to ensure the delivery of critical services. ETS actively identifies the occurrence of a cyber-security incident with our endpoint protection, firewall logs, and ISAC (Information Sharing and Analysis Centers) partners. These activities enable ETS to take action regarding detected cybersecurity incidents. ETS currently references the CIS basic controls to assess and mitigate risk.

Contact Person: Gordon Knopp, Chief Information Officer, Enterprise Technology Services

Anticipated Date of Completion: Completed

2019-015: State Auditor’s Office (SAO) – Timeliness of Transfers

Corrective Action Plans: The SAO is implementing a new process to reconcile and compare a comprehensive listing of transfers with the State Treasurer’s Office, the Budget Division and the Legislative Service Office. SAO will also monitor proposed legislation and when possible work collaboratively to have impossible-to-meet deadlines changed before being enacted into law.

Contact Person: Barb Wallace, CAFR Division Manager

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-016: Department of Revenue (DOR) – Mineral Severance Tax Distribution

Corrective Action Plans: This change to the Mineral Severance Diversion was placed in section 300 of the Budget Bill. The DOR had only three months to program the change within the distribution and have it fully tested before the beginning of the new fiscal year. The DOR has an internal ETS employee that makes the changes to the distribution. This timeframe would not have been sufficient if the DOR had not had an internal ETS programmer dedicated to make this change. This was a very complex change as the system has to be modified to a state of over the cap in order to achieve the outcome results needed for proper testing. The distribution was interpreted incorrectly as just funds under (d)(i) were split. I believe that if the DOR would have been able to be supplied a fiscal note on this change, they would have been more likely to of seen this change in a much more detailed manner instead of placing the changes in the budget bill.

The DOR passes statutory changes on to programmers who make the internal coding changes to the complex Mineral Tax System. We make the changes and then have them put into a test environment where the business completes testing of the changes. Then they are approved and moved to the production environment. The DOR will have the statutory changes read and signed off on by the Director and responsible party of the system affected by the modification for proper interpretation of the statutory changes in the future.

Contact Person: Christie Yurek, Administrative Services Division Administrator

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

FEDERAL AWARD FINDINGS

2019-017: Schedule of Expenditures of Federal Awards

Catalog of Federal Assistance (CFDA) Number and Title: <ol style="list-style-type: none">1. CFDA #10.558 Child & Adult Care Food Program2. CFDA #10.560 State Administrative Expenses for Child Nutrition3. CFDA #10.582 Fresh Fruit & Vegetable Program4. CFDA #10.559 Summer Food Service Program for Children5. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters)6. CFDA #17.225 Unemployment Insurance
Federal Agency Name: <ol style="list-style-type: none">1. U.S. Department of Education2. U.S. Department of Education3. U.S. Department of Education4. U.S. Department of Education5. U.S. Department of Homeland Security6. U.S. Department of Labor
Pass-Through Entity Name (if applicable): <ol style="list-style-type: none">1. Not applicable2. Not applicable3. Not applicable4. Not applicable5. Not applicable6. No applicable
Award Number/Name: <ol style="list-style-type: none">1. 3WY3005092. 3WY3000143. 3WY3103794. 3WY3003125. 4227-DR-WY-P00000001; 4327-DR-WY-P00000001; EMD-2017-PC-00076. UI-23928-13-55-A-56; UI-26430-14-60-A-56; UI-28013-16-55-A-56; UI-29877-17-55-A-56; UI-30121-16-55-A-56; UI-31385-18-55-A-56; UI-31493-17-55-A-56; UI-32636-19-55-A-56
Award Year(s): <ol style="list-style-type: none">1. October 1, 2018 – September 30, 20192. October 1, 2018 – September 30, 20203. October 1, 2018 – September 30, 20194. October 1, 2018 – September 30, 20195. Various; various; March 15, 2016 – August 30, 20196. Various
Department: <ol style="list-style-type: none">1. Wyoming Department of Education2. Wyoming Department of Education3. Wyoming Department of Education4. Wyoming Department of Education5. Wyoming Department of Homeland Security6. Wyoming Department of Workforce Services

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

Corrective Action Plans – Wyoming Department of Education: WDE Child Nutrition (CN) tracks all Program expenditures monthly via general ledgers, internal BMS reports, and via a reconciliation document. Originally, certain CN administrative funding was tracked monthly but posted to the SEFA and certain general ledgers quarterly prior to USDA reporting. WDE CN is now tracking and posting all monthly Program expenditures to the SEFA monthly.

Contact Person: Susan Benning, Nutrition Programs Accountant

Anticipated Date of Completion: This new process has been implemented with an effective date of January 2, 2020.

Corrective Action Plans – Wyoming Department of Homeland Security: The Wyoming Office of Homeland Security (WOHS) has already taken steps to correct the deficiencies identified related to this finding. A thorough review process has been put in place that includes multiple staff reviewing the reports to ensure accuracy. All supporting documentation is required to be attached to the report. In addition, finance staff has attended trainings to gain a better understanding of the correct process for completing the SEFA.

Contact Person: Ashley Paulsrud, Grants/Finance Section Chief

Anticipated Date of Completion: December 31, 2020.

Corrective Action Plans – Wyoming Department of Workforce Services: DWS will continue to review its SEFA quarterly to ensure the accuracy and completeness of all Federal programs' activities. When differences are noted, DWS will evaluate to determine the impact to the financial statements and communicate with SAO to ensure all activities are properly reflected. DWS feels confident with the addition of a Deputy CFO and with filling several Accounting Manager positions that we will have the expertise to review the SEFA and ensure its accuracy. DWS takes this finding seriously and we understand the importance of ensuring the SEFA's accuracy.

Contact Person: Kristin Burkart, Chief Financial Officer

Anticipated Date of Completion: June 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-018: Subrecipient Monitoring

<p>Catalog of Federal Assistance (CFDA) Number and Title:</p> <ol style="list-style-type: none">1. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters)2. CFDA #97.042 Emergency Management Performance Grant3. CFDA #97.047 Pre-Disaster Mitigation Grant4. CFDA #97.067 Homeland Security Grant Program
<p>Federal Agency Name:</p> <ol style="list-style-type: none">1. U.S. Department of Homeland Security2. U.S. Department of Homeland Security3. U.S. Department of Homeland Security4. U.S. Department of Homeland Security
<p>Pass-Through Entity Name (if applicable):</p> <ol style="list-style-type: none">1. Not applicable2. Not applicable3. Not applicable4. Not applicable
<p>Award Number:</p> <ol style="list-style-type: none">1. 4227-DR-WY-P00000001, 4306DRWYP00000001, 4327DRWYP000000012. EMD-2017-EP-00004, EMD-2018-EP-000063. 14FEMA-CHE-PD-PDCH14, 16FEMA-BUF-PD-PDMB164. EMW-2015-SS-00037, EMW-2016-SS-00067, EMW-2017-SS-00056, EMW-2018-SS-00065
<p>Award Year(s):</p> <ol style="list-style-type: none">1. Various; various; various2. October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 20193. April 21, 2014 – March 30, 2019; March 15, 2016 – August 30, 20194. September 1, 2015 – August 31, 2018; September 1, 2016 – August 31, 2019; September 1, 2017 – August 31, 2020; September 1, 2018 – August 31, 2021
<p>Department:</p> <ol style="list-style-type: none">1. Wyoming Department of Homeland Security2. Wyoming Department of Homeland Security3. Wyoming Department of Homeland Security4. Wyoming Department of Homeland Security

STATE OF WYOMING

CORRECTIVE ACTION PLANS
Year Ended June 30, 2019

Corrective Action Plans – Wyoming Department of Homeland Security: The Wyoming Office of Homeland Security (WOHS) will take appropriate action to ensure that all information required by Uniform Grant Guidance is included on the sub-award agreements for all future awards.

WOHS currently has an informal risk assessment. Steps will be taken to enhance this process and implement a documented risk assessment process that determines the necessity for additional monitoring activities.

Steps have already been taken by WOHS to correct the deficiencies identified during the single audit as they related to subrecipient audit verification. Request letters have already been sent to all subrecipients and a tracking method is in place. Follow-up has occurred with those subrecipients that have not responded. A procedure is in place to review subrecipient audits to identify and follow-up on any findings.

Contact Person: Ashley Paulsrud, Grants/Finance Section Chief

Anticipated Date of Completion: December 31, 2020

2019-019: Suspension and Debarment

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.042 Emergency Management Performance Grant
Federal Agency Name: 1. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 1. EMD-2018-EP-00006
Award Year(s): 1. October 1, 2017 – September 30, 2019
Department: 2. Wyoming Department of Homeland Security

Corrective Action Plans – Wyoming Department of Homeland Security: The Wyoming Office of Homeland Security (WOHS) will take appropriate action to ensure that all entities receiving Federal funds from the agency, including subrecipients, contractors, and other vendors are properly vetted to ensure they are not suspended or debarred. Debarment clauses will be included in all contracts. If no contract is needed, vendors will be verified through the SAM.gov system prior to payment in order to ensure there are no suspensions or debarments.

Contact Person: Ashley Paulsrud, Grants/Finance Section Chief

Anticipated Date of Completion: December 31, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-020: Reporting

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters) 2. CFDA #97.067 Homeland Security Grant Program
Federal Agency Name: 1. U.S. Department of Homeland Security 2. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not Applicable 2. Not Applicable
Award Number/Name: 1. 4227-DR-WY-P00000001, 4306DRWYP00000001 2. EMW-2017-SS-00056
Award Year(s): 1. Various; various 2. September 1, 2017 – August 31, 2020
Department: 1. Wyoming Department of Homeland Security 2. Wyoming Department of Homeland Security

Corrective Action Plans – Wyoming Department of Homeland Security: The Wyoming Office of Homeland Security (WOHS) has already taken steps to correct the deficiencies identified related to this finding. A thorough review process has been put in place that includes multiple staff reviewing the reports to ensure accuracy. All supporting documentation is required to be attached to the report.

Contact Person: Ashley Paulsrud, Grants/Finance Section Chief

Anticipated Date of Completion: December 31, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-021: Period of Performance

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #97.067 Homeland Security Grant Program
Federal Agency Name: 2. U.S. Department of Homeland Security
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 1. EMW-2015-SS-00037
Award Year(s): 1. September 1, 2015 – August 31, 2018
Department: 1. Wyoming Department of Homeland Security

Corrective Action Plans – Wyoming Department of Homeland Security: The Wyoming Office of Homeland Security (WOHS) has already taken steps to correct the deficiencies identified related to this finding and will continue to refine and enhance the process already in place. The current tracking system for all grants received by the agency will be refined and improved to ensure that all liquidation periods are met. This process will include making all deadlines readily available to multiple staff as well as leadership.

Contact Person: Ashely Paulsrud, Grants/Finance Section Chief

Anticipated Date of Completion: December 31, 2020

2019-022: Earmarking

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A170075
Award Year(s): 1. October 1, 2016 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

Corrective Action Plans – Wyoming Department of Workforce Services: Wyoming DVR fiscal have created and improved tracking processes to better monitor spending. We are currently monitoring these funds monthly and working closely with area managers to spend accordingly and ensure we are tracking proper spending in the current grant.

Contact Person: Catrina Coler, Accounting Manager

Anticipated Date of Completion: September 30, 2020

2019-023: Level of Effort

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A180075
Award Year(s): 1. October 1, 2017 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

Corrective Action Plans – Wyoming Department of Workforce Services: Wyoming DVR fiscal staff have improved processes and have added additional duties to the quarterly reconciliation process as well as created reports to better track and monitor the level of effort to ensure proper spending for the fiscal year 2019/2020. These processes and reports are being updated monthly to ensure the proper level of effort is being monitored. Quarterly meetings will be set up to review as a management team to ensure expenditures are being met.

Contact Person: Catrina Coler, Accounting Manager

Anticipated Date of Completion: September 30, 2020

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

2019-024: Matching

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States
Federal Agency Name: 1. U.S. Department of Education
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. H126A180075
Award Year(s): 1. October 1, 2017 – September 30, 2018
Department: 1. Wyoming Department of Workforce Services

Corrective Action Plans – Wyoming Department of Workforce Services: Wyoming DVR fiscal have created processes to improve the ability to track match and Federal dollars spent by setting up a front end split of 78.7% Federal money and 21.3% state money in WOLFS, the State of Wyoming accounting system, for properly tracking the spending of the grant. The Wyoming DVR Accounting Manager and Senior Accounting Analyst have added duties to the quarterly reconciliation process to better monitor spending and to ensure match requirements are met.

Contact Person: Catrina Coler, Accounting Manager

Anticipated Date of Completion: September 30, 2020

2019-025: Eligibility

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA #93.767 Children’s Health Insurance Program (CHIP)
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number: 1. 1705WY0301; 1805WY5021; 1905WY5021
Award Year(s): 1. October 1, 2016 – September 30, 2018; October 1, 2017 – September 30, 2019; October 1, 2018 – September 30, 2020
Department: 1. State of Wyoming Department of Health

STATE OF WYOMING

CORRECTIVE ACTION PLANS

Year Ended June 30, 2019

Corrective Action Plans – Wyoming Department of Health: #1 The case has already been closed and the CSC educated on watching for these types of cases in the future. #2 The case has already been corrected, the client is on the correct Medicaid program and the CSC has been educated to watch for these types of cases in the future. #3 The case has already been closed appropriately and the case worker has been educated on not sending approvals when the case has not been approved. #4 The CSC is monitored by the Contract Manager for cases that go past the 45-day limit and is assessed penalties for these violations. #5 The case worker has been educated on this mistake.

Contact Person: Christine Bates, Kid Care CHIP Program Manager

Anticipated Date of Completion: Completed

2019-026: Eligibility

Catalog of Federal Assistance (CFDA) Number and Title: 1. CFDA # 93.778 Medicaid Assistance Program
Federal Agency Name: 1. U.S. Department of Health and Human Services
Pass-Through Entity Name (if applicable): 1. Not applicable
Award Number/Name: 1. Various
Award Year(s): 1. Various
Department: 1. Wyoming Department of Health

Corrective Action Plans – Wyoming Department of Health:

1. A correction to the system has been implemented.
2. In October 2019 Wyoming implemented an auto closure process. This process automatically closes cases sent a request for verification if no documents have been received. This lessens the worker’s burden and ensures that cases close timely when the client fails to provide verification.

Contact Person:

1. Cori Cooper, Pharmacy Services Manager
2. Alicia Ammons, CSC Contract Manager

Anticipated Date of Completion:

1. Completed on May 1, 2019
2. Completed on October 2019