Corrective Action Plan

60-Day Report-Out

Reporting period: June 24 - July 24, 2026
Date: 7/24/2026

To: Mayor Katie Wilson; Executive Girmay Zahilay;
Cc: KCRHA Governing Board
From: Dr. Kelly Kinnison, Chief Executive Officer
Re: Transmittal of KCRHA Corrective Action Plan 60-Day report-out

Attached is KCRHA's 60-Day Corrective Action Plan progress report through July 24, 2026.

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Executive summary

During the 60-day reporting period, KCRHA continued disciplined implementation of the Corrective Action Plan while advancing broader financial stabilization activities that strengthen the organization's long-term operational foundation. Building upon the work documented in the 30-day report, the organization has continued to strengthen financial management practices, internal controls, governance, and policy documentation while maintaining day-to-day operations and advancing preparation of the FY2025 financial statements.

Several important milestones have been achieved during this reporting period. Most notably, the historical cash accounting and accounts receivable reconciliation has reached a significant analytical milestone, providing management with a substantially improved understanding of historical receivable balances and establishing a supportable methodology for completion of the FY2025 year-end financial statements. The reconciliation effort has also informed preparation of the FY2025 financial statements by identifying the accounting adjustments necessary to establish supportable year-end balances. Management is now reviewing those results in collaboration with Turning Point Strategic Advisors, whose initial work is focused on reviewing the reconciliation methodology, supporting documentation, proposed accounting adjustments, and remaining areas requiring additional validation before final accounting treatment is established.

Another significant milestone is the commencement of the Turning Point Strategic Advisors engagement. As contemplated in the Corrective Action Plan, Turning Point is now embedded within KCRHA and has begun supporting implementation of financial stabilization activities, internal control improvements, governance enhancements, and organizational readiness. Initial activities have focused on organizational assessment, stakeholder engagement, review of key financial workstreams, and establishing a collaborative framework to support implementation, validation, and long-term strengthening of KCRHA's financial management practices.

As implementation has progressed, completion of the historical reconciliation, advancement of the FY2025 financial statements, and the onboarding of Turning Point Strategic Advisors have enabled multiple corrective action commitments to become integrated into a coordinated financial stabilization effort rather than advancing as isolated initiatives. Progress has also continued across internal control implementation. Additional financial policies and procedures have been developed and documented, ownership and governance responsibilities have been further clarified, and a centralized framework for policy management and ongoing monitoring is being implemented. Together, these efforts are strengthening the organization's financial reporting, governance, internal control, and policy management functions as an integrated financial management framework. These efforts continue to align with COSO principles and support the development of sustainable internal control practices that extend beyond the immediate corrective action period.

The organization is transitioning from implementing individual corrective actions to embedding those actions within sustainable governance, financial management, and internal control processes. Most commitments originally framed as stand-alone deliverables have evolved into recurring operational practices that are now integrated into KCRHA's routine financial management and governance framework. While important work remains, including completion of the FY2025 financial statements, continued policy codification, and independent validation of key financial workstreams, the organization has made measurable progress toward addressing the findings identified in the forensic evaluation while strengthening the long-term systems, controls, and management practices needed to support ongoing accountability.

The work completed during this reporting period reflects continued collaboration among KCRHA leadership, staff, the Governing Board, the City of Seattle, King County, and Turning Point Strategic Advisors. Together, these efforts are establishing the operational discipline, governance structures, and financial management practices necessary to support sustained organizational improvement and successful implementation of the Corrective Action Plan.

Reporting Structure and Cadence

KCRHA reports on its corrective action commitments across a 30-, 60-, and 90-day cadence, with each reporting cycle building upon the progress documented in the previous submission. This 60-day update presents implementation progress, significant milestones achieved, emerging outcomes from major workstreams, and the status of activities that remain in progress, including areas transitioning from implementation into routine management processes supported by management review, documentation, and independent implementation support. The 90-day update will present implementation status, validation activities, unresolved risks, and next-phase recommendations. Quantitative before-and-after comparisons will continue to be provided through the separate September 30 funder checkpoint.

The schedule below summarizes the coordinated reporting and oversight milestones supporting implementation of the Corrective Action Plan. It includes KCRHA's 30-, 60-, and 90-day CAP reporting cadence together with the additional reporting and oversight milestones established with the City of Seattle and King County. Between these formal milestones, the Finance Committee receives monthly progress updates, while bi-weekly internal implementation meetings continue to monitor deliverables, coordinate work across corrective action activities, and prepare for upcoming funder, audit, governance, and financial reporting milestones.

The work described in this report has occurred during a period of significant organizational transition, including implementation of governance directives, preparation for structural changes to KCRHA's future operating model, completion of the historical cash accounting and accounts receivable reconciliation, advancement of the FY2025 financial statements, and commencement of the Turning Point Strategic Advisors engagement. These concurrent workstreams have increasingly become integrated, allowing corrective action activities, financial reporting, governance improvements, and internal control implementation to reinforce one another as part of a coordinated financial stabilization effort while KCRHA has continued to maintain uninterrupted financial operations and support for core agency functions.

Milestone	Due date	Purpose	Audience	Status
30-day update	June 24, 2026	Establish first implementation dashboard, initial schedules, inventories, and status reporting structure.	Finance Committee / Governing Board	Submitted

60-day update	July 22, 2026	Move from initial setup to recurring reporting, deeper validation, and funder coordination.	Finance Committee / Governing Board	In progress
Additional Funder Review – Joint letter, June 8	July 31, 2026	Respond to four immediate recommendations	DCHS and HSD	In progress
90-day update	August 21, 2026	Present priority recommendations, unresolved risks, validation results, and implementation path for next phase.	Finance Committee / Governing Board	Not started
Additional Funder Review – Joint letter, June 8	August 28, 2026	Provide proof that the three near term recommendations have been met	DCHS and HSD	Not started
Additional Funder Review – Joint letter, June 8	September 30, 2026	Provide proof that the three ongoing oversight conditions are in place	DCHS and HSD	Not started

Additional Funder Requirements and Review Milestones

Following submission of the CAP, the City of Seattle and King County issued a joint letter dated June 8, 2026, establishing additional documentation, verification, and reporting requirements at three funder review checkpoints: July 31, August 28, and September 30, 2026. These requirements supplement and, in some cases, refine the implementation milestones identified in the May 22 CAP. The letter also states that the City and County will partner to embed external financial support within KCRHA to assist with stabilization, implementation, and independent verification.

This report remains organized around KCRHA's original 30-, 60-, and 90-day CAP commitments and is intended to support preparation for the additional funder checkpoints. Where a CAP item corresponds to a requirement in the June 8 letter, the report identifies and tracks that relationship. Milestone-linked reporting with quantitative before-and-after comparisons is an ongoing oversight condition due September 30; accordingly, this initial 30-day report is primarily narrative and focused on implementation status, supporting documentation, outstanding risks, and next steps. Matters addressed before or outside the May 22 CAP process:

A. Specific corrective action plan for the $6.4M programmatic overspend
   KCRHA previously resolved this issue prior to issuing the May 22 CAP response. KCRHA is supplying documentation of this, see Appendix A.

B. Written response on the three governance directives identified in the June 8 letter (hiring freeze, discretionary-spending freeze, pause on new cost/liability agreements)
   KCRHA previously confirmed these items in direct communication with the Governing Board, GB Finance Committee, and in subsequent memos.

Additional funder requirements incorporated as new milestones:

C. Written description of an interim federal compliance framework
D. Engage independent verification of areas designated ‘Implemented/Continuing’
E. Establish a CFO hire timeline with a specific target date

Additional funder requirements tracked through existing CAP milestones:

F. Evidence-based confirmation of the four May 8 high-risk responses.
G. Direct funder review of Phase 1 deliverables
H. Finance Committee reporting directly to funders on a defined schedule
I. Milestone-linked reporting with quantitative before-and-after comparisons
J. Treat external stabilization support as a prerequisite for Phase 2 & 3 milestone

How to Use this Document

This report documents KCRHA’s 60-day response to the corrective action commitments arising from the external financial evaluation. It is organized as eleven numbered items, each corresponding to a specific commitment. Each item represents a brief narrative describing the action taken and its status, followed, where applicable, by one or more supporting artifacts collected in the appendices.

The artifacts included here are representative supporting evidence, selected to evidence that the underlying work is in place and operating. They are not the complete record. KCRHA maintains a fuller set of supporting workbooks, system records, policies, and procedures behind each item; these are available for inspection and review on request. Where a single appendix is drawn from a larger document or workbook, only a representative page is reproduced, marked accordingly.

Certain items are supported by narrative alone. The absence of an appendix does not indicate the absence of underlying work, in several cases the relevant evidence resides in live systems (for example, NetSuite configuration) better demonstrated directly than reproduced in print or relates to commitments that are organizational and ongoing rather than artifact based.

Financial details have been intentionally summarized. Given the distribution of this report, granular financial workbooks and system exports are referenced rather than embedded; the complete materials are available through the channels noted above.

Each item is cross-referenced to its corresponding appendix. Appendices are lettered within their item (e.g., 5a, 5b, 5c) and presented in the order the narrative introduces them.

Status Terms Used in This Report

Status terms are grouped by stage. A status in the second group reflects work that is complete or moving and awaiting another party's action, not a delay. Status reflects both implementation progress and the degree to which the associated practice has been incorporated into routine organizational operations.

Status	Definition
Progressing	
In Progress	Work is underway and no material delay has been identified. The committed deliverable is not yet complete.
In Operation	The process or control is currently being used, while documentation, testing, or validation continues.
Completed / Documented	Work is complete and supporting documentation has been retained.
Awaiting External Input	
Pending Validation	Work has been completed internally but requires funder, accounting, legal, external, or governance validation.
Dependent on Funder Coordination	Progress depends on funder-side information, review, decision or coordination.
Dependent on External Support	Progress depends on approval or availability of external stabilization support or specialized capacity.
Needs Attention	
Not Started	Work has not yet begun.
Delayed / Revised Schedule	The original milestone was not completed within the planned window, and a revised completion schedule is provided.
At Risk	A significant barrier exists and escalation is required.

30-, 60-, 90-day Priority Items

KCRHA committed in the CAP to initial 30-, 60, 90-day priorities across 11 items (CAP p.9, Appendix B). Each is reported below. Finance deliverable completion is tracked in the finance CAP tracker; this report bridges what Finance marks closed to what each milestone requires.

Item 1 — Dashboard template finalized

Commitment (CAP p.9)	Formalizing the CAP implementation dashboard and reporting cadence
Window	60-day
30-day status	In Progress
60-day status	In Operation (formalization advancing)
Evidence / artifact	Appendix B
Owner	ADS / ICBO
Narrative update	**60 Day:** KCRHA has established an integrated corrective action management framework to support implementation and oversight of the Corrective Action Plan. This framework includes a finance implementation dashboard tracking corrective action commitments, June 8 funder requirements, responsible owners, milestones, supporting evidence, and reporting status, together with a complementary policy and internal controls management dashboard supporting COSO implementation, policy development, control documentation, ownership, and ongoing governance. A centralized documentation repository has also been established to maintain supporting evidence for corrective action activities and future validation. During this reporting period, these management tools have become operational and are being used to support ongoing implementation, monitoring, governance, and evidence management. As Turning Point Strategic Advisors continues its organizational assessment and implementation support, these tools and supporting documentation are serving as foundational resources for review of corrective action implementation, financial stabilization activities, and ongoing performance monitoring. Together, these management tools support recurring oversight by KCRHA leadership, the Finance Committee, funding partners, and Turning Point Strategic Advisors while strengthening accountability, documentation, and governance across the Corrective Action Plan. These efforts build upon the CAP's 30-day milestone (CAP p.43, Row 10) establishing the implementation dashboard, documentation repository, and governance reporting framework.

Item 2 — ~$8M receivables – initial categorization

Commitment (CAP p.9)	Completing initial categorization of the receivables associated with the approximately $8M finding
Window	60-day (June 8 letter target July 31)

30-day status	In Progress
60-day status	Delayed / Revised Schedule (initial cash-based review advancing; transaction-level reconciliation on a revised schedule)
Evidence / artifact	No Appendix
Owner	Controller / ICBO
Narrative update	**60-Day:** As described in the CAP (p.16), the forensic evaluation identified approximately $8 million in receivables that could not be fully reconciled using the financial records available during the review period. This should not be interpreted as $8 million of missing or misused funds; rather, the evaluation identified historical weaknesses in accounting records, reconciliation processes, and transaction-level traceability that limited management's ability to readily explain receivable balances. The evaluation also identified issues related to revenue recognition, billing, invoice timing, advances, and the ability to consistently reconcile receivables through the accounting process. Since submission of the 30-day report, KCRHA's historical cash accounting and accounts receivable reconciliation has reached a significant analytical milestone. This work has materially improved management's understanding of historical receivable balances and established a supportable basis for completion of the FY2025 year-end financial statements and the accounting adjustments necessary to establish supportable year-end balances. The reconciliation methodology compares KCRHA expenditure records against external funder payment records to evaluate historical receivable balances, identify billing and payment exceptions, and determine the accounting adjustments necessary to support historical accounts receivable balances. Preliminary results indicate that historical accounts receivable balances were materially overstated and that a significant portion of the historical balance will require accounting adjustment. The analysis has also identified discrete populations of potentially unbilled, underbilled, rejected, or short-paid expenditures that require further transaction-level review and coordination with funding partners. These results indicate that the historical receivable balance reflects a combination of accounting and reconciliation issues, billing and payment exceptions, timing differences, and potentially unrecovered expenditures rather than a single underlying cause. The amount ultimately recoverable from funding partners has not yet been determined. Management and Turning Point Strategic Advisors are now jointly reviewing the reconciliation methodology, underlying workpapers, proposed accounting adjustments, and remaining underbilling populations. The next phase will include rolling the analysis forward, comparing KCRHA balances with corresponding funder records, determining the status and recoverability of

	identified billing exceptions, and evaluating the reconciliation results alongside the findings and supporting workpapers from the Clark Nuber forensic evaluation before final accounting treatment is established.

Item 3 — KCIP / cash-flow reconciliation schedule

Commitment (CAP p.9)	Developing or refining a KCIP/cash-flow reconciliation schedule
Window	60-day
30-day status	In progress
60-day status	In Operation (formalization in progress)
Evidence / artifact	O, P, Q
Owner	ICBO
Narrative update	**60 Day:** Since the 30-day report, KCRHA has continued to operate and refine the cash flow monitoring and reconciliation processes described below. The CAP assigns this item a phased target (p.37, Corrective Action Matrix, Row 1). The 30-Day Target (due June 22), refining the KCIP/cash-flow reconciliation schedule to incorporate reimbursement timing, interest expense, advances, and near-term cash flow assumptions, has been substantially completed and is now operating as a recurring management process. Work during this reporting period has focused on improving the reliability of cash flow forecasting, strengthening reconciliation between reimbursement activity and cash position, incorporating information from the FY2025 financial statement close process, and using these analyses to better understand the drivers of the KCIP negative balance and associated interest costs. The historical cash accounting and accounts receivable reconciliation described in Item 2 has further strengthened management's understanding of reimbursement timing, historical cash movements, and working capital requirements, providing a more reliable analytical foundation for ongoing cash flow management. Together, these activities are providing management with improved visibility into liquidity, reimbursement timing, working capital requirements, and the financial factors contributing to KCIP borrowing and interest expense while supporting development of longer-term financial stabilization strategies. The next committed deliverable is the CAP's 60-90 Day Target (due July 22-August 21): to "Present working-capital and reimbursement model options,

	including potential approaches to reducing negative balance exposure and interest costs" (CAP p.37). That deliverable falls within the 60-90 day reporting window and will be presented in the 90-day update. During this period, KCRHA will continue refining its recurring cash flow and reimbursement reporting, complete its analysis of working capital requirements, and develop alternative reimbursement and financing strategies for consideration by the Finance Committee, funding partners, and Turning Point Strategic Advisors as part of the organization's broader financial stabilization efforts.

Item 4 — Fund advance inventory and roll-forward template

Commitment (CAP p.9)	Completing a fund advance inventory and roll-forward template
Window	60-day
30-day status	Delayed / revised schedule
60-day status	In Operation (formalization in progress)
Evidence / artifact	Appendix C
Owner	Accountant / ICBO
Narrative update	**60 Day:** The transaction-level advance tracking processes reported at the 30-day update remain in operation and continue to support ongoing monitoring of advances and reimbursements. Advance balances, invoice activity, and reimbursement offsets continue to be recorded in NetSuite, including use of the dedicated City of Seattle KCIP sub-fund, with payment records linked to the corresponding invoices applied against each advance (Appendix C). During this reporting period, work has continued to standardize advance reporting through development of a consolidated advance inventory and roll-forward reporting template that summarizes activity by funder and advance. This reporting tool builds upon the underlying transaction-level controls already operating within NetSuite and will provide management with an enhanced view of outstanding advances, reimbursement activity, and remaining balances while strengthening reconciliation and oversight of advance activity. As Turning Point Strategic Advisors continues its implementation support, the consolidated reporting framework will also provide a consistent basis for ongoing review of advance management and reimbursement practices. Completion of the consolidated reporting template is anticipated during the

	next reporting period and will support recurring management review, Finance Committee oversight, and continued financial stabilization efforts.

Item 5 — Rejected-cost and invoice-delay tracking

Commitment (CAP p.9)	Formalizing a rejected-cost and invoice-delay tracking mechanism
Window	60-day
30-day status	In Operation / formalization in progress
60-day status	In Operation (consolidation in progress)
Evidence / artifact	Appendix D, E
Owner	Controller / ICBO
Narrative update	**60 Day:** The rejected-cost and invoice-delay tracking processes described in the 30-day report remain in operation and continue to support routine coordination with both the City of Seattle and King County. Existing practices for tracking invoice submissions, reimbursement activity, billing corrections, rejected costs, and short payments continue to operate through NetSuite and established coordination processes with each funder. During this reporting period, these recurring operational practices have been further integrated into KCRHA's broader financial management and corrective action framework through standardized documentation, recurring management review, and linkage to the CAP implementation dashboards. Lessons emerging from the historical cash accounting and accounts receivable reconciliation have further informed these efforts by highlighting the importance of timely billing, consistent transaction-level documentation, and routine reconciliation of billing exceptions. As Turning Point Strategic Advisors continues its implementation support, these processes are being incorporated into the broader review of reimbursement practices, financial controls, and opportunities to further strengthen recurring billing and reconciliation procedures. Formal consolidation into a unified enterprise tracking and reporting process remains in progress and will continue during the next reporting period.

Item 6 — Administrative overspend exposure and budget forecast

Commitment (CAP p.9)	Validating remaining administrative overspend exposure and updating an administrative budget forecast
Window	60-day
30-day status	In Progress
60-day status	In Progress (forward forecast advanced; historical validation gated by Item 2)
Evidence / artifact	No Appendix
Owner	ICBO
Narrative update	**60 Day:** Work on administrative cost forecasting and long-term sustainability has advanced significantly during this reporting period. The 2026 administrative forecast has been updated to reflect actual expenditures, approved staffing, hiring constraints, contractual commitments, and current operating assumptions, while preliminary planning for the 2027 administrative budget is underway. In parallel, completion of the historical cash accounting and accounts receivable reconciliation has provided management with a substantially improved understanding of historical administrative cost recovery and funding levels. As grant-funded expenditures have been reconciled against external funding sources, the analysis has established a more reliable basis for identifying administrative expenditures that were not ultimately financed through available grant funding. Preliminary results indicate that historical administrative funding pressures reflect a combination of structural administrative underfunding, administrative expenditures that exceeded available funding, historical billing and reimbursement exceptions, and accounting adjustments associated with the year-end reconciliation process. The final quantification, accounting treatment, and characterization of these balances will be completed as part of the FY2025 financial statement process and further reviewed in collaboration with Turning Point Strategic Advisors. Consistent with the CAP's 60-90 Day Target, KCRHA will develop and present administrative sustainability options, including strategies to improve long-term alignment between administrative funding and organizational operating requirements. This work will build upon the improved understanding of historical administrative funding developed through the reconciliation process and support development of a more sustainable long-term administrative funding model. Recommendations and implementation options will be presented as part of the 90-day update.

Item 7 — Immediate control enhancements (reimbursements, gift cards, P-cards, segregation of duties)

Commitment (CAP p.9)	Confirming immediate control enhancements related to reimbursements, gift cards, P-cards, and segregation of duties
Window	60-day
30-day status	In operation, with ongoing validation
60-day status	In Operation (codified into the Payment Card, Gift Card & Cash Equivalents Control Policy approved by CEO 6/24/26; pending independent verification)
Evidence / artifact	Appendix F, G, H, I, R
Owner	ICBO
Narrative update	**60 Day:** The control enhancements described in the 30-day report—including reimbursement pre-approval, controls over gift cards and cash equivalents, payment card oversight, and strengthened segregation of duties—remain operational and continue to mature through routine management review and testing. During this reporting period, KCRHA finalized the Payment Card, Gift Card & Cash Equivalents Control Policy together with supporting Purchase Card (P-Card) Agreements, Gift Card Chain of Custody Standard Operating Procedures, and Chain of Custody Tracking Forms (Appendix N). These operational controls are governed by the broader Enterprise Internal Controls and Audit Framework Policy, which establishes enterprise-wide standards for the control environment, segregation of duties, finance and accounting controls, and role-based system access. KCRHA continues to develop and implement a permanent enterprise internal control framework aligned with the GAO Standards for Internal Control (Green Book), the COSO Internal Control Framework, and applicable requirements of 2 CFR Part 200. Consistent with the commitments outlined in the 30-day report, ongoing management activities—including periodic access reviews, transaction testing, reconciliations, exception monitoring, and supervisory oversight—continue as these controls become embedded within routine financial operations. Segregation of duties continues to strengthen as organizational restructuring, staffing transitions, and role realignment are completed. As the Turning Point Strategic Advisors engagement progresses, these policies, control activities, supporting documentation, and governance processes are providing the foundation for implementation support, independent assessment, and continued refinement of KCRHA's internal control environment. Lessons learned through the historical cash accounting and accounts receivable reconciliation are also being incorporated into recurring financial control, reconciliation, and documentation practices to reduce the likelihood of similar issues arising in future reporting periods.

Item 8 — Monthly close checklist and reporting package

Commitment (CAP p.9)	Updating the monthly close checklist and financial reporting package
Window	60-day
30-day status	In operation / enhancement in progress
60-day status	In Operation
Evidence / artifact	Appendix J
Owner	Controller / ICBO
Narrative update	**60 Day:** The monthly close checklist continues to serve as the standard framework for recurring financial close activities (Appendix J). During this reporting period, management focused on integrating the historical cash accounting and accounts receivable reconciliation into the FY2025 year-end close process to establish supportable financial statement balances and strengthen the reliability of recurring close procedures. The monthly close process has also been refined to incorporate enhanced reconciliation activities, standardized review procedures, improved documentation, and stronger management oversight. These improvements establish a more robust foundation for timely financial reporting while supporting preparation of the FY2025 financial statements, the independent audit process, and recurring monthly financial management activities. As implementation progresses, lessons learned through the historical reconciliation are being incorporated into recurring close procedures to improve transaction-level traceability, strengthen reconciliation practices, and reduce the likelihood that historical accounting and reconciliation issues accumulate in future reporting periods. This work advances the CAP's 30-Day Target for this theme (CAP p.40, Row 5: "Update/refine monthly close checklist and standard financial reporting package.") and will continue to mature through ongoing financial management improvements and collaboration with Turning Point Strategic Advisors.

Item 9 — NetSuite / chart-of-accounts / cost-center assessment

Commitment (CAP p.9)	Initiating a NetSuite / chart-of-accounts / cost-center reporting assessment
Window	60-day
30-day status	In Progress
60-day status	In Progress (Assessment advancing; initial assessment targeted for the 60-90 window)

Evidence / artifact	Appendix K
Owner	ICBO
Narrative update	**60 Day:** Assessment of KCRHA's NetSuite configuration, chart of accounts, cost center structure, and related financial reporting processes has continued during this reporting period as part of the broader effort to strengthen financial reporting, reconciliation, and management oversight (Appendix K). The assessment is intended to identify opportunities to improve consistency in financial coding, enhance reconciliation capabilities, simplify reporting across multiple funding sources, strengthen transaction-level traceability, and better align operational activities with financial reporting. The historical cash accounting and accounts receivable reconciliation has further informed this work by identifying areas where historical accounting structure, coding practices, billing workflows, and reconciliation processes contributed to unnecessary complexity in financial reporting and management oversight. These findings are helping identify opportunities to simplify future reconciliation processes, improve financial transparency, strengthen recurring billing and reconciliation practices, and enhance the reliability of routine financial reporting and management oversight. As Turning Point Strategic Advisors continues its embedded engagement, the results of this assessment will help inform recommendations for longer-term improvements to KCRHA's financial systems, chart of accounts, cost center structure, reconciliation practices, and overall financial management framework. Together, these efforts are intended to establish a financial reporting structure that better supports timely reconciliation, management decision-making, and long-term financial sustainability. This work supports the CAP's 60-90 Day Target (CAP p.40, Row 5): "Complete initial NetSuite / Chart of Accounts / cost-center assessment."

Item 10 — External stabilization support – scope and decision pathway

Commitment (CAP p.9)	Developing the proposed scope and decision pathway for external stabilization support
Window	60-day
30-day status	In progress
60-day status	Completed / Documented
Evidence / artifact	Appendix L, M
Owner	ICBO / Controller / HR

Narrative update	**60 Day:** KCRHA has successfully initiated the embedded financial stabilization engagement contemplated in both the Corrective Action Plan and the June 8 joint funder letter (Appendix L). Turning Point Strategic Advisors has completed contracting and onboarding activities and has begun its organizational assessment through leadership interviews, review of financial operations, evaluation of historical reconciliation efforts, and familiarization with KCRHA's corrective action work. Initial engagement activities have progressed beyond organizational orientation to active collaboration with KCRHA staff on key financial workstreams, including review of the historical cash accounting and accounts receivable reconciliation, FY2025 financial statement preparation, recurring reconciliation processes, and opportunities to strengthen ongoing financial management practices. The engagement is providing collaborative implementation support to accelerate financial stabilization activities, strengthen internal controls, expand finance capacity, and assist management in reviewing significant financial analyses and proposed accounting treatments. During this reporting period, Turning Point and KCRHA jointly initiated review of the historical reconciliation methodology and supporting workpapers. The next phase of work will include transaction-level analysis where appropriate, comparison of reconciliation results with external funding partner records, evaluation of proposed accounting adjustments, and development of recurring reconciliation and financial reporting practices that strengthen routine financial management and reduce the likelihood of similar issues arising in future reporting periods. During the coming reporting period, Turning Point will continue expanding implementation support across the financial stabilization work plan while assisting KCRHA in strengthening longer-term governance, financial management, internal controls, and recurring financial oversight practices. This milestone fulfills the CAP's 30-Day Target (CAP p.44, Row 11) and advances the 60-90 Day Target of launching the embedded financial stabilization engagement.

Item 11 — Structured work sessions held

Commitment (CAP p.9)	Beginning structured City/County/KCRHA work sessions on reimbursement, advances, receivables, and cash-flow model issues
Window	60-day
30-day status	In Progress
60-day status	Completed / Documented (Regular structured work sessions in place.)
Evidence / artifact	No Appendix
Owner	ADS / ICBO
Narrative update	**60 Day:** Recurring operational coordination meetings between KCRHA, the City of Seattle, and King County continue to support collaboration on invoicing, reimbursements, advances, receivables, and other financial operations. During this reporting period, these operational discussions have been complemented by structured executive- and governance-level coordination focused on implementation of the Corrective Action Plan, completion of the FY2025 financial statements, historical cash accounting and accounts receivable reconciliation, KCIP cash flow management, administrative sustainability, and integration of the Turning Point Strategic Advisors engagement into ongoing financial stabilization activities. These coordinated governance processes have strengthened communication between funding partners, clarified ownership of corrective action activities, improved coordination across major financial workstreams, and established a more structured process for identifying issues, assigning responsibility, and monitoring implementation progress. As Turning Point Strategic Advisors becomes fully integrated into these governance processes, the recurring coordination forums are evolving from issue-specific coordination meetings into routine financial management and oversight mechanisms. They now provide a structured process for monitoring corrective action implementation, coordinating major financial workstreams, identifying and resolving emerging issues, supporting collaboration among KCRHA, the City of Seattle, King County, and Turning Point Strategic Advisors, and strengthening the governance and financial management practices that will continue beyond the formal Corrective Action Plan reporting period.

Appendix A

Additional Funder Requirements: Letter regarding KCRHA contract HS0DA25-05212 Notice of Contract Non-Compliance

Seattle
Human Services

April 29, 2026

Kelly Kinnison
Chief Executive Officer
King County Regional Homelessness Authority
400 Yesler Way, Ste 600
Seattle, WA 98004

RE: KCRHA Contract HS0DA25-05212 Notice of Contract Non-Compliance

Dear CEO Kinnison:

Thank you for your response to HSD's Notice of Contract Non-Compliance, received via email on March 12, 2026. This letter serves to confirm and restate HSD's response, which was sent on March 23, 2026.

Regarding the Budget Change Request submitted on March 12, HSD understands that KCRHA seeks to reallocate $8,024,976 from its **Day Center** budget to **Shelter** (+$7,258,345), **PSH** (+$132,607) and **TH** (+$634,024) to ensure that its approved budget amounts accurately reflect the programs being administered. On April 8th, KCRHA also affirmed the list of current programs associated with the request. With this understanding, HSD approves this Budget Change Request.

Regarding HSD's non-compliance letter, KCRHA notes that its interpretation of the HSD/KCRHA Master Services Agreement (MSA) terms may differ from HSD's. While the MSA is now amended to fully codify the budget change request process, it is important to stress that this is not a matter of interpretation.

The MSA establishes the City's total funding authorization. This authority derives from the annual City budget process, and funds specific programming as adopted by the Mayor and Council. Since the initial MSA, HSD has administered a monthly invoice form with KCRHA as identified in Exhibit H that explicitly identifies the maximum funding allocated to each program area. These are not discretionary targets and KCRHA may not exceed them without prior approval as stipulated under the MSA.

Thank you again for your partnership and discussing the resolution of this matter further.

Sincerely,

Chris Klaeysen
HSD Homelessness Division Director

700 Fifth Avenue, Suite 5800 | PO Box 34215 | Seattle, WA 98124-4215 | 206-386-1001 | seattle.gov/humanservices

Appendix B

Item 1: Finance CAP Status Dashboard

CAP Status Dashboard

Overall Status				
Ready to be Closed	In Progress	Pending	Not Started	Total
47	20	1	0	68
69.1%	29.4%	1.5%	0.0%	100.0%

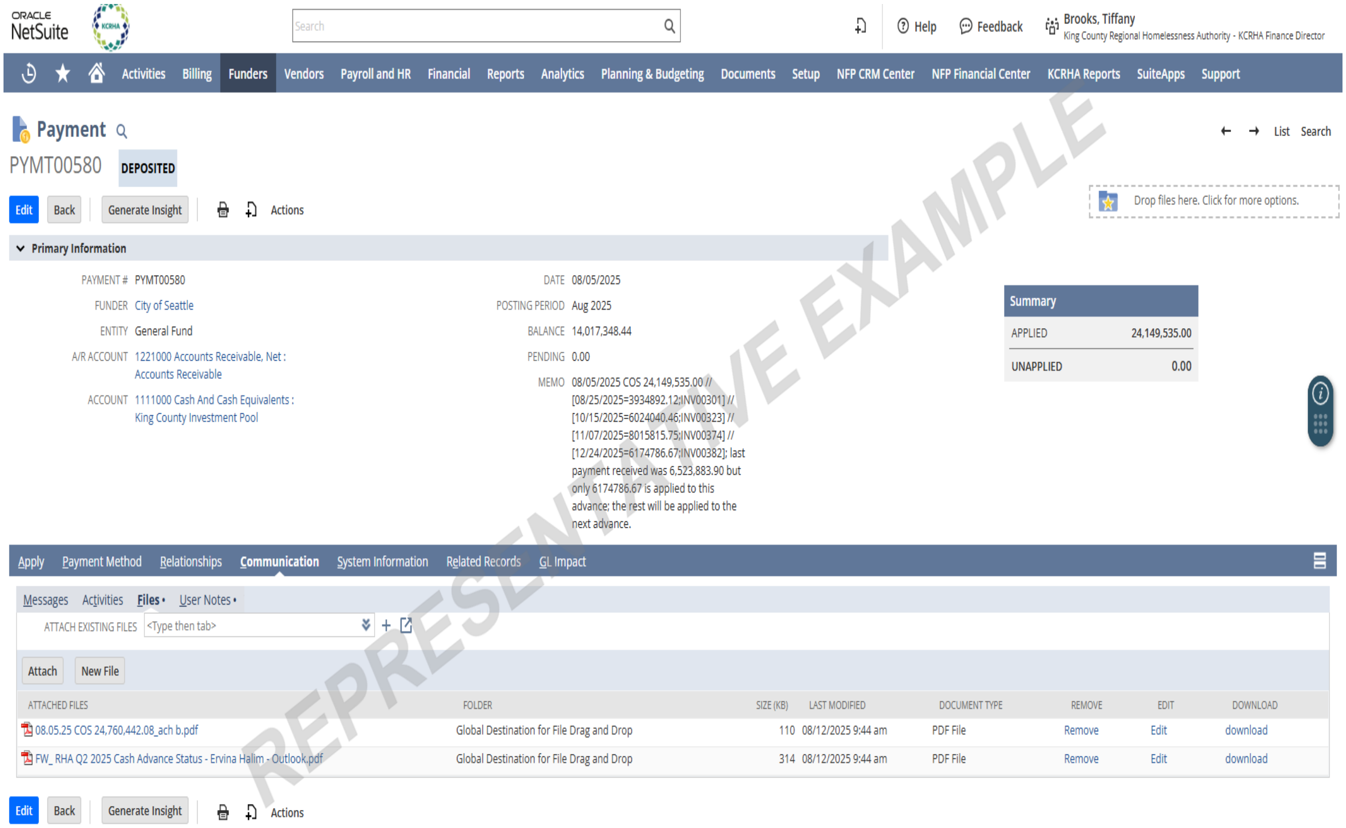
Status by Section					
Section	Ready to be Closed	In Progress	Pending	Not Started	Total
1. Negative Cash Position	3	6	0	0	9
2. Cash Management Process	7	1	0	0	8
3. Cash Advances	5	0	0	0	5
4. Contributed Funds	6	1	0	0	7
5. Accounting Infrastructure	11	9	0	0	20
6. Reimbursements & Cash-Equivalents	6	0	0	0	6
7. Governance & Policies	5	2	0	0	7
Cross-Cutting	0	1	1	0	2
Funder Recommendations	4	0	0	0	4

Risk Level Distribution		
Risk Level	# Observations	% of Total
High	45	66.2%
Medium	22	32.4%
Low	1	1.5%

May 8 High-Risk Items (Funder Demand)	
High-Risk Observations (May 8)	**13**
High-Risk Ready to be Closed	8
High-Risk In Progress	5
High-Risk Pending	0
High-Risk Not Started	0

Appendix C

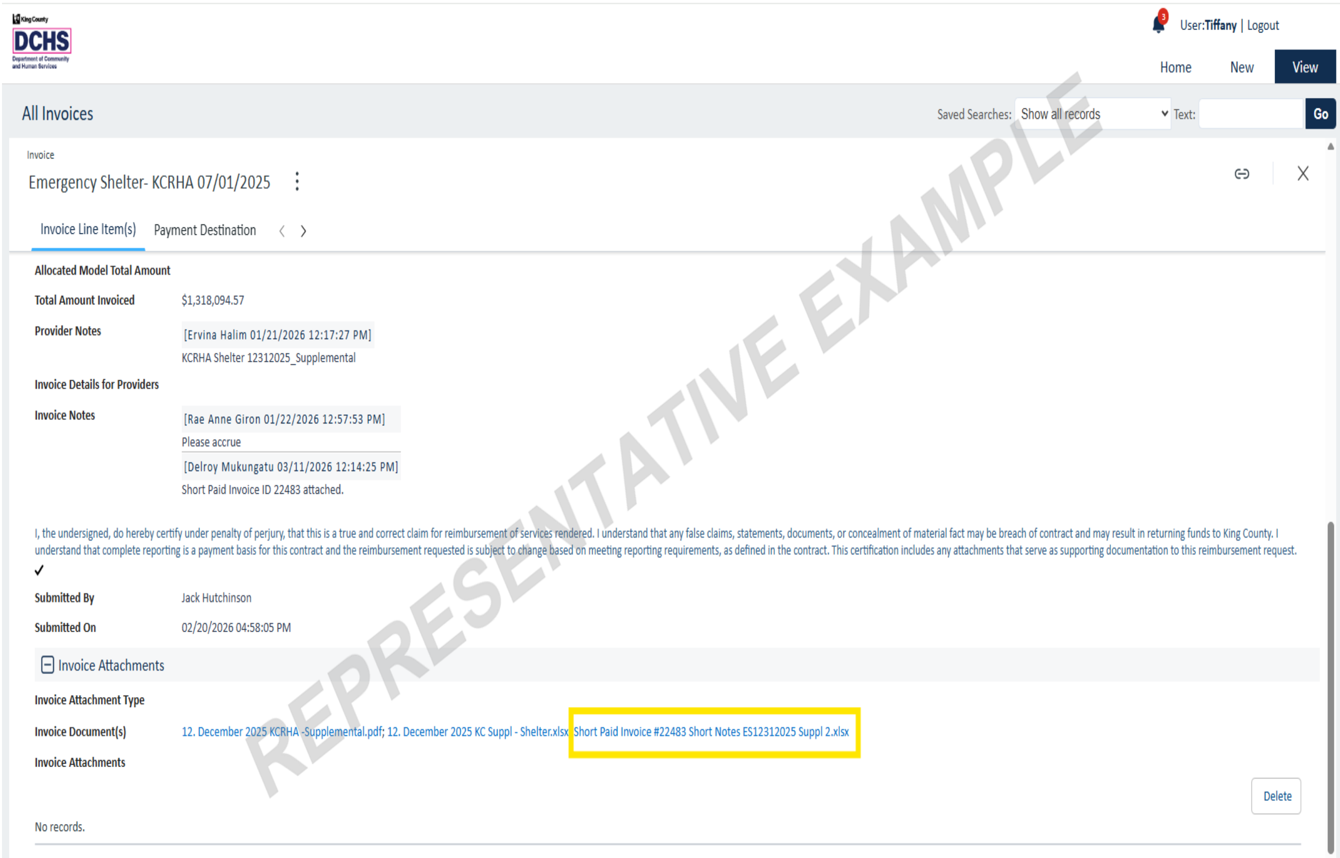
Item 4: Screenshot of payment entry in NetSuite recording advances



City of Seattle 2025 Q2 Advance Pymt_NS files

Appendix D

Item 5a: Screenshot of demonstrating the tagging King County conducts



Appendix E

Item 5b: Excel invoice tracker

City of Seattle Invoice Tracker

KCRHA
King County Regional Homelessness Authority

	Invoice#	Invoice Year	Invoice Month	Date	Invoice Status	Comments
1	December_2024_COS_NH_FINAL	2024	December	3/27/25	Submitted	
2	December_2024_COS_NH_FINAL	2024	December	4/21/25	Question	Matt from COS questioned
3	December_2024_COS_NH_FINAL	2024	December	4/22/25	Answer	EH replied ask for clarification
4	December_2024_COS_NH_FINAL	2024	December	4/27/25	Question	Matt from COS asked more
5	December_2024_COS_NH_FINAL	2024	December	4/29/25	Answer	EH answered and gave COS
6	December_2024_COS_NH_FINAL	2024	December	5/1/25	Approved	Met with COS and December
7	January_2025_COS_NH	2025	January	3/7/25	Submitted	
8	January_2025_COS_NH	2025	January	3/7/25	Question	Met with COS to answer their
9	January_2025_COS_NH	2025	January	3/26/25	Resubmitted	Invoice resubmitted
10	January_2025_COS_NH	2025	January	4/3/25	Question	COS has another question for
11	January_2025_COS_NH	2025	January	4/3/25	Answer	KCRHA answered via Chat and
12	January_2025_COS_NH	2025	January	4/21/25	Paid	
13	January_2025_COS_HUD	2025	January	5/20/25	Submitted	
14	February_2025_COS_NH	2025	February	3/26/25	Submitted	
15	February_2025_COS_NH	2025	February	4/3/25	Question	Questions about the attachment
16	February_2025_COS_NH	2025	February	4/4/25	Question	KCRHA follow up January and
17	February_2025_COS_NH	2025	February	4/7/25	Answer	KCRHA sent new backup
18	February_2025_COS_NH	2025	February	4/7/25	Answer	KCRHA sent new backup
19	February_2025_COS_NH	2025	February	4/21/25	Paid	
20	February_2025_COS_HUD	2025	February	5/20/25	Submitted	
21	March_2025_COS_NH	2025	March	4/25/25	Submitted	
22	March_2025_COS_NH	2025	March	5/1/25	Question	COS requested new backup
23	March_2025_COS_NH	2025	March	5/1/25	Answer	KCRHA sent new backup
24	March_2025_COS_NH	2025	March	5/6/25	Returned	COS & KC requested KCRHA
25	March_2025_COS_NH	2025	March	5/16/25	Resubmitted	Resubmitted to COS with
26	March_2025_COS_NH	2025	March	7/16/25	Paid	
27	March_2025_COS_HUD	2025	March	5/20/25	Submitted	
28	April_2025_COS_NH	2025	April	5/27/25	Submitted	
29	April_2025_COS_NH	2025	April	5/28/25	Returned	COS & KC requested KCRHA
30	April_2025_COS_NH	2025	April	6/24/25	Resubmitted	Resubmitted to COS with
31	April_2025_COS_NH	2025	April	8/1/25	Paid	
32	April_2025_COS_HUD	2025	April	5/27/25	Submitted	
33	May_2025_COS_NH	2025	May	6/27/25	Submitted	
34	May_2025_COS_NH	2025	May	8/5/25	Paid	
35	May_2025_COS_HUD	2025	May	6/27/25	Submitted	
36	June_2025_COS_NH	2025	June	7/25/25	Submitted	
37	June_2025_COS_NH	2025	June	7/31/25	Question	KC/COS request to swap RRH
38	June_2025_COS_NH	2025	June	8/1/25	Answer	Spoke with Charles/KC about
39	June_2025_COS_NH	2025	June	8/1/25	Reviewing	
40	June_2025_COS_HUD	2025	June	7/25/25	Submitted	

Appendix F

Item 7a: KCRHA Reimbursement Policy

KCRHA
King County Regional Homelessness Authority

POLICY APPROVAL COVER SHEET

Policy Title: KCRHA Expense Reimbursement Policy.

Policy ID / Number: FM & FAA[1] - 20

Policy Owner / Department: Finance Department

Associated Policy Document(s) (title only):

- KCRHA Fiscal and Accounting Policy and Procedures
- KCRHA Procurement Policy
- KCRHA Telework Policy
- KCRHA Professional Development Policy
- KCRHA Ethics and Conflict of Interest Policy

Document Control & Version History: N/A

Version Number: V.1

Status (Draft / Final): Final

Original Effective Date: N/A

Current Version Date: June 24, 2026

Supersedes: N/A

EXECUTIVE APPROVAL:

Approved By (CEO): Kelly Kinnison, PhD

Signature: Signed by: 9EE1B2C20DA74A7...

Date: 6/24/2026

[1] Financial Management & Federal Award Administration (FM & FAA) Policies establish the framework, requirements, and internal controls governing the management, expenditure, reporting, and oversight of public and private funds—including federal, state, county, city, and philanthropic resources—to ensure compliance with applicable laws, regulations, and funding requirements.

This document serves as an approval cover sheet only. The underlying policy document remains separate and is incorporated by reference. Records may be subject to public disclosure pursuant to applicable law.

King County Regional Homelessness Authority

20. Expense Reimbursement Policy

Internal Control and Operational Policies

Publish Date: June 24, 2026

PURPOSE

This Expense Reimbursement Policy ("Policy") establishes the requirements governing the reimbursement of expenses using KCRHA funds, including applicable documentation, reconciliation, and recordkeeping standards.

This Policy ensures that all reimbursements are handled in a fiscally responsible and consistent manner, in alignment with 2 CFR Part 200, other applicable laws, regulations, and grant requirements. It also reflects standard best business practices, including the GAO Standards for Internal Control in the Federal Government (Green Book), the COSO Internal Control–Integrated Framework, Generally Accepted Accounting Principles (GAAP), and Governmental Accounting Standards Board (GASB) standards.

SCOPE

This Policy applies to all KCRHA officers, employees, board members, volunteers, and agents (Authorized Payee) who incur authorized expenses in support of KCRHA's business operations. This Policy does not replace or override existing KCRHA financial policies and procedures, including, but not limited to, finance, accounting, procurement, and recordkeeping policies and procedures, and shall be interpreted in conjunction with all such related policies and procedures.

This Policy does not govern reimbursement arrangements under contracts with subrecipients, subcontractors, or other external parties. Such reimbursements are subject to the specific terms and conditions outlined in the applicable agreements.

DEFINITIONS

"Allowable Cost" means costs that meet the criteria for allowability under 2 CFR Part 200 and applicable funding requirements that are reasonable, necessary, allocable, consistently treated, and adequately documented.

"Authorized Approver" means an individual with delegated authority to review and approve expenditures in accordance with KCRHA approval thresholds and internal policies, including managers, directors, department chiefs, and other designated approvers.

"Business Purpose" means a clear, documented explanation demonstrating how an expense directly supports KCRHA's mission, programs, operations, or administrative functions.

"Documentation" means itemized receipts, invoices, proof of payment, and any other records sufficient to substantiate the nature, purpose, amount, and allowability of an expense.

"KCRHA Funds" means funds administered by KCRHA, including federal, state, local, and private funding sources, regardless of funding origin or restrictions.

"Necessary Expense" means an expense that is essential to the performance of KCRHA business and programmatic or operational objectives.

"Reasonable Cost" means a cost that does not exceed what a prudent person would incur under similar circumstances, considering market conditions, available alternatives, and the purpose of the expenditure.

"Reimbursable Expense" means an expense incurred by an authorized individual in support of KCRHA business that meets the requirements of this Policy and has been properly approved and documented.

"KCRHA Travel" means a condition in which an individual is conducting authorized KCRHA business away from their normal work location or official duty station.

POLICY

KCRHA will reimburse reasonable and necessary expenses incurred in the conduct of KCRHA business, provided that such expenses: (a) comply with applicable federal, state, and local requirements, including 2 CFR Part 200, GAAP, GASB, COSO internal control framework, (b) have been properly authorized, documented, and approved by an Authorized Approver as specified in this Policy.

Authorized Approvers are responsible for ensuring expenses are allowable, reasonable, and necessary, supported by adequate documentation, and that they conform to this Policy and all applicable regulatory standards.

I. **Reimbursable Expenses.** Reimbursable expenses must be directly related to KCRHA business, adequately documented, and meet the allowability standards specified in 2 CFR Part 200. Specifically, expenses must be:

   A. Necessary, reasonable, allocable, and consistently treated.

   B. Clearly demonstrate how the expense directly supports KCRHA's mission, programs, operations, or administrative functions.

   C. Be pre-approved by an Authorized Approver before the expense is incurred (unless otherwise excepted herein) in accordance with the Expense Categories specified in Section I.D. Expense Category exceptions may be considered on a case-by-case basis, provided that such category exceptions must meet the requirements specified in Section I. A and I.B of this Policy.

   D. Allowable Expense Categories shall include the following:

      a. ***Relocation expenses***, in accordance with the ***KCRHA Relocation Reimbursement Policy***.

      b. ***Travel expenses***, including
         a. Airfare (coach/economy class only); upgrades are not reimbursable unless approved in advance for business necessity.
         b. Ground Transportation using the least expensive option. (e.g., public transit, rideshare) Rental cars (including gas for rental cars) may be used only when other options are unavailable or impractical, provided that the least costly option for the number of travelers is rented. However, rental car insurance will not be reimbursed.
         c. If a personal vehicle is used, mileage at the rate established by the Internal Revenue Service and in effect at the time the expense was incurred. Commuting between home and primary work locations shall not be reimbursable.
         d. Parking and tolls necessary for business travel.
         e. Meals during approved travel, provided that meal costs are reasonable and exclude alcoholic beverages.
         f. Lodging at standard government or market rate, excluding luxury, entertainment, and incidental charges.

      c. ***Professional training, convention, and conference registrations fees*** directly related to job duties and pre-approved by management, in accordance with the KCRHA Professional Development Policy

      d. ***Professional subscriptions & professional association membership fees*** directly related to job duties and pre-approved by management.

      e. ***Office supplies*** necessary for official business operations and not otherwise provided by

KCRHA.

f. ***Programmatic, project, meeting, employee recognition expenses, and other business administration costs*** that are modest, reasonable, and compliant with funding requirements. All employee recognition expenses must be compliant with the KCRHA Ethics and Conflict of Interest Policy.

II. **Non-Reimbursable Expenses.** Expenses that are not allowable for reimbursement include, but are not limited to:

a. Personal expenses or expenses that are not directly related to official KCRHA business

b. Alcoholic beverages

c. Fines, penalties, or legal violations

d. Luxury, excessive, or unreasonable costs that do not meet the standard of prudent use of public funds

e. Commuting expenses between an employee's residence and assigned work location

f. Expenses lacking adequate documentation or a clearly defined business purpose sufficient to support audit review

g. Out-of-pocket expenses related to home office or telework arrangements, including but not limited to:

   a. Furniture and equipment

   b. Home internet service

   c. Utilities or similar household expenses

   d. Any remote work or telecommuting expenses not expressly authorized under the KCRHA Telework Policy

h. Any expenses incurred outside of established approval processes or not otherwise approved in advance by an Authorized Approver.

III. Administrative Requirements (Approvals, Substantiation, and Controls)

A. Required Approvals. All reimbursement requests must be reviewed and approved prior to payment in accordance with the following internal controls.

1. All expenses must be pre-approved by an Authorized Approver whenever practical.

2. All reimbursements require post-expense approval, and in no event shall an Authorized Approver be the individual who incurred the expense.

3. Any deviation from this policy must be documented, justified in writing, and approved by the Chief Business Officer (CBO) or their designated delegate.

B. Substantiation of Reimbursement Requests. All reimbursement requests must be accompanied by the following documentation to ensure all costs are verifiable upon audit.

1. Signed KCRHA Expense Reimbursement Form certifying that all expenses included in the form are true, accurate, have not been previously reimbursed, and comply with this Policy. The request for reimbursement must also include the following detailed information.

   a. Date of expense

   b. Vendor name

c. The amount paid

d. Description of the expense that demonstrates necessity, establishes a direct connection to the Authorized Payee's official duties, and explains its relevance to KCRHA operations sufficient to withstand external audit or public scrutiny.

e. Written pre-approval authorizing the expense, if applicable.

f. Itemized receipts for all expenses, unless specifically exempted (e.g., mileage). Credit card summaries alone are insufficient.

C. Payments and Advances. Advance payments may be issued for approved travel-related expenses only when KCRHA is unable to pre-pay such expenses directly, and reimbursement would create an undue financial hardship for the Authorized Payee. All advance payment of expenses shall be governed by the following controls.

1. Payments. All authorized and approved KCRHA employee expense reimbursements shall be processed through the KCRHA payroll system. Reimbursements to all other Authorized Payees shall be processed through the accounts payable system and issued via check or other approved payment method, as determined by KCRHA.

2. Authorization for Advances. All advances must be preapproved by the Chief Financial Officer or their designated delegate. Advances must be limited to expenses that are necessary and reasonably estimated, which must be substantiated by supporting documentation. Additionally, advances must exclude any expenses that can be directly prepaid by KCRHA.

3. Use of Funds**.** Advances may only be used for approved business expenses. Use of advance funds for personal or unauthorized purposes is strictly prohibited.

4. Per Diem Rates**.** Approved advance payments shall be calculated in accordance with the then-current U.S. General Services Administration (GSA) per diem rates for lodging, meals, and incidental expenses applicable to the travel location within the continental United States.

5. Accounting and Reconciliation. Authorized payees must subsequently submit an expense report reconciling the advance with actual costs within 20 days of completion of the incurrence of the advanced expenses.

   a. Any unused or unsubstantiated portion of an advance must be repaid promptly upon reconciliation.

   b. Failure to reconcile or repay within required timelines will result in;

      (i) Payroll deduction (if allowable)

      (ii) Suspension of future reimbursement privileges

      (iii) Additional corrective action, as applicable

IV. Supporting Documentation, Recordkeeping, and Audit Readiness

A. Documentation Standards. All reimbursement claims shall be supported by adequate and verifiable documentation sufficient to demonstrate compliance with KCRHA policy, Applicable federal, state, and local requirements

B. Retention Requirements. All reimbursement records shall be retained in accordance with the KCRHA Records Retention Policy, and shall be accessible for internal review, external audit, and public records requests for up to 6 years after the expense was incurred, subject to extended recordkeeping requirements due to unresolved disputes, litigation, or open audits and corrective action requirements.

C. Audit Readiness. All reimbursement records, including all supporting documentation, shall be maintained and stored securely in accordance with KCRHA recordkeeping standards in a manner that ensures an auditor or regulator can understand the nature of the expense, validate compliance, and trace approval and payment.

IMPLEMENTATION AND ENFORCEMENT

The Chief Business Officer (CBO) of the Authority is authorized to implement and enforce the provisions of this Policy. This authority includes, but is not limited to, designating one or more individuals to administer and carry out the requirements of this Policy; developing and maintaining standard operating procedures to assess compliance and address violations; enforcing policy requirements; conducting periodic reviews and audits; reporting findings to executive leadership; overseeing corrective actions related to identified findings; providing training and guidance; and taking any other actions reasonably necessary to ensure compliance with this Policy.

POLICY REVIEW AND UPDATES

This Policy shall be reviewed periodically, but no less than every two (2) years, and more frequently as necessary due to changes in law, regulation, accounting standards, grant requirements, risk assessments, audit findings, or KCRHA operations.

The Chief Business Officer (CBO), in coordination with the Risk Management Officer (RMO) or their designees, shall oversee the review of this Policy to ensure continued alignment with internal control, risk management, and governance requirements.

Updates subject to Board approval shall be advanced through established governance processes. Administrative updates may be implemented as authorized, provided such changes are documented and communicated in a timely manner.

TRAINING AND CERTIFICATION

The Human Resources Department, in coordination with the Chief Business Officer (CBO) and the Risk Management Department, shall be responsible for ensuring that KCRHA staff are appropriately trained on this Policy. At a minimum, training shall be incorporated into the new employee onboarding as required by applicable job duties. Further, annual refresher training and additional training will be provided as necessary in response to policy updates, audit findings, or identified compliance issues.

Completion of required training will be documented through signed acknowledgment forms and other training records as maintained in accordance with KCRHA recordkeeping requirements.

INTERNAL COMPLIANCE AUDITS

The Risk Management Department, in coordination with the Finance Department, shall conduct, at a minimum, annual internal compliance audits and reviews to assess adherence to this Policy and related procedures. Internal compliance audits may include, but are not limited to, reviews of requests for reimbursements, approvals, and advance payment reconciliations, and supporting documentation.

Audit results shall be documented and communicated in a timely manner to the appropriate management, including the CEO or Governing Board Committee, as applicable, and shall be subject to timely corrective action, which may include additional training, procedural changes, enhanced controls, or disciplinary action, as appropriate.

RELATED POLICIES:

- KCRHA Fiscal and Accounting Policy and Procedures
- KCRHA Procurement Policy
- KCRHA Telework Policy
- KCRHA Professional Development Policy

- KCRHA Ethics and Conflict of Interest Policy

Appendix G

Item 7b: All staff presentation covering immediate Corrective Action Plan (CAP) actions taken

Evaluation Updates: Immediate Actions Taken

Received the City & County joint cover letter and forensic evaluation from Clark Nuber in late April 22

Governance & Oversight

- Finance Committee established
- Oversight meetings underway between County, City, and KCRHA
- Implemented an immediate hiring and discretionary spending freeze

Internal Controls

- Five of seven P-Cards deactivated
- Enhanced approval requirements implemented
- Employee reimbursement pre-approval process implemented
- Gift card controls strengthened
- Segregation of duties review underway
- NetSuite permissions review is being completed

KCRHA

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Evaluation Updates: Immediate Actions Taken

Financial Management

- Accounts receivable reconciliation work underway
- Administrative spending review underway
- Cash management and KCIP analysis underway
- Enhanced budget monitoring implemented

Policies & Procedures

- Purchase Card, Gift Card & Cash Equivalent Controls Policy updated
- Additional policy and SOP updates underway
- Documentation and approval requirements strengthened

Timeline of Key Events

- May 8 response submitted to the City & County
- Corrective Action Plan (CAP) submitted May 22
- Received City & County's joint cover letter and Clark Nuber's assessment of CAP June 8

KCRHA

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Evaluation Updates: What to Expect

What staff can expect from the Finance Team

- External Financial Staff
- Finalizing CAP dashboard
- Continued policy and procedure updates
- Training and documentation requirements
- Ongoing communication from leadership as key milestones are met (see Kelly & William's emails to all staff)
- Opportunities to support implementation efforts
- Our work continues and the CAP remains our implementation roadmap
- Our focus is on continuous improvement, execution, and accountability

We will remain focused on supporting providers and our community

Appendix H

Item 7c: April 28, 2026 P-card cardholder email

Outlook

P-Card Update

From Tiffany Brooks <tiffany.brooks@kcrha.org>
Date Tue 2026-04-28 1:39 PM
To Taj Wallace <taj.wallace@kcrha.org>; Derek Montes <derek.montes@kcrha.org>; Renée Aikens <renee.aikens@kcrha.org>; Lisa Edge <lisa.edge@kcrha.org>; Alex Pfiffner <alex.pfiffner@kcrha.org>; Kelly Kinnison <kelly.kinnison@kcrha.org>
Cc Jack Hutchinson <jack.hutchinson@kcrha.org>; William Towey <william.towey@kcrha.org>; Lisa Edge <lisa.edge@kcrha.org>; Jeff Simms <jeff.simms@kcrha.org>; Irwin Batara <irwin.batara@kcrha.org>

Hi Team,

We are implementing updated controls related to procurement and purchasing practices across the organization.

As part of this process, all p-cards will be temporarily deactivated and will be reissued, on an as needed basis, following the rollout of the updated policy and SOP, which includes strengthened requirements for prior approval on purchases. These updates are designed to ensure alignment with audit expectations, reinforce internal controls, and support consistent, compliant financial practices across KCRHA.

Additional details on the updated policy, approval workflow, reissuance, and training timeline will be shared shortly.

To ensure continuity of KCRHA operating needs Derek's and my card will remain active. All purchase requests should be submitted with supporting documentation through the HALO ticketing system under Equipment and Supplies Request and are subject to approval from Kelly and the GB Finance Committee.

If you have any immediate questions, please don't hesitate to reach out.

Thank you for your understanding in strengthening our financial processes.

Tiffany Brooks | **She / Her**
Interim Chief Business Officer
King County Regional Homelessness Authority
Email: tiffany.brooks@kcrha.org
Mobile: 206-635-0092
Twitter | Facebook | LinkedIn | Instagram

The KCRHA Grants and Finance team hosts weekly Open Office Hours to offer technical assistance to providers on Thursdays from 3:00pm to 4:00pm. The Open Office Hours are designed to provide support for items such as invoicing, contracts, comprehensive monitoring and more. The link for the weekly meeting is listed below:

Join ZoomGov Meeting

If this is an emergency management issue that requires immediate attention, ***please call 206-930-8846.***

Email communications with KCRHA employees are public records and may be subject to disclosure.

For regularly updated information about severe weather shelters in Seattle and across King County, click here.

For access to community services, please call 211

Appendix I

Item 7d: P-card All Staff email

Outlook

All-Staff Update: Purchasing and Reimbursement Approval Process (Effective Today)

From Tiffany Brooks <tiffany.brooks@kcrha.org>
Date Tue 2026-04-28 2:22 PM
To King County Regional Homelessness Authority <KingCountyRegionalHomelessnessAuthority@kcrha.org>
Cc Kelly Kinnison <kelly.kinnison@kcrha.org>; William Towey <william.towey@kcrha.org>; Lisa Edge <lisa.edge@kcrha.org>; Jack Hutchinson <jack.hutchinson@kcrha.org>; Yingying Chen <yingying.chen@kcrha.org>

KCRHA - Internal Use Only

Hi Team,

Effective today, we are implementing updated purchasing and reimbursement controls to ensure appropriate pre-approval and alignment with audit and internal control requirements.

P-Cards

- Effective today, 5 of our 7 p-cards have been deactivated.
- As a result, all purchasing requests must be submitted to your Department Head for review and processing.

Purchase Requests

- All staff must submit purchase requests to their Department Head.
- Department Heads are responsible for submitting all approved purchase requests through the HALO ticketing system for review and approval.

Employee Reimbursement Pre-Approval

- To ensure all discretionary spending is pre-approved, *all costs subject to employee reimbursement must receive pre-approval.*
- At this time, pre-approval requests should be submitted via email to your Department Head, who will route the request to Kelly Kinnison for approval, and copy Tiffany Brooks and Yingying Chen for awareness.
- Once approved by Kelly, you may proceed with the expense.

Reimbursement Submission Process

- Reimbursement requests must be submitted to your Department Head and the Budget team (Tiffany Brooks and Yingying Chen) for review.
- Approved requests will then be submitted to Payroll for processing.
- All reimbursement requests must include a copy of the pre-approval from Kelly.

We are actively updating HALO to streamline the reimbursement process and will share the updated policy and SOP towards the end of May.

Thank you for your cooperation as we strengthen our financial processes across the organization.

Tiffany Brooks | **She / Her**
Interim Chief Business Officer
King County Regional Homelessness Authority
Email: tiffany.brooks@kcrha.org
Mobile: 206-635-0092
Twitter | Facebook | LinkedIn | Instagram

The KCRHA Grants and Finance team hosts weekly Open Office Hours to offer technical assistance to providers on Thursdays from 3:00pm to 4:00pm. The Open Office Hours are designed to provide support for items such as invoicing, contracts, comprehensive monitoring and more. The link for the weekly meeting is listed below:

Join ZoomGov Meeting

If this is an emergency management issue that requires immediate attention, ***please call 206-930-8846.***

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For regularly updated information about severe weather shelters in Seattle and across King County, click here.

For access to community services, please call 211

King County Regional Homelessness Authority

Appendix J

Item 8: KCRHA Finance team's monthly close checklist

KCRHA_Acct_Monthly_Close

	Task Name	Jun 21						
		S	M	T	W	T	F	S
1	**Monthly Close Tasks**							
2	Assets							
3	Apply Cash to O/S Funder Invoices, including A/R aging							
4	Bank Reconciliation							
5	Prepaid Items							
6	Tangible Capital Items							
7	Intangible Capital Items							
8	Liabilities							
9	Unearned Revenue Reconciliation							
10	Accrued A/P reconciliation							
11	Revenues							
12	Accrual revenues based on provider expense accruals							
13	Bill funders							
14	City							
15	County							
16	Feds							
17	etc.							
18	Expenses							
19	Close A/P in NetSuite							
20	payroll JEs, including allocations of admin costs							
21	Provider Expense Accruals							
22	Professional services Fees accruals							
23	License fees accruals							

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Page 1 of 2

	Task Name	Jun 21						
		S	M	T	W	T	F	S
24	P-Card Entry							
25	Recurring entries (e.g., amortiztions)							
26	Month-End Reports							
27	Balance Sheet							
28	PNL							
29	Budget to Actual							
30	Provider expenses at the sub-object level							
31	Other Tasks							
32	Program Monitoring							

Appendix K

Item 9: Chart of accounts from NetSuite

System Implementation
Chart of Account

Account	Type	Hierarchy	Account Name	Description	FS Line Item Mapping
1000000	Asset	Primary	Assets		
1110000	Asset	Primary	Cash And Cash Equivalents		
1111000	Asset	Sub	Cash and Investment Pool		
1113000	Asset	Sub	US Bank Payroll Account		
1114000	Asset	Sub	Petty Cash		
1115000	Asset	Primary	Cash with Fiscal Agents/Trustees		
1180000	Asset	Primary	Investments		
1220000	Asset	Primary	Accounts Receivable, Net		
1221000	Asset	Sub	Accounts Receivable		
1227000	Asset	Sub	Unbilled Receivable		
1229000	Asset	Sub	Allowance For Uncollectibles		
1240000	Asset	Primary	Interest Receivables		
1260000	Asset	Primary	Other Receivables		
1261000	Asset	Sub	Other Current Receivables		
1269000	Asset	Sub	Other Allow For Uncollectibles		
1340000	Asset	Primary	Due From Other Govts		
1341000	Asset	Sub	Due From Other Govts		
1342000	Asset	Sub	Due from Other Gov'ts-Unbilled		
1343000	Asset	Sub	Due from Other Govts-Grants		
1410000	Asset	Primary	Inventories		
1430000	Asset	Primary	Prepayments		
1431000	Asset	Sub	Prepaid Expenses		
1432000	Asset	Sub	Deposits/Refundable		
1439000	Asset	Sub	Prepaid Expenses-Other		
1450000	Asset	Primary	Other Current Assets		
1510000	Asset	Primary	Restricted Current Assets		
1511000	Asset	Sub	Restricted Cash		
1710000	Asset	Primary	Land		
1720000	Asset	Primary	Building And Structures		
1721000	Asset	Sub	Buildings		
1729000	Asset	Sub	Buildings-Allow For Depr		
1750000	Asset	Primary	Leasehold Improvements Summary		
1751000	Asset	Sub	Leasehold Improvements		
1759000	Asset	Sub	Leasehold Improv-Accum Depr		
1760000	Asset	Primary	Other Improvements Summary		
1761000	Asset	Sub	Other Improvements		
1769000	Asset	Sub	Allow For Depreciation-Improve		
1810000	Asset	Primary	Machinery & Equipment Summary		
1811000	Asset	Sub	Machinery & Equipment		
1819000	Asset	Sub	Machine & Equip-Accum Depr		
1890000	Asset	Primary	Construction In Progress Summ		
1891000	Asset	Sub	CIP - Additions		
1892000	Asset	Sub	CIP - Reductions		
1910000	Asset	Primary	Intangible Assets		
1911000	Asset	Sub	Art Work		
1919000	Asset	Sub	Intangibles Assets-Accum Amort		
1930000	Asset	Primary	Other Assets-Noncurrent		
1931000	Asset	Sub	Long-term Investments		
1935000	Asset	Sub	Pension Asset		
1938000	Asset	Sub	Other Assets Noncurrent-Other		
1980000	Asset	Primary	Defferred Outflows Of Resource		
1981000	Asset	Sub	DefOut-DiffEmpCont&PropShrCont		
1982000	Asset	Sub	Def Out-Diff Btwn Exp&Act Exp		
1983000	Asset	Sub	Def Out-Changes Of Asm		
1984000	Asset	Sub	Def Out-Diff Btw Proj&Act Earn		
1985000	Asset	Sub	Def Out-Cont Made Subs Meas Dt		
1989000	Asset	Sub	Def Out-Other		
2000000	Liability	Primary	Liabilities		

Appendix L

Item 10a: joint letter from City and County from June 8, 2026.

Seattle King County

June 8, 2026

Kelly Kinnison, Ph.D., Chief Executive Officer
King County Regional Homelessness Authority
400 Yesler Way, Suite 600
Seattle, WA 98104
Email: Kelly.Kinnison@kcrha.org

RE: King County Regional Homelessness Authority's Corrective Action Plan Response

Dear Dr. Kinnison:

The King County Department of Community and Human Services (DCHS) and the City of Seattle Human Services Department (HSD) have completed our review of the King County Regional Homelessness Authority's (KCRHA) Corrective Action Plan (CAP) submitted on May 22, 2026.

King County and the City of Seattle are committed to strong financial stewardship of public funds. The April 17, 2026 Forensic Evaluation uncovered several areas for improvement. KCRHA is responsible for administering public funds transparently and effectively, and it is imperative that the items identified in the evaluation be resolved expeditiously.

As a next step, the County and City will partner to quickly embed an external financial consultant within KCRHA to assist with stabilizing the organization and advancing improvements.

A full assessment of KCRHA's CAP is enclosed with this letter. KCRHA's comprehensive CAP addresses key areas to improve fiscal oversight, but additional documentation and a clear internal control framework are still needed. Section 7 of the assessment (pages 20-21) lists immediate, near-term and ongoing action DCHS and HSD require of KCRHA.

- By July 31, 2026, please provide DCHS and HSD with proof that the four immediate recommendations have been met:
    1. Require written response on three absent governance directives related to the hiring freeze, discretionary spending freeze, and the pause on new agreements increasing costs or liability;

2. Require evidence-based confirmation of the four May 8 high-risk responses;
3. Require a specific corrective action plan for the $6.4M programmatic overspend;
4. Require a written description of an interim federal compliance framework.

- By August 28, 2026, please provide DCHS and HSD with proof that the three near-term recommendations have been met:
    1. Require direct funder review of Phase 1 deliverables;
    2. Engage independent verification of areas designated 'Implemented/Continuing';
    3. Establish a CFO hire timeline with a specific target date.

- By September 30, 2026, please provide DCHS and HSD with proof that the three ongoing oversight conditions are in place.
    1. Require Finance Committee reporting directly to funders on a defined schedule;
    2. Require milestone-linked reporting with quantitative before-and-after comparisons;
    3. Treat external stabilization support as a prerequisite for Phase 2 and 3 milestones.

Thank you for your commitment to serving the community. If you have any questions, please contact us at jelani.jackson@kingcounty.gov and chris.klaeysen@seattle.gov.

Sincerely,

Signed by:
Jelani Jackson
FA2331EDC4DD47A...
Jelani Jackson, Acting Division Director
King County DCHS

DocuSigned by:
Chris Klaeysen
FA0DB3621ED94DE...
Chris Klaeysen, Homelessness Division Director
City of Seattle HSD

Enclosure: KCRHA Corrective Action Plan Assessment

cc: The Honorable Executive Zahilay, King County Executive
The Honorable Katie Wilson, City of Seattle Mayor
KCRHA Governing Board Members
Susan McLaughlin, Acting Department Director, DCHS
Tanya Kim, Director, HSD
Tiffany Brooks, KCRHA Interim Chief Business Officer

Appendix M

Item 10b: Committee of the Whole briefing in response to motion 16970 relating to KCRHA - video and [minutes.](minutes)

King County

King County

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Meeting Minutes

Committee of the Whole

Jorge Barón, Chair
Claudia Balducci, Vice Chair;
Rod Dembowski, Reagan Dunn, Steffanie Fain, Rhonda Lewis,
Teresa Mosqueda, Sarah Perry, Pete von Reichbauer

Lead Staff: Andy Micklow (206-263-3226)
Committee Clerk: Blake Wells (206-263-1617)

3:00 PM	Monday, June 8, 2026	Hybrid Meeting

SPECIAL MEETING - DRAFT MINUTES

1. Call to Order

   Chair Barón called the meeting to order at 3:00 PM.

2. Roll Call

   Present: 9 - Balducci, Barón, Dembowski, Dunn, Fain, Lewis, Mosqueda, Perry and von Reichbauer

3. Approval of Minutes

   Councilmember Perry moved approval of the May 26, 2026 meeting minutes. There being no objections, the minutes were approved.

4. Public Comment

   The following people provided public comment:

   Alex Tsimerman
   Nela Cumming

Discussion and Possible Action

5. Proposed Motion No. 2026-0081

A MOTION confirming the appointment of Susan McLaughlin as director of the King County department of community and human services.

Sam Porter, Council staff, and Hyeok Kim, Chief Operating Officer, King County Executive's Office, briefed the committee. Dr. Susan McLaughlin, appointee, also briefed the committee and answered questions from the members.

This item was expedited to the June 16, 2026 meeting of the Metropolitan King County Council.

Councilmember Dembowski requested to be added as a sponsor for this item.

A motion was made by Councilmember Mosqueda that this motion be recommended do pass consent. The motion carried by the following vote:

Yes: 9 - Balducci, Barón, Dembowski, Dunn, Fain, Lewis, Mosqueda, Perry and von Reichbauer

Briefing

6. Briefing No. 2026-B0077

Response to Motion 16970 relating to King County Regional Homelessness Authority

William Towey, Associate Deputy, Strategy, King County Regional Homelessness Authority, briefed the committee via PowerPoint presentation and answered questions from the members. Hyeok Kim, Chief Operating Officer, King County Executive's Office, Aaron Rubardt, Chief Budget Officer, King County Executive's Office, and Amber Green, Deputy Director, Department of Community and Human Services, also briefed the committee via PowerPoint presentation and answered questions from the members.

This matter was presented.

Adjournment

The meeting was adjourned at 5:14 PM.

Approved this _____________ day of _________________

Clerk's Signature

Appendix N

Requirement C: Interim federal compliance framework – KCRHA Enterprise Internal Controls and Compliance Audit Framework

King County Regional Homelessness Authority

01. Enterprise Internal Controls and Compliance Audit Framework

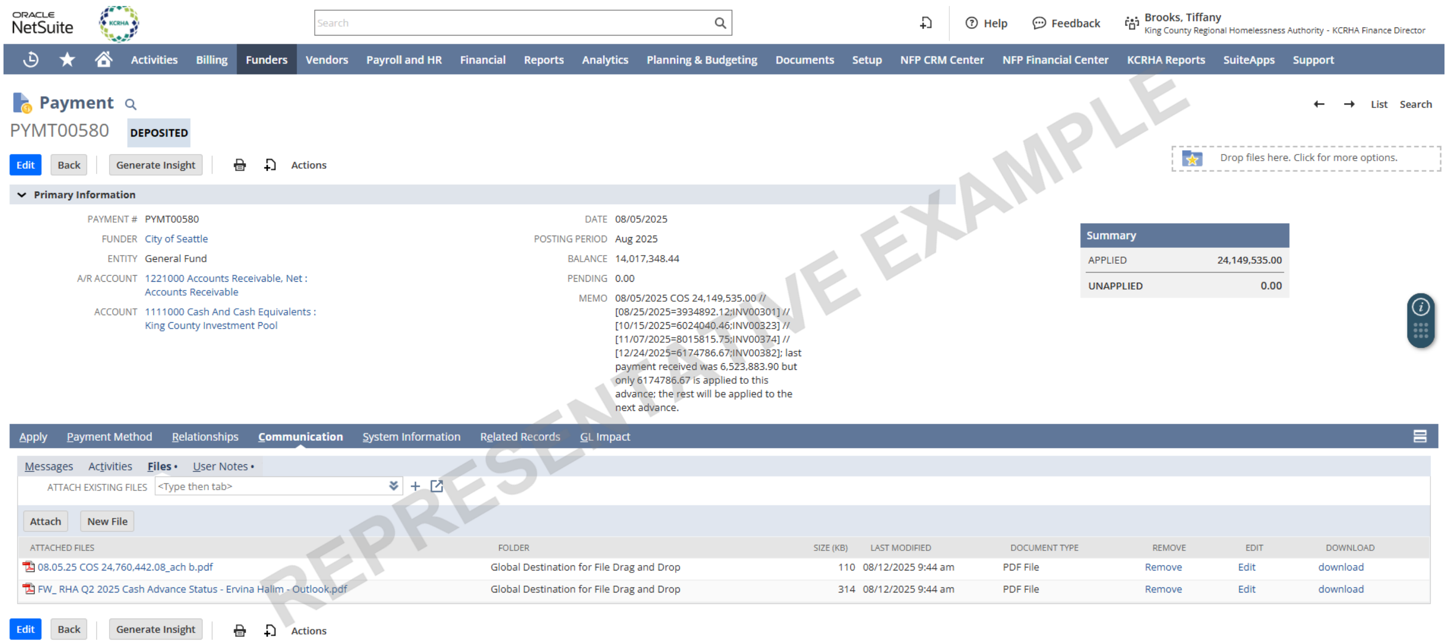
Internal Control and Operational Policies

Publish Date: July ____, 2026

TABLE OF CONTENTS

Appendix O

Item 3a: City of Seattle 2025 Q2 Advance payment NetSuite files, payment and GL impact



ORACLE NetSuite

Search

Help | Feedback | Brooks, Tiffany
King County Regional Homelessness Authority - KCRHA Finance Director

Activities | Billing | Funders | Vendors | Payroll and HR | Financial | Reports | Analytics | Planning & Budgeting | Documents | Setup | NFP CRM Center | NFP Financial Center | KCRHA Reports | SuiteApps | Support

Payment

PYMT00580 **DEPOSITED**

List | Search

Edit | Back | Generate Insight | Actions

Drop files here. Click for more options.

Primary Information

PAYMENT #	PYMT00580
FUNDER	City of Seattle
ENTITY	General Fund
A/R ACCOUNT	1221000 Accounts Receivable, Net : Accounts Receivable
ACCOUNT	1111000 Cash And Cash Equivalents : King County Investment Pool
DATE	08/05/2025
POSTING PERIOD	Aug 2025
BALANCE	14,017,348.44
PENDING	0.00
MEMO	08/05/2025 COS 24,149,535.00 // [08/25/2025=3934892.12;INV00301] // [10/15/2025=6024040.46;INV00323] // [11/07/2025=8015815.75;INV00374] // [12/24/2025=6174786.67;INV00382]; last payment received was 6,523,883.90 but only 6174786.67 is applied to this advance; the rest will be applied to the next advance.

Summary	
APPLIED	24,149,535.00
UNAPPLIED	0.00

Apply | Payment Method | Relationships | **Communication** | System Information | Related Records | GL Impact

Messages | Activities | **Files** • | User Notes •

ATTACH EXISTING FILES <Type then tab>

Attach | New File

ATTACHED FILES	FOLDER	SIZE (KB)	LAST MODIFIED	DOCUMENT TYPE	REMOVE	EDIT	DOWNLOAD
08.05.25 COS 24,760,442.08_ach b.pdf	Global Destination for File Drag and Drop	110	08/12/2025 9:44 am	PDF File	Remove	Edit	download
FW_ RHA Q2 2025 Cash Advance Status - Ervina Halim - Outlook.pdf	Global Destination for File Drag and Drop	314	08/12/2025 9:44 am	PDF File	Remove	Edit	download

Edit | Back | Generate Insight | Actions

REPRESENTATIVE EXAMPLE

Appendix O

Item 3a: continued

King County Regional Homelessness
Authority
400 Yesler Way Suite 600
Seattle WA 98104
United States

Payment

#PYMT00580
08/05/2025

TOTAL

$24,149,535.00

Date	Type	Type	Amt. Due	Disc. Taken	Payment
06/30/2025	Invoice	$4,825,804.49	$3,934,892.12		$3,934,892.12
07/31/2025	Invoice	$7,429,846.08	$6,024,040.46		$6,024,040.46
08/31/2025	Invoice	$8,068,114.25	$8,015,815.75		$8,015,815.75
09/30/2025	Invoice	$6,681,395.54	$6,332,298.31		$6,174,786.67
				Total	$24,149,535.00

1 of 1

Appendix O

Item 3a: continued

King County Regional Homelessness Authority
400 Yesler Way Suite 600
Seattle WA 98104
United States

GL Impact

REPRESENTATIVE EXAMPLE

Date	Posting Period	Transaction Type	Document Number
08/05/2025	Aug 2025	Payment	PYMT00580

Row Number	Subsidiary	Account	Memo	Base Currency	Debit	Credit
1	General Fund	1111000 Cash And Cash Equivalents : King County Investment Pool	08/05/2025 COS 24,149,535.00 // [08/25/2025=3934892.12;INV00301] // [10/15/2025=6024040.46;INV00323] // [11/07/2025=8015815.75;INV00374] // [12/24/2025=6174786.67;INV00382]; last payment received was 6,523,883.90 but only 6174786.67 is applied to this advance; the rest will be applied to the next advance.	USA	$24,149,535.00	
2	General Fund	1221000 Accounts Receivable, Net : Accounts Receivable	08/05/2025 COS 24,149,535.00 // [08/25/2025=3934892.12;INV00301] // [10/15/2025=6024040.46;INV00323] // [11/07/2025=8015815.75;INV00374] // [12/24/2025=6174786.67;INV00382]; last payment received was 6,523,883.90 but only 6174786.67 is applied to this advance; the rest will be applied to the next advance.	USA		$24,149,535.00
Total					**$24,149,535.00**	**$24,149,535.00**

1 of 1

Appendix P

Item 3b: KCRHA 2024-2025 cash flow issued December 2025

King County Regional Homelessness Authority - 2024 and 202																
(in 000's)					Actuals	Actuals	Forecast		Forecast	Forecast	Forecast	Forecast		Forecast	Forecast	Forecast
Category	2025 Adopted Budget	FY25 Q1	FY25 Q2	FY25 Q3	Oct 2025	Nov 2025	Dec 2025	FY25 Q4	TOTAL 2025	JAN 2026	Feb 2026	Mar 2026	FY26 Q1	Apr 2026	May 2026	Jun 2026
Beginning Cash Position		(33,709)	(12,196)	(37,442)	(21,215)	(30,472)	(37,219)	(21,222)	(33,709)	(46,822)	(56,546)	(55,251)	(46,822)	(38,401)	(16,492)	(26
Interfund Loan (up to $50M)		-	-	-				-	-				-			
Cash Receipts																
County	52,973	9,785	8,447	16,703	3,799	475	5,091	9,365	44,300	1,488	3,053	17,486	22,028	5,083	2,441	2
Seattle	109,430	40,828	203	36,729	1,792	2,350	919	5,062	82,821	24,553	756	10,718	36,027	28,634	523	
HUD	23,079	9,560	5,825	6,285	737	1,173	317	2,227	23,897	2,365	5,169	1,556	9,090	1,743	1,836	2
DOC - ROW	20,986	5,532	5,897	4,075	-	-	2,323	2,323	17,827	3,571	7,782	987	12,341	1,102	1,159	1
North King County ILA	403	361	-	-	-	-	-	-	361	-	278	-	278	-	-	
Department of Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Fund Sources	-	-	84	46	2	-	-	2	132	13	13	13	38	13	13	
Total Cash Receipts	**206,870**	**66,066**	**20,455**	**63,838**	**6,330**	**3,998**	**8,650**	**18,979**	**169,338**	**31,990**	**17,051**	**30,761**	**79,801**	**36,574**	**5,972**	**6**
Cash Outflows																
KCRHA - Salaries, Wages & Benefits	14,370	3,356	3,025	3,427	975	874	874	2,724	12,533	1,147	1,147	1,147	3,441	1,147	1,147	1
KCRHA - Overhead & Operating Costs	1,847	1,582	3,007	936	233	183	154	570	6,095	656	656	656	1,967	656	656	
KCRHA - Fees & Other		-	-	-	-	-	-	-	-				-			
KCRHA - KCIP Interest (0.35%)		296	254	365	63	84	118	266	1,182	147	181	196	524	164	96	
Pass-Through Service Provider Payments			-	-				-	-							
County	49,803	10,329	10,767	10,779	3,149	1,599	3,297	8,044	39,919	11,595	5,233	2,613	19,442	2,787	3,136	3
Seattle	104,412	20,251	20,345	22,526	8,772	7,327	9,571	25,670	88,792	17,671	6,414	6,872	30,957	7,330	8,246	9
HUD	18,380	5,130	4,123	5,321	1,153	317	2,116	3,585	18,159	4,919	1,307	1,493	7,720	1,587	1,867	1
DOC - ROW	17,655	3,584	4,097	4,149	1,238	322	2,099	3,659	15,488	5,498	801	916	7,215	973	1,145	1
North King County ILA	403	24	73	115	5	38	24	68	280	81	16	19	116	20	23	
Other Fund Sources		-	10	-	-	-	-	-	10	-	-	-	-	-	-	
Total Disbursements	**206,870**	**44,553**	**45,701**	**47,618**	**15,588**	**10,745**	**18,253**	**44,586**	**182,458**	**41,714**	**15,755**	**13,911**	**71,381**	**14,664**	**16,316**	**18**
Ending Cash Position with City GF advance in 2025		**(12,196)**	**(37,442)**	**(21,222)**	**(30,472)**	**(37,219)**	**(46,822)**	**(46,829)**	**(46,829)**	**(56,546)**	**(55,251)**	**(38,401)**	**(38,401)**	**(16,492)**	**(26,835)**	**(38**
KCIP Balance		(12,196,465.20)	(37,441,995.24)		(30,472,222.35)	(37,234,723.65)										
Math Check		(0.00)	(0.00)		-	16,000.00										
						Timing diff										

Appendix Q

Item 3c: January through June 2024 City of Seattle Invoice Tracker and NetSuite Payments 2024 through 2026

Short Term Rental Tax : STRT-COS-23	0.00						0.00
Short Term Rental Tax : STRT-COS-24	154,866.41	163,355.66	195,895.07	76,838.10	42,726.22	207,349.67	841,031.13
Grand Total	**6,471,293.19**	**5,926,011.57**	**3,102,293.57**	**10,174,599.24**	**1,365,633.56**	**5,663,921.71**	**32,703,752.84**
Billed City	6,453,099.48	5,926,011.57	3,120,487.28	10,174,599.24	1,365,633.56	5,663,921.71	32,703,752.84
Date Submitted	5/29/2024 - updated	6/27/2024- questions answered	7/11/2024 -updated	7/11/2024 -corrected	7/22/24	7/26/24	
Approved?	Yes	Yes	Yes	Yes	Yes	Yes	
Date Approved		6/27/24	7/11/24	7/11/24	7/26/24	7/29/24	
Date Paid	6/14/24	7/15/24					

HUD

Sum of Amount	Months (Date)						
Grant	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Grand Total**
Community Development Block Grant - CARES : CDBG-CV-COS-23	111,328.84	103,548.35	186,078.19	0.00	146,198.45		547,153.83
Community Development Block Grant : CDBG-COS-24				618,211.78		198,971.42	817,183.20
Emergency Solutions Grant Program - CARES : ESG-CV-COS-22	0.00		0.00	0.00	0.00	0.00	0.00
Emergency Solutions Grant Program : ESG-COS-24	205,584.26	24,849.45	114,833.66	177,151.65		46,564.40	568,983.42
Grand Total	**316,913.10**	**128,397.80**	**300,911.85**	**795,363.43**	**146,198.45**	**245,535.82**	**1,933,320.45**
Billed City	160,328.84	103,548.35	186,078.19	0.00	146,198.45	0.00	596,153.83
	7/2/24	7/3/24	7/3/24	7/22/2024, updated attachment 7/23/2024	7/22/24	7/26/24	
Approved?	Pending	Pending	Pending	Pending	Pending	Pending	

12.2023 DM23-5212 Final C	**20,512,521.92**
Final C Details:	**INVOICE AMOUNT**
General Fund	19,635,461.43
2023 CDBG	0.00
2023 ESG	70,468.47
2022 ESG	0.00
ESG - CRS	0.00
CDBG -CRS	0.00
CLFR-Coronavirus Local Fiscal Recovery Fund	93,697.39
Short-term Rental Tax	483,453.70
Housing Levy Prevention	238,546.46
Housing Levy Rapid Rehousing	-9,105.53
Grand Total	**20,512,521.92**

Date	Prin	Document Numbe	Name	Accou	Check N	Statu	Memo	Amount	Preferred Entity Bank	Vendor Bank Fee	Bank F	Entity Bank (Vendo	Fluxx Projec	y Bank (Em	onic Bank	Fluxx Proj	Gran
6/4/26	Print	PYMT00678	City of Bellevue	1111000		Deposite	City of Be	40,000.00			0.00						
12/31/25	Print	PYMT00677	Shoreline - Funder	1111000		Deposite	February	25,000.00			0.00						
4/1/26	Print	PYMT00676	King County	1111000		Deposite	April 202	886,100.84			0.00						
5/26/26	Print	PYMT00675	King County	1111000		Deposite	May 202	4,411,609.81			0.00						
5/18/26	Print	PYMT00674	City of Seattle	1111000		Deposite	05/18/26	84,341.40			0.00						
3/1/26	Print	PYMT00673	King County	1111000		Deposite	March 20	2,890,932.00			0.00						
1/30/26	Print	PYMT00672	Washington State Department of Commerce	1111000		Deposite	01.30.26	5,561,468.38			0.00						
4/29/26	Print	PYMT00671	City of Seattle	1111000		Deposite	04/29/26	2,055,177.14			0.00						
4/27/26	Print	PYMT00670	City of Seattle	1111000		Deposite	04/27/20	439,241.23			0.00						
2/27/26	Print	PYMT00669	City of Seattle	1111000		Deposite	02/27/26	276,924.49			0.00						
4/28/26	Print	PYMT00668	Washington State Department of Commerce	1111000		Deposite	04/28/26	951,719.17			0.00						
4/8/26	Print	PYMT00667	City of Seattle	1111000		Deposite	04/08/20	948,671.01			0.00						
3/31/25	Print	PYMT00666	King County	1111000		Deposite	March 20	4,418,631.47			0.00						
3/12/26	Print	PYMT00665	HUD	1111000		Deposite	03/12/26	1,135,663.03			0.00						
3/31/26	Print	PYMT00664	City of Seattle	1111000		Deposite	03/31/20	262,532.83			0.00						
2/1/26	Print	PYMT00663	King County	1111000		Deposite	February	124,919.99			0.00						
12/31/25	Print	PYMT00662	King County	1111000		Deposite	Decembe	6,974,590.78			0.00						
11/1/25	Print	PYMT00661	King County	1111000		Deposite	Novembe	475,456.61			0.00						
10/1/25	Print	PYMT00660	King County	1111000		Deposite	October :	3,799,061.33			0.00						
3/10/26	Print	PYMT00659	City of Seattle	1111000		Deposite	03/10/20	330,437.97			0.00						
1/16/26	Print	PYMT00658	City of Seattle	1111000		Deposite	01/16/20	392,279.52			0.00						
2/27/26	Print	PYMT00657	City of Seattle	1111000		Deposite	02/27/20	24,149,534.00			0.00						
2/11/26	Print	PYMT00656	City of Seattle	1111000		Deposite	COS $40	40,967.30			0.00						
2/18/26	Print	PYMT00655	HUD	1111000		Deposite	02/18/26	2,315,815.32			0.00						
2/3/26	Print	PYMT00654	HUD	1111000		Deposite	02/03/26	1,530,046.31			0.00						
2/4/26	Print	PYMT00653	HUD	1111000		Deposite	02/04/26	701,408.86			0.00						
1/9/26	Print	PYMT00652	City of Seattle	1111000		Deposite	01/09/20	24,149,535.00			0.00						
1/9/26	Print	PYMT00651	City of Seattle	1111000		Deposite	01/09/26	463,090.56			0.00						
12/30/25	Print	PYMT00650	HUD	1111000		Deposite	12/30/25	549,777.71			0.00						
12/26/25	Print	PYMT00649	HUD	1111000		Deposite	12/26/25	7,585.00			0.00						
12/23/25	Print	PYMT00648	HUD	1111000		Deposite	12/23/25	321,547.85			0.00						
12/24/25	Print	PYMT00647	City of Seattle	1111000		Deposite	12/24/25	21,754.58			0.00						
12/19/25	Print	PYMT00646	City of Seattle	1111000		Deposite	12/19/25	49,515.51			0.00						
12/17/25	Print	PYMT00645	HUD	1111000		Deposite	12/17/25	154,137.09			0.00						
12/15/25	Print	PYMT00644	HUD	1111000		Deposite	12/15/25	506,142.98			0.00						
12/10/25	Print	PYMT00643	City of Seattle	1111000		Deposite	12/10/25	386,951.19			0.00						
12/9/25	Print	PYMT00642	HUD	1111000		Deposite	12/09/25	749,958.55			0.00						
12/5/25	Print	PYMT00641	HUD	1111000		Deposite	12/05/25	34,325.16			0.00						

Appendix R

Item 7e: Purchase Cards, Gift Cards and Cash Equivalent Controls Policy

King County Regional Homelessness Authority

19. Purchase Card, Gift Card & Cash-Equivalent Controls Policy

Internal Control and Operational Policies

Publish Date: May 17, 2026

PURPOSE

This Payment Cards, Gift Cards & Cash-Equivalent Policy ("Policy") establishes the requirements governing the purchase, distribution, use, and oversight of payment cards (including purchasing cards ("P-Cards")), gift cards, and other cash-equivalent instruments (collectively, "Payment Instruments"), including applicable documentation, reconciliation, and recordkeeping standards.

This Policy is intended to ensure that Payment Instruments are used by the King County Regional Homelessness Authority ("KCRHA" or "Authority") in a consistent, efficient, secure, and fiscally responsible manner, in accordance with 2 CFR Part 200, the GAO Standards for Internal Control in the Federal Government (Green Book), the COSO Internal Control–Integrated Framework, Generally Accepted Accounting Principles (GAAP), and Governmental Accounting Standards Board (GASB) standards.

These requirements are designed to provide reasonable assurance that Payment Instruments are safeguarded against loss, misuse, fraud, and misappropriation, and that transactions are executed in accordance with applicable laws, regulations, grant requirements, and internal control standards.

SCOPE

This Policy applies to all KCRHA employees who are responsible for the administration, oversight, or use of Payment Instruments in support of KCRHA's business operations. This Policy does not replace or override existing KCRHA financial policies and procedures, including, but not limited to, finance, accounting, procurement, and recordkeeping policies and procedures, and shall be interpreted in conjunction with all such related policies and procedures.

This Policy is not intended to address general cash handling, payroll, or reimbursement activities that are governed by separate KCRHA policies and procedures, unless such activities involve the use of Payment Instruments as defined herein.

DEFINITIONS

"Administrator" means the department, unit, or individual designated by KCRHA to oversee the administration, monitoring, reconciliation, and compliance of Payment Instruments.

"Authorized Business Purpose" means a purchase or transaction that is necessary, reasonable, allowable, and directly related to KCRHA's official business operations, programs, or administrative functions, and compliant with applicable laws, regulations, grant requirements, and KCRHA policies.

"Cash-Equivalents" means highly liquid instruments that are readily convertible to cash or can function as cash substitutes, including but not limited to Gift Cards, prepaid cards, vouchers, electronic stored-value instruments, or similar mechanisms.

"Cardholder" means a KCRHA employee or agent authorized to receive and use a Payment Card in accordance with this Policy and all related KCRHA financial policies and procedures.

"Custodian" means an employee designated as responsible for the receipt, safeguarding, inventory, issuance, tracking, and reconciliation of Gift Cards or other Cash-Equivalent instruments.

"Gift Cards" means any prepaid card, voucher, or stored-value instrument that represents a fixed monetary value and may be exchanged for goods or services.