



## Office of the Washington State Auditor

### Pat McCarthy

### City of Tacoma

Government Performance and Finance  
Committee  
October 2, 2018

**Joanne Klein**, Audit Manager  
**Linda Mastin**, Assistant Audit Manager

Office of the Washington State Auditor

### About Our Office

The Washington State Auditor's Office holds state and local governments accountable for the use of public resources.

Our goal is government that works better, costs less and earns greater public trust.



**Pat McCarthy**  
State Auditor  
(360) 902-0360  
[Pat.McCarthy@sao.wa.gov](mailto:Pat.McCarthy@sao.wa.gov)

Office of the Washington State Auditor

2

## Today's Presentation

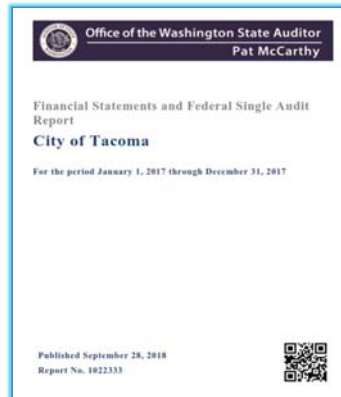
- 2017 Audit Reports
  - Financial audit results
  - Federal audit results
- 2017 Accountability Audit
- Contacts

## Financial Statement Results

- Financial statement audits
  - Unmodified opinion on the financial statements
  - One instance of a significant deficiency in the design or operation of internal controls which led to a finding regarding the implementation of GASB Statement No. 73
  - No instances of noncompliance were material to the financial statements

## Audit Reports

### Financial and Federal



### Comprehensive Annual Financial Review letter (CAFR)



## Federal Programs Tested

- ❑ Community Development Block Grants/Entitlement Grants – CFDA No. 14.218
- ❑ HOME Investment Partnerships Program - CFDA No. 14.239

#### Areas of Focus – 14.218

Activities allowed/Allowable costs/Period of Performance

Cash Management

Earmarking

Program Income

Reporting

Subrecipient Monitoring

Citizen Participation

#### Areas of Focus – 14.239

Activities Allowed/Allowable Costs/Period of Performance

Cash Management

Matching/Earmarking

Reporting

Drawdown of HOME Funds

## Federal Audit Results

- Federal Audit
  - Each program identified material weaknesses in design or operation of internal control
  - Unmodified opinion on compliance with major program requirements
  - Two findings required to be disclosed under Uniform Guidance

## Accountability audit starting in fall 2018

### Our focus:

- Purchase/Fuel Cards
- Disbursements
- Warrants
- Small and Attractive Assets
- IT and Software
- Cash Receipting – Accela, Library, Utilities/Click!
- Payroll/Overtime
- Procurement – Public Works, Utilities
- Tagro – Inventory/Cash Receipting

## Contacts

**Pat McCarthy**

State Auditor

[Pat.McCarthy@sao.wa.gov](mailto:Pat.McCarthy@sao.wa.gov)**Kelly Collins, CPA**

Director of Local Audit

(360) 902-0091

[Kelly.Collins@sao.wa.gov](mailto:Kelly.Collins@sao.wa.gov)**Mark Rapozo, CPA**

Assistant Director of Local Audit

(360) 902-0471

[Mark.Rapozo@sao.wa.gov](mailto:Mark.Rapozo@sao.wa.gov)**Joanne Klein**

Audit Manager

(253) 593-2047 x128

[Joanne.Klein@sao.wa.gov](mailto:Joanne.Klein@sao.wa.gov)**Linda Mastin**

Assistant Audit Manager

(253) 593-2047 x102

[Linda.Mastin@sao.wa.gov](mailto:Linda.Mastin@sao.wa.gov)Website: [www.sao.wa.gov](http://www.sao.wa.gov)Twitter: [www.twitter.com/WaStateAuditor](https://www.twitter.com/WaStateAuditor)