

Washington State Auditor's Office
Accountability Audit Report

Pierce County Housing Authority

Report Date
June 24, 2011

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Issue Date
September 19, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

September 19, 2011

Board of Commissioners
Pierce County Housing Authority
Tacoma, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Authority to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on the Pierce County Housing Authority's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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June 24, 2011**

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Audit Summary

Pierce County Housing Authority June 24, 2011

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Pierce County Housing Authority from January 1, 2010 through December 31, 2010.

We evaluated internal controls and performed audit procedures on the activities of the Authority. We also determined whether the Authority complied with state laws and regulations and its own policies and procedures.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Actual modernization cost certificates
- Payroll
- Capital asset sales
- Rent revenue and vacancy
- Fuel card use
- Competitive bid law compliance

RESULTS

In the areas we examined, the Authority's internal controls were adequate to safeguard public assets. The Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**Pierce County Housing Authority
June 24, 2011**

FINANCIAL

Our opinion on the Authority's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Authority's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Authority's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

Description of the Authority

Pierce County Housing Authority June 24, 2011

ABOUT THE AUTHORITY

The Pierce County Housing Authority was created to provide housing opportunities for eligible individuals within Pierce County. The Authority owned 12 apartment complexes at the end of 2010.

An appointed, six-member Board of Commissioners governs the Authority. Five Commissioners are appointed by the Pierce County Executive and a housing resident is appointed by the Board. The Board appoints an Executive Director to oversee the Authority's daily operations as well as its 52 employees. For fiscal year 2010, the Authority operated on an annual budget of approximately \$31 million.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Mark Martinez
Edward Troughton
Melanie Morgan, Housing Resident
Representative
David Boyd
Meloni Barnes
Charles Leech

Executive Director
Director of Finance

Karen Hull
Cova Hunter

AUTHORITY CONTACT INFORMATION

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603 South Polk Street
P.O. Box 45410
Tacoma, WA 98445

Phone: (253) 620-5400

Website: www.pchawa.org

AUDIT HISTORY

We audit the Authority annually. The Authority has been free from findings for the last nine audits. Management has been responsive to our recommendations. This reflects the Authority's desire and commitment to maintain a financial system with strong internal controls.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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