

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Pierce County Housing Authority**

Report Date  
**May 28, 2010**

**Report No. 1004389**

Issue Date  
**September 30, 2010**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

September 30, 2010

Board of Commissioners  
Pierce County Housing Authority  
Tacoma, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with your Housing 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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May 28, 2010**

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# Audit Summary

## Pierce County Housing Authority May 28, 2010

### ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Pierce County Housing Authority from January 1, 2009, through December 31, 2009.

We evaluated internal controls and performed audit procedures on the activities of the Housing Authority. We also determined whether the Housing 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:

- Cash receipting
- Debt/covenants
- Credit cards and accounts
- Open public meetings/records laws
- Homelessness Prevention and Rapid Rehousing
- Disbursements/expenditures
- Chapter 9 Bankruptcy
- Rent review and vacancy testing
- Public housing capital fund program

### ***RESULTS***

In the areas we examined, the Housing Authority's internal controls were adequate to safeguard public assets. The Housing 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  
May 28, 2010**

### ***FINANCIAL***

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

### ***FEDERAL GRANT PROGRAMS***

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

# Description of the Housing Authority

Pierce County Housing Authority  
May 28, 2010

## **ABOUT THE HOUSING AUTHORITY**

The Pierce County Housing Authority was created to provide housing opportunities for eligible individuals within Pierce County. The Housing Authority owns 13 apartment complexes.

An elected, six-member Board of Commissioners governs the Housing Authority. Five Commissioners are appointed by the County Executive and a housing resident is appointed by the Board. The Board appoints an Executive Director to oversee the Housing Authority's daily operations as well as its 80 employees. For fiscal year 2009, the Housing Authority operated on an annual budget of approximately \$28 million.

## **APPOINTED OFFICIALS**

These officials served during the audit period:

Board of Commissioners:

David Boyd  
Charles Leech  
Mark Martinez  
Melanie Morgan, Housing Resident  
Representative  
Edward Troughton  
Susan Wilcox (through October 2009)

Executive Director

Karen Hull

## **HOUSING AUTHORITY CONTACT INFORMATION**

Address: Pierce County Housing Authority  
603 South Polk Street  
P.O. Box 45410  
Tacoma, WA 98445

Phone: (253) 620-5400

Website: [www.pcha.org](http://www.pcha.org)

## **AUDIT HISTORY**

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



## **ABOUT THE STATE AUDITOR'S OFFICE**

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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 in cooperation 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 our 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 continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

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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