

Washington State Auditor's Office
Accountability Audit Report

Pierce County Housing Authority

Report Date
September 10, 2012

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Issue Date
December 3, 2012



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

December 3, 2012

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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September 10, 2012

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Audit Summary

Pierce County Housing Authority September 10, 2012

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Pierce County Housing Authority from January 1, 2011 through December 31, 2011.

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:

- Payments in lieu of taxes
- Statutory authority
- Low-income occupancy requirements
- Rent revenue and vacancy
- Procurement cards
- Capital asset sales review
- Competitive bid law compliance

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
September 10, 2012**

FINANCIAL

Our opinion on the Housing Authority's 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 September 10, 2012

ABOUT THE HOUSING AUTHORITY

The Pierce County Housing Authority was created to provide housing opportunities for eligible individuals within Pierce County. The Housing Authority owned eight apartment complexes at the end of 2011.

An appointed, six-member Board of Commissioners governs the Housing 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 Housing Authority's daily operations as well as its 43 employees. For fiscal year 2011, the Housing Authority operated on an annual budget of approximately \$37 million.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Commissioners

Mark Martinez
Melanie Morgan, Housing Resident
Representative
Meloni Barnes
Edward Troughton
David Boyd (through March 2011)
Roy Gadley (May 2011 through June 2011)
Deborah Smith (effective July 2011)
Margaret Brammall (effective December
2011)

Executive Director
Director of Finance

Karen Hull
Cova Hunter

HOUSING AUTHORITY CONTACT INFORMATION

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

Phone: (253) 620-5400

Website: www.pchawa.org

AUDIT HISTORY

We audit the Housing Authority annually. The Housing Authority has been free from findings for the last 10 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

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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