

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

---

**Pierce County Housing Authority**

Report Date  
**October 11, 2013**

**Report No. 1010832**

Issue Date  
**December 9, 2013**



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



**Washington State Auditor  
Troy Kelley**

December 9, 2013

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,

**TROY KELLEY**  
STATE AUDITOR

# Table of Contents

Pierce County Housing Authority  
October 11, 2013

Audit Summary .....	1
Related Reports .....	2
Description of the Authority .....	3

# **Audit Summary**

## **Pierce County Housing Authority October 11, 2013**

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

This report contains the results of our independent accountability audit of the Pierce County Housing Authority from January 1, 2012 through December 31, 2012.

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:

- Bankruptcy disclosure
- Financial condition
- Rent roll and vacancy check
- Credit card purchases

### ***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  
October 11, 2013**

### ***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 program, which is listed in the Federal Summary section of the financial statement and single audit report.

# **Description of the Housing Authority**

## **Pierce County Housing Authority October 11, 2013**

### ***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 2012.

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 40 employees. For fiscal year 2012, the Housing Authority operated on an annual budget of approximately \$30 million.

### ***APPOINTED OFFICIALS***

Board of Commissioners:

Melanie Morgan, Housing Resident  
Representative  
Mark Martinez  
Meloni Barnes  
Edward Troughton  
Deborah Smith  
Margaret Brammall  
Karen Hull  
Cova Hunter

Executive Director  
Director of Finance

### ***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](http://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.

We 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.

**State Auditor**  
**Chief of Staff**  
**Director of Performance and State Audit**  
**Director of Local Audit**  
**Deputy Director of State Audit**  
**Deputy Director of Local Audit**  
**Deputy Director of Local Audit**  
**Deputy Director of Quality Assurance**  
**Deputy Director of Communications**  
**Local Government Liaison**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Troy Kelley**  
**Doug Cochran**  
**Chuck Pfeil, CPA**  
**Kelly Collins, CPA**  
**Jan M. Jutte, CPA, CGFM**  
**Sadie Armijo**  
**Mark Rapozo, CPA**  
**Barb Hinton**  
**Thomas Shapley**  
**Mike Murphy**  
**Mary Leider**  
**(360) 902-0370**  
**(866) 902-3900**

**Website**  
**Subscription Service**

**[www.sao.wa.gov](http://www.sao.wa.gov)**  
**[www.sao.wa.gov/EN/News/Subscriptions](http://www.sao.wa.gov/EN/News/Subscriptions)**