



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Pierce County Housing Authority

For the period January 1, 2015 through December 31, 2015

Published January 19, 2017

Report No. 1018282





Office of the Washington State Auditor
Pat McCarthy

January 19, 2017

Board of Appointed Representatives
Pierce County Housing Authority
Tacoma, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Housing Authority operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the Housing Authority's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

TABLE OF CONTENTS

Audit Summary	4
Related Reports	5
Information About The Housing Authority	6
About The State Auditor’s Office	7

AUDIT SUMMARY

Results in brief

In most areas we audited, Housing Authority operations complied with applicable requirements and provided adequate safeguarding of public resources. The Housing Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

However, we noted certain matters that we communicated to Housing Authority management in a letter dated January 12, 2017, related to late financial reporting. We appreciate the Housing Authority's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of the Pierce County Housing Authority from January 1, 2015 through December 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the Housing Authority's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Financial reporting
- Safeguarding of small and attractive assets such as computers
- Open public meeting minutes
- Payroll/personnel
- Legal authority for official actions taken
- Payments/expenditures
- Financial condition
- Capital assets

RELATED REPORTS

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. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

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 Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION 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 and managed eight apartment complexes at the end of 2015. The Housing Authority also provides housing assistance through the Low Income Public Housing program for citizens of Pierce County.

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 approximately 40 employees. For fiscal year 2015, the Housing Authority operated on an annual budget of approximately \$30 million.

Contact information related to this report	
Address:	Pierce County Housing Authority 1525 108th Street S. Tacoma, WA 98444
Contact:	Cova Hunter, Director of Finance
Telephone:	(253) 620-5406
Website:	www.pchawa.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Pierce County Housing Authority at <http://portal.sao.wa.gov/ReportSearch>.

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 to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

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

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov