

Washington State Auditor's Office
Accountability Audit Report

**Area Agency on Aging and Disabilities of
Southwest Washington
Clark County**

Report Date
August 11, 2014

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Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

August 25, 2014

Board of Directors
Area Agency on Aging and Disabilities of Southwest Washington
Vancouver, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Agency 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 Area Agency on Aging and Disabilities of Southwest Washington'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

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Clark County
August 11, 2014**

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Audit Summary

Area Agency on Aging and Disabilities of Southwest Washington Clark County August 11, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Agency on Aging and Disabilities of Southwest Washington from January 1, 2012 through December 31, 2013.

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

- Payroll and benefits
- General disbursements including travel and credit cards
- User access and general information technology controls
- Implementation of MIP (SAGE) accounting software
- Indirect cost allocation
- Eligibility for state grant programs, including Respite Care Services and Transportation (State Family Caregiver)
- Open Public Meetings Act

RESULTS

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

Related Reports

**Area Agency on Aging and Disabilities of Southwest Washington
Clark County
August 11, 2014**

FINANCIAL

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

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Agency's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding noncompliance with allowable costs principles.

Description of the Agency

Area Agency on Aging and Disabilities of Southwest Washington Clark County August 11, 2014

ABOUT THE AGENCY

The Area Agency on Aging and Disabilities of Southwest Washington is the federally designated agency on aging for the five southwest Washington counties: Clark, Cowlitz, Klickitat, Skamania and Wahkiakum. It is one of 13 agencies on aging in Washington State and is part of the state and national network of area agencies on aging. The Agency began operations as a stand-alone agency on January 1, 2009.

The Agency is a special-purpose government and provides direct service for: Case Management, Care Coordination, Options Counseling, Medicare Improvements for Patients and Providers Act (MIPPA), Aging and Disability Resource Center (ADRC), Information and Assistance; Family Caregiver Access, Support, Supplemental, Assessment and Coordination Services; DDD Nursing; Disease Prevention/Health Promotion and Kinship Caregiver. The Agency also provides funding for the following services: Senior Information and Assistance; Senior Transportation; Case Management; Nutrition; Adult Day Care; Legal Services; Senior Personal Care; Respite Care; Regional Long Term Care Ombudsman; Services to Grandparents; Kinship Caregiver and Kinship Navigator; Dental Services. Primary funding sources are from the federal Older Americans Act (OAA), State Senior Citizens Services Act (SCSA), U.S. Department of Agriculture (USDA) and Social Security Act - Title XIX (Medicaid).

The Agency is governed by the Council of Governments, which is made up of five elected officials, one from each member county. The Council appoints an Executive Director to oversee the Agency's daily operations and its 106 employees. The Agency operated on a budget of approximately \$10.2 million for fiscal years 2012 and 2013.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Directors:	Marc Boldt (through December 2012) David Madore (effective January 2013) James Misner Lisa Marsyla (through December 2012) Dan Cothren (effective January 2013) Jim Richardson (through December 2012) Chris Brong (effective January 2013)
Executive Director	Rex Johnson David Kelly

AGENCY CONTACT INFORMATION

Address: Agency on Aging and Disabilities of Southwest Washington
201 N.E. 73rd Street, Suite 201
Vancouver, WA 98865

Phone: 360-735-5725

Website: www.helpingelders.org

AUDIT HISTORY

We audit the Agency's financial statements and federal programs annually and have performed biennial accountability audits. The past three audits of the Agency have not resulted in any findings. We did report a finding under the current audit relating to noncompliance with one of its federal programs. That finding is included in our audit report covering the Agency's federal programs.



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.

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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
Lou Adams, CPA
Barb Hinton
Thomas Shapley
Mary Leider
(360) 902-0370
(866) 902-3900

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