



Washington State Auditor's Office

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Accountability Audit Report

Area Agency on Aging and Disabilities of Southwest Washington

Clark County

For the period January 1, 2014 through December 31, 2015

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Washington State Auditor's Office

August 22, 2016

Council of Governments
Area Agency on Aging and Disabilities of Southwest Washington
Vancouver, 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 Agency 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 Agency'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,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

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AUDIT SUMMARY

Results in brief

In most areas we audited, Agency operations complied with applicable requirements and provided adequate safeguarding of public resources. The Agency 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 Agency management in a letter dated August 15, 2016, related to procurement and contract compliance. We appreciate the Agency's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of the Area Agency on Aging and Disabilities of Southwest Washington from January 1, 2014 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 Agency'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:

- Payroll
- Compliance with state grant requirements
- Safeguarding of small and attractive assets such as computers
- Procurement and contract compliance
- Sale of surplus assets
- Disbursements
- Open public meeting minutes

RELATED REPORTS

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. 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 Agency'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 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 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 150 employees. The Agency operated on a budget of approximately \$11 and \$14.5 million for fiscal years 2014 and 2015, respectively.

Contact information related to this report

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Area Agency on Aging and Disabilities of Southwest Washington 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.

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