



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Housing Authority of Skagit County

For the period October 1, 2012 through September 30, 2013

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Washington State Auditor Troy Kelley

November 17, 2014

Board of Commissioners
Housing Authority of Skagit County
Burlington, 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,

TROY KELLEY
STATE AUDITOR

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AUDIT SUMMARY

Results in brief

In the 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.

About the audit

This report contains the results of our independent accountability audit of the Housing Authority of Skagit County from October 1, 2012 through September 30, 2013.

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 condition
- Expenditures
- Tenant accounts receivable
- Leave tracking

RELATED REPORTS

Financial

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available from the Housing Authority of Skagit County.

Federal grant programs

A firm of certified public accountants evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Housing Authority's major federal program. That firm's report is available from the Housing Authority of Skagit County.

INFORMATION ABOUT THE HOUSING AUTHORITY

The Housing Authority of Skagit County was incorporated in 1979 to provide, manage, and administer affordable housing for low and moderate income residents in Skagit County. The Housing Authority owns, manages, operates and administers more than 900 rental units under various programs. It also operates services for low-income elderly and disabled peoples including Section 8 Housing Choice Voucher Assisted Living, Family Self Sufficient Program for Section 8 Participants, Weatherization and repair and provides management services for non-profit organizations that provide low-income housing. The Housing Authority recently acquired Veterans Affairs Supportive Housing vouchers to assist homeless Veterans.

The Housing Authority owns the following rental units including Mount Baker Meadows, La Paloma, The President Apartments and Burlington Terrace Apartments. The Housing Authority manages the tax credit partnerships for Raspberry Ridge I and II as the general partner. The Housing Authority manages the Channel Cove Apartments owned by Home Trust of Skagit.

A five-member Board of Commissioners governs the Housing Authority. The Skagit County Commissioners appoint the Board Members. A Board appointed Executive Director oversees the Housing Authority's daily operations as well as its 28 employees. The Housing Authority is primarily supported with federal funds. In fiscal year 2013, the Housing Authority operated on a budget of approximately \$6.3 million.

Contact information related to this report

Address:	Housing Authority of Skagit County 1650 Port Drive Burlington, WA 98233
Contact:	Hermelinda Sierra, Finance Director
Phone:	(360) 428-1959
Website:	www.skagitcountyha.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Housing Authority of Skagit County 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	
Deputy Director for Communications	Thomas Shapley Thomas.Shapley@sao.wa.gov (360) 902-0367
Public Records requests	(360) 725-5617
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov