



**Washington State Auditor's Office**

**Troy Kelley**

**Integrity • Respect • Independence**

## **Accountability Audit Report**

# **Puget Sound Clean Air Agency**

**King County**

**For the period July 1, 2012 through June 30, 2014**

**Published March 30, 2015**

**Report No. 1013842**





## Washington State Auditor Troy Kelley

March 30, 2015

Board of Directors  
Puget Sound Clean Air Agency  
Seattle, 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

## TABLE OF CONTENTS

Audit Summary .....	4
Related Reports .....	5
Information About The Agency .....	6
About The State Auditor's Office .....	7

## AUDIT SUMMARY

### Results in brief

In the 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.

### About the audit

This report contains the results of our independent accountability audit of the Puget Sound Clean Air Agency from July 1, 2012 through June 30, 2014.

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:

- Safeguarding of small and attractive assets
- Payments/expenditures

## RELATED REPORTS

### Financial

Our opinion on the Agency's financial statements and compliance with federal grant program requirements is provided in a separate report issued in March 2015, 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 programs, which are listed in the Federal Summary section of the financial statement and single audit report issued in March 2015. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

### Other reports

During the current audit period, the State Auditor's Office issued a report on agreed-upon procedures performed at the Agency in March 2015. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE AGENCY

The Puget Sound Clean Air Agency was chartered by state law (RCW 70.94) in 1967 to enforce federal, state and local air pollution laws. Its jurisdiction covers King, Kitsap, Pierce and Snohomish counties. The Agency has 78 employees and is governed by a nine-member Board of Directors composed of elected officials from each of the four counties, a representative from the largest city in each county and one member representing the public-at-large. King County acts as the Agency's treasurer for investments and warrants. The Agency receives approximately \$15 million in annual revenue, which includes federal and state grants, local government assessments, mandated fees and civil penalties.

Contact information related to this report	
Address:	Puget Sound Clean Air Agency 1904 Third Avenue, Suite 105 Seattle, WA 98101
Contact:	Karen Houser, Finance Manager
Telephone:	(206) 689-4059
Website:	<a href="http://www.pscleanair.org">www.pscleanair.org</a>

*Information current as of report publish date.*

## Audit history

You can find current and past audit reports for the Puget Sound Clean Air Agency 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	
<b>Deputy Director for Communications</b>	Thomas Shapley <a href="mailto:Thomas.Shapley@sao.wa.gov">Thomas.Shapley@sao.wa.gov</a> (360) 902-0367
<b>Public Records requests</b>	<a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a>
<b>Main telephone</b>	(360) 902-0370
<b>Toll-free Citizen Hotline</b>	(866) 902-3900
<b>Website</b>	<a href="http://www.sao.wa.gov">www.sao.wa.gov</a>