



Washington State Auditor's Office

Government that works for citizens

Accountability Audit Report

City of Vancouver

Clark County

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

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Washington State Auditor's Office

July 21, 2016

Mayor and City Council
City of Vancouver
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 City 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 City'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,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

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AUDIT SUMMARY

Results in brief

In the areas we audited, City operations complied with applicable requirements and provided adequate safeguarding of public resources. The City 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 City of Vancouver 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 City'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:

- Treasury activities – bank reconciliations and general ledger posting
- IT system review – system user access, backup and recovery processes and subsystem interfaces
- Procurement – public works, purchases, professional services, sole source and change orders
- On-call contracts – compliance with prevailing wage requirements
- General disbursements
- Self-insurance – health and welfare
- Fire Department – fuel, safeguarding of drug inventory and fire marshal billings
- Parks and recreation – Firstenburg, Marshall and Tennis centers
- Asset tracking of public works inventory and tools
- Payroll – overtime, paid-time-off conversion, gross wage recalculation and leave cash outs
- General cost allocation plan and IT interfund charges
- Financial condition

RELATED REPORTS

Financial

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

Other reports

During the current audit period, the State Auditor's Office issued an examination report on the City's management's assertion regarding pensionable wages and contributions reported to the Washington State Department of Retirement Systems. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE CITY

The City of Vancouver serves over 165,000 Clark County residents and is the fourth largest city in the state. The City provides a variety of services including police and fire protection, parks and recreation facilities and activities, economic development, transportation, water, sewer and solid waste services.

An elected, six-member Council and independently elected Mayor govern the City. The Council appoints a manager to oversee the City's daily operations as well as its approximately 995 full-time employees. For the 2015-2016 biennium, the City is operating on a budget of \$931 million including operating and capital.

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 City of Vancouver 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	
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