



# Washington State Auditor's Office

Government that works for citizens

## Accountability Audit Report

# Olympic Area Agency on Aging

Jefferson County

For the period January 1, 2013 through December 31, 2015

Published September 26, 2016

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## Washington State Auditor's Office

September 26, 2016

Council of Governments  
Olympic Area Agency on Aging  
Port Hadlock, 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,

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 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 September 20, 2016, related to travel reimbursements for home visits. 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 Olympic Area Agency on Aging from January 1, 2013 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:

- Accounting/financial reporting
- Insurance/risk management
- Open public meeting minutes
- Payroll
- Compliance with grant requirements
- Financial condition
- Home visit time and travel reimbursements

## 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>.

### **Special investigations**

We noted certain matters that we communicated to Agency management in a letter, relating to time and travel reimbursements for home visits. We appreciate the Agency's commitment to resolving those matters.

## INFORMATION ABOUT THE AGENCY

The Olympic Area Agency on Aging is organized to develop and coordinate a system for senior citizens and disabled people living in Clallam, Jefferson, Grays Harbor and Pacific counties. The Agency coordinates the services available through private, nonprofit and governmental agencies to provide a seamless system that works for senior and disabled citizens. The Agency produces an Olympic Area Agency on Aging Area Plan every four years. To accomplish these services, the Agency works on the implementation of the annual plan and funding cycle. This begins with an analysis of clients' needs for transportation, housing, social services, health care and other services. Through a process of public hearings, surveys and research, and with the assistance of an advisory committee, these needs are ranked in order of importance and matched with available resources.

The Agency is under the Federal Administration of Aging and the Washington State Department of Social and Health Services, Aging and Adult Services Administration. Locally, the Agency is governed by the Council of Governments, which is composed of two County Commissioners from each of the four counties. During the audit period, the Agency operated on an annual budget of \$6 million with approximately 68 employees.

Contact information related to this report	
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Telephone:	(360) 379-5064
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*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for the Olympic Area Agency on Aging 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.

<b>Contact information for the State Auditor's Office</b>	
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