

Washington State Auditor's Office
Accountability Audit Report

Housing Authorities Risk Retention Pool
(HARRP)
Clark County

Report Date
April 21, 2014

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Issue Date
April 28, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

April 28, 2014

Board of Directors
HARRP
Vancouver, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Pool to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on HARRP's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

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

TROY KELLEY
STATE AUDITOR

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Clark County
April 21, 2014

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Audit Summary

HARRP Clark County April 21, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of HARRP from January 1, 2011 through December 31, 2013.

We evaluated internal controls and performed audit procedures on the activities of the Pool. We also determined whether the Pool complied with state laws and regulations and its own policies and procedures.

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 noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Cash receipting
- Claims management
- General disbursements
- Information technology controls
- Member premiums and billing
- Payroll and benefits
- Open public meetings
- Solvency

RESULTS

In the areas we examined, the Pool's internal controls were adequate to safeguard public assets. The Pool also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**HARRP
Clark County
April 21, 2014**

FINANCIAL

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

Description of the Pool

HARRP Clark County April 21, 2014

ABOUT THE POOL

The Housing Authorities Risk Retention Pool, doing business as HARRP, provides a full range of risk management services and coverages for its members. The Pool's primary purpose is to provide its member entities a cooperative program of indemnification and financial protection against risks of loss relating to the properties and operations of the members and a cooperative program of risk management. The Pool provides self-insured coverage for property, general liability, automotive liability, errors and omissions (including employment practices liability) and fidelity.

An appointed, nine-member Board of Directors governs the Pool. The Board is composed of three representatives of the Association of Washington Housing Authorities, three representatives of the Association of Oregon Housing Authorities and three representatives of the Northern California/Nevada Executive Directors' Association. The Board appoints management to oversee the Pool's daily operations as well as its seven employees. For the years 2011, 2012 and 2013, the Pool operated on approximately \$6 million, \$5.8 million and \$5.8 million in revenues, respectively.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Scott Foster
Renee Rooker
William Fagan
Chris Pegg
Elise Hui
David Morton (retired December 2013)
Bud Alkire (retired November 2012)
Todd Salvo (retired December 2012)
Michael Pucci (retired December 2012)
Rob Pearson (appointed February
2013)
Larry Abel (appointed February 2013)

Executive Director

William Gregory

POOL CONTACT INFORMATION

Address: HARRP
7111 N.E. 179th Street
Vancouver, WA 98686

Phone: (360) 574-9035

Website: www.harrp.com

AUDIT HISTORY

The current audit is our second audit of the Pool. Both the current and prior audits of the Pool have covered three years, and have not resulted in any audit findings. We plan to audit the Pool every two years in the future.



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 as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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Deputy Director of Local Audit
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Deputy Director of Quality Assurance
Deputy Director of Communications
Local Government Liaison
Public Records Officer
Main number
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