



**Office of the Washington State Auditor**  
**Pat McCarthy**

**Accountability Audit Report**

# **Aging and Long Term Care of Eastern Washington**

**Spokane County**

**For the period January 1, 2016 through December 31, 2017**

**Published June 28, 2018**

**Report No. 1021529**





**Office of the Washington State Auditor  
Pat McCarthy**

June 28, 2018

Governing Board  
Aging and Long Term Care of Eastern Washington  
Spokane, 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 independent audit report on the Agency's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy  
State Auditor  
Olympia, WA

## TABLE OF CONTENTS

Audit Results.....	4
Related Reports.....	5
Information about the Agency .....	6
About the State Auditor's Office.....	7

## AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In those selected areas, Agency operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

### About the audit

This report contains the results of our independent accountability audit of the Aging and Long Term Care of Eastern Washington from January 1, 2016 through December 31, 2017.

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.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. 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, based on our risk assessment for the years ended December 31, 2017 and 2016, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Payroll – bonus and incentive payments, and wages
- General disbursements – travel expenditures and 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>.

## INFORMATION ABOUT THE AGENCY

Aging and Long Term Care of Eastern Washington is located in Spokane County and was formed in January 1978 to serve the citizens in Pend Oreille, Spokane, Stevens, Whitman and northern Ferry counties. The mission of the Agency is to promote well-being, independence, dignity and choice for all older persons and for individuals needing long term care in Ferry, Stevens, Pend Oreille, Spokane and Whitman counties. The Agency accomplishes this through analysis of long-term care needs in nutrition, transportation, housing, medical care and other services.

The Agency is administered by a Governing Board composed of one commissioner from each of the five counties in the service area, three representatives of the City of Spokane and the Chairperson of the Planning and Management Council. The Board appoints management to oversee the Agency's daily operations as well as its 80 employees. For 2016, the Agency operated on a budget of \$13.2 million. For 2017, the Agency operated on a budget of \$13.6 million.

<b>Contact information related to this report</b>	
Address:	Aging and Long Term Care of Eastern Washington 1222 N. Post Spokane, WA 99201-2096
Contact:	John Beck, Business Administration Director
Telephone:	509-458-2509
Website:	<a href="http://www.altcew.org">www.altcew.org</a>

*Information current as of report publish date.*

### **Audit history**

You can find current and past audit reports for the Aging and Long Term Care of Eastern Washington 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>	
<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>