



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Clark County

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

Published August 2, 2018

Report No. 1021792





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

August 2, 2018

Board of County Councilors
Clark County
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 County 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 County'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

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AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In most of the areas we examined, except as described below, County operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over safeguarding of public resources.

As referenced above, we noted certain matters that we communicated to County management and the Board of County Councilors in a letter dated July 25, 2018, related to the monitoring of County fair operations. We appreciate the County's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of Clark County from January 1, 2017 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 County'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 year ended December 31, 2017, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Treasurer's Office – cash receipting including voids and adjustments, third-party receipting compliance, system access, delinquent fee charges, investment policy compliance
- Sheriff's Office – tracking and monitoring of small and attractive assets, billings for fees, citations, cash receipting including voids and adjustments
- Disbursements – purchase cards
- Contract monitoring – county fair, tipping fees, golf course
- Safeguarding of Information Technology (IT) assets
- Restricted funds – cost allocation plans, transfers between restricted funds, use of restricted funds

- Public Health – recalculation of fees and billings
- Clerk of the Court – cash receipting including voids and adjustments, collections, trust account, system access, review of periodic reports and state remittances
- District Court – adjustments on accounts, trust account, updating fees
- Payroll – termination payouts, cessation of benefits and pay, leave accruals
- Safeguarding and use of fuel
- Cash receipting including voids and adjustments – Public Works Department and Auditor’s Office
- Elections – billing of outside agencies for services

RELATED REPORTS

Financial

Our opinion on the County's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the County'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 County's major federal programs, which are listed in the Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report.

INFORMATION ABOUT THE COUNTY

Clark County is located in southwest Washington with the Columbia River as its southern border. The County serves approximately 459,500 citizens with services including road construction, human services, public safety, civil and criminal courts, parks and recreation, planning and development and geographic information.

In 2014, Clark County voters approved a Charter and elected to become a home rule county under the Washington State constitution. As a result, in 2016 the governance structure is changed from a three-member to an elected five-member Board of County Councilors responsible for legislative matters and an appointed County Manager responsible for executive matters. For the 2017-2018 biennium, the County has adopted an operating budget of almost \$900 million and employs approximately 1,570 employees.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for Clark County 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.

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