



Office of the Washington State Auditor  
Pat McCarthy

# Accountability Audit Report

## Pierce County

For the period January 1, 2021 through December 31, 2021

*Published April 27, 2023*

Report No. 1032222



Find out what's new at SAO  
by scanning this code with  
your smartphone's camera



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

April 27, 2023

County Executive and Council  
Pierce County  
Tacoma, Washington

**Report on Accountability**

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor 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.

Attached is 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 value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

**TABLE OF CONTENTS**

Audit Results..... 4

Related Reports ..... 5

Information about the County ..... 6

About the State Auditor's Office..... 7

## AUDIT RESULTS

### Results in brief

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

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

### About the audit

This report contains the results of our independent accountability audit of Pierce County from January 1, 2021 through December 31, 2021.

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 Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the County's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2021, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Cash receipting – completeness of receipts and deposits, voids, and adjustments at the Auditor's Office – Vehicle Licensing Division, Sheriff's Department – Civil Division, and Chambers Bay and Lake Spanaway golf courses
- Accounts payable – credit cards
- Procurement – public works, purchases and professional services
- Payroll – overtime, bonus and incentive payments
- Tracking and monitoring of theft sensitive assets, such as computers and electronics
- Compliance with Chamber's Bay Golf Course contract terms
- Superior Court – unclaimed property
- Open public meetings – compliance with minutes, meetings and executive session requirements
- Financial condition – reviewing for indications of financial distress

## 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. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE COUNTY

Pierce County was incorporated in 1852 and operates under a Home Rule Charter adopted by voters in 1980. The County is organized under the executive-council form of government. Elected administrative officials include the County Executive (Chief Executive Officer), Prosecuting Attorney, Assessor-Treasurer, Auditor, Sheriff, Superior Court Judges and District Court Judges. The seven-member County Council is elected by district and is the policy-setting body of the County.

For 2020-2021, the County operated on a biennial budget of \$3.002 billion. The County's 3,248 employees provide services including public safety, fire inspection, road construction and maintenance (including ferry service from Steilacoom to Ketron and Anderson Islands), flood control, parks and recreation, judicial administration, land-use planning and development, health and social services, sewer utility services and certain solid waste programs.

The County is the second most populated county in the state with 937,400 residents. The County is responsible for appointing board members to various boards including: Pierce County Housing Authority, Community Development Corporation, and the Economic Development Corporation. Additionally, the County has joint ventures with the Tacoma-Pierce County Health Department and South Sound 911.

### Contact information related to this report

Address:	Pierce County 950 Fawcett Avenue, Suite 100 Tacoma, WA 98402
Contact:	Thomas Taylor, Internal Auditor
Telephone:	(253) 798-7577
Website:	<a href="http://www.co.pierce.wa.us/">www.co.pierce.wa.us/</a>

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for Pierce County at <http://portal.sao.wa.gov/ReportSearch>.

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

### Stay connected at [sao.wa.gov](http://sao.wa.gov)

- [Find your audit team](#)
- [Request public records](#)
- Search BARS manuals ([GAAP](#) and [cash](#)), and find [reporting templates](#)
- Learn about our [training workshops](#) and [on-demand videos](#)
- Discover [which governments serve you](#) — enter an address on our map
- Explore public financial data with the [Financial Intelligence Tool](#)

### Other ways to stay in touch

- Main telephone:  
(564) 999-0950
- Toll-free Citizen Hotline:  
(866) 902-3900
- Email:  
[webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov)