



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report
Grays Harbor County

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

Published September 15, 2014

Report No. 1012544





Washington State Auditor Troy Kelley

September 15, 2014

Board of Commissioners
Grays Harbor County
Montesano, 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 report on the County'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,

TROY KELLEY
STATE AUDITOR

TABLE OF CONTENTS

Audit Summary	4
Related Reports	5
Information About The County	6
About The State Auditor's Office	7

AUDIT SUMMARY

Results in brief

In most areas we audited, County operations complied with applicable requirements and provided adequate safeguarding of public resources. The County 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 the County management in a letter dated September 9, 2014 related to cost allocation. We appreciate the County's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of Grays Harbor County from January 1, 2013 through December 31, 2013.

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 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, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Open public meetings
- General revenue
- General expenditures
- Financial condition
- County Treasurer investing activities
- Cost allocation/inter-fund transactions
- Assessor's Office
- Sheriff's Office
- Procurement
- Veteran's Relief Program
- Significant internal control systems
 - Cash receipting
 - Disbursements
 - Payroll

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.

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 Federal Summary section of the financial statement and single audit report. That report includes federal findings regarding a lack of internal controls over reporting requirements for the Title III Schools and Roads grant and a lack of internal controls over allowable cost principles for the Women, Infants and Children program.

INFORMATION ABOUT THE COUNTY

Grays Harbor County is home to approximately 73,200 residents. The County is governed by an elected, three-member Board of Commissioners. Additional elected officials include Assessor, Auditor, Clerk, Coroner, Prosecuting Attorney, Sheriff and Treasurer. The County also has three Superior Court Judges.

For 2013 the County operated on an annual budget of \$85 million. The County has approximately 382 employees who provide public safety (sheriff and judicial services), construction and maintenance of roads and bridges, sanitation facilities, health and social services, cultural and recreational facilities and activities, planning and zoning services and general administrative services.

Contact information related to this report	
Address:	Grays Harbor County 100 W. Broadway, Suite 33 Montesano, WA 98563
Contact:	Melinda Raihl, Chief Deputy Auditor
Phone:	(360) 964-1559
Website:	www.co.grays-harbor.wa.us

Information current as of report publish date.

Audit history

You can find current and past audit reports for Grays Harbor 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.

Contact information for the State Auditor's Office	
Deputy Director for Communications	Thomas Shapley Thomas.Shapley@sao.wa.gov (360) 902-0367
Public Records requests	(360) 725-5617
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov