



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Kittitas County

For the period January 1, 2018 through December 31, 2018

Published October 28, 2019

Report No. 1024913





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

October 28, 2019

Board of Commissioners
Kittitas County
Ellensburg, 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

TABLE OF CONTENTS

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

AUDIT RESULTS

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

As referenced above, we also noted certain matters that we communicated to the County management and Board of Commissioners in a letter dated October 22, 2019 related to complying with procurement requirements. We appreciate the County's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of Kittitas County from January 1, 2018 through December 31, 2018.

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, 2018, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Cash receipting – timeliness and completeness of deposits, voids and adjustments at the Treasurer's Office, Commissioner's Office and Extension Office
- Accounts payable – general disbursements, credit cards, and travel expenditures
- Clerk's Office – implementation of new software including cash receipting and adjustments
- Contract compliance – cash receipting and timelessness of deposit at the Event Center
- Use of restricted funds – sales and use tax for juvenile detention facilities and jails, and hotel-motel tax
- Procurement – public works and purchases
- Land purchases

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>.

That report includes a finding for a material weakness in internal controls over financial reporting regarding financial statement preparation and timely reporting.

Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the County'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 COUNTY

Kittitas County serves approximately 48,000 citizens in Central Washington.

The County is administered by a three-member Board of Commissioners and operates on a \$60 million annual budget. Its 301 employees provide an array of services including judicial and public safety, operation and maintenance of the county jail, building inspection, planning and zoning, property valuation, tax collection and distribution, vehicle licensing, road maintenance, social services, landfill and transfer station, and general administrative services.

Contact information related to this report

| | |
|------------|--|
| Address: | Kittitas County 205 W. 5th Ellensburg, WA 98926 |
| Contact: | Judy Pless, Budget and Finance Manager |
| Telephone: | 509-962-7502 |
| Website: | www.co.kittitas.wa.us |

Information current as of report publish date.

Audit history

You can find current and past audit reports for Kittitas 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 | |
|---|--|
| Public Records requests | PublicRecords@sao.wa.gov |
| Main telephone | (360) 902-0370 |
| Toll-free Citizen Hotline | (866) 902-3900 |
| Website | www.sao.wa.gov |