



Office of the Washington State Auditor

Pat McCarthy

Rate Day

June 13, 2018

Troy Niemeyer, Assistant Director of State Audit

State Auditor's Office overview

- Elected State Auditor
- Established by Constitution
- Auditor of public accounts
- More than 160 agencies and 2,150 local governments
- 41 types of governments
- 400 FTEs



Responsibilities

- State's Comprehensive Annual Financial Report (CAFR)
- State of Washington Single Audit (SWSA)
- Accountability audits
- Whistleblower investigations
- Fraud investigations
- Forensic computer investigations
- OCIO reviews
- Performance audits



Auditing Services Revolving Account

Appropriated funding for:

- Comprehensive Annual Financial Report audit (CAFR)
- State of Washington Single Audit (SWSA)
- Accountability audits
- Whistleblower investigations

The Auditing Services Revolving Account is supported 100% through billing for state agency audit services



Accountability work

Approach to audits of state agencies:

- Audit work based on a statewide risk assessment
- Includes higher education
- 2018 supplemental budget provided additional funding to allow for additional audits



Budget development

- We develop projected audit costs by agency
 - Individual agency accountability audits are based on a risk assessment
 - Whistleblower budget estimates are based on the prior three years' Whistleblower activity
- We present projected audit costs to OFM during the biennial budget submittal to include in state agency budgets
- Legislature adjusts funding if necessary during the supplemental budget based on updated work plan

Billing methodology

All work is billed using an hourly billing rate multiplied by actual hours worked

Accountability audits:

Agency-specific audits are billed monthly based on hours worked

Whistleblower investigations:

Billed monthly based on hours worked

Financial audit:

Billed quarterly for CAFR work based on an agency's net assets, revenues and expenditure allocation

Single audit:

Billed quarterly for single audit work based on federal expenditure allocation

Contacts

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