

Washington State Auditor's Office
Accountability Audit Report

Spokane Housing Authority
Spokane County

Report Date
February 19, 2013

Report No. 1009289

Issue Date
March 11, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

March 11, 2013

Board of Commissioners
Spokane Housing Authority
Spokane, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Housing Authority to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on the Spokane Housing Authority's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

TROY KELLEY
STATE AUDITOR

Table of Contents

**Spokane Housing Authority
Spokane County
February 19, 2013**

Audit Summary	1
Related Reports	2
Description of the Housing Authority	3

Audit Summary

Spokane Housing Authority Spokane County February 19, 2013

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Spokane Housing Authority from July 1, 2011 through June 30, 2012.

We evaluated internal controls and performed audit procedures on the activities of the Housing Authority. We also determined whether the Housing Authority complied with state laws and regulations and its own policies and procedures.

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 noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Cash receipting
- Contracts/agreements
- Debt/covenants
- Payments/expenditures
- Financial condition

RESULTS

In the areas we examined, the Housing Authority's internal controls were adequate to safeguard public assets. The Housing Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**Spokane Housing Authority
Spokane County
February 19, 2013**

FINANCIAL

Our opinion on the Housing Authority's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Housing Authority's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Housing Authority's major federal program, which is listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding the calculation of participant benefits from the Housing Assistance Payments program.

Description of the Housing Authority

Spokane Housing Authority
Spokane County
February 19, 2013

ABOUT THE HOUSING AUTHORITY

The city of Spokane created the Spokane Housing Authority in 1972 to provide affordable, safe and sanitary housing for low-income individuals and families. In 2011 the Housing Authority renewed its mission to state, "To provide, develop and promote quality affordable housing options in the communities we serve."

The Housing Authority annually provides housing assistance to more than 5,000 low-income families in the cities of Spokane and Spokane Valley and the unincorporated areas of Spokane County, as well as the cities of Millwood, Deer Park, Medical Lake, Airway Heights, Spangle and Cheney, through cooperative agreements. The Housing Authority owns 10 apartment complexes and 125 public housing units and is a general partner in the Cornerstone II - Borning Building, Cornerstone II – Helena Apartments and Martindale Apartment limited partnerships.

The Housing Authority is governed by a six-member Board of Commissioners, appointed by the Mayors of the cities of Spokane and Spokane Valley and the Spokane County Commissioners. The Board appoints an Executive Director to oversee the Housing Authority's daily operations as well as its 70 employees. For fiscal year 2012, the Housing Authority operated on approximately \$35 million.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Jeff Nave, Chair
Shannon Kapek, Vice Chair
Scott Adkins
Terri Symbol
Jack Beeching
Rhea Coble
Steve Cervantes

Executive Director

HOUSING AUTHORITY CONTACT INFORMATION

Address: Spokane Housing Authority
W. 55 Mission Street
Spokane, WA 99201

Phone: (509) 252-7154

Website: www.spokanehousing.org

AUDIT HISTORY

We audit the Housing Authority annually. This audit marked the eighth consecutive year no accountability findings were reported for the Housing Authority.



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.

Our mission is to work with our audit clients and citizens as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

State Auditor
Chief of Staff
Director of State and Local Audit
Director of Performance Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of State and Local Audit
Deputy Director of Quality Assurance
Local Government Liaison
Public Records Officer
Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Larisa Benson
Kelly Collins, CPA
Jan M. Jutte, CPA, CGFM
Sadie Armijo
Barb Hinton
Mike Murphy
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
<https://www.sao.wa.gov/EN/News/Subscriptions>