

Washington State Auditor's Office
Accountability Audit Report

City of Vancouver
Clark County

Report Date
July 19, 2013

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WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

September 23, 2013

Mayor and City Council
City of Vancouver
Vancouver, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your City 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 City of Vancouver'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

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Clark County
July 19, 2013**

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Audit Summary

City of Vancouver
Clark County
July 19, 2013

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Vancouver from January 1, 2012 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the City. We also determined whether the City 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:

- Parking – billing, collections and appeals
- Public Works – water and sewer inventory
- Risk management – self-insurance of property and workers compensation
- Fire Department – inventory procedures over assets, pharmaceuticals and fuel
- Procurement – public works and purchases
- Cemetery – billing and receipting
- Open Public Meetings Act compliance
- Facilities – lease billings
- Equipment services – billing, inventory and fire shop
- Use of restricted resources
- Budgetary compliance
- Disbursements – general, credit card and travel
- Payroll and benefits – computation of pay, benefits and leave accruals
- Cash receipting – City Hall lobby, police, fire, parks and community and economic development
- Use of third party payment processors
- Financial condition
- Bond covenants and compliance

RESULTS

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

Related Reports

**City of Vancouver
Clark County
July 19, 2013**

FINANCIAL

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

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the City's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding the City's internal controls over equipment management for the Urban Areas Initiative Grant.

Description of the City

City of Vancouver
Clark County
July 19, 2013

ABOUT THE CITY

The City of Vancouver serves over 163,200 Clark County residents and is the fourth largest city in the state. The City provides a variety of services including police and fire protection, parks and recreation facilities and activities, economic development, transportation, water, sewer and solid waste services.

An elected, six-member Council and an independently elected Mayor govern the City. The Council appoints a Manager to oversee the City's daily operations as well as its approximately 1,000 full-time employees. For the 2011-2012 biennium, the City operated on a budget of \$907 million.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Tim Leavitt
Bill Turlay
Jeanne Harris
Jack Burkman
Jeanne E. Stewart
Larry Smith
Bart Hansen

APPOINTED OFFICIALS

City Manager
Assistant City Manager
City Attorney

Eric Holmes
Dave Mercier
Ted H. Gathe

CITY CONTACT INFORMATION

Address: City of Vancouver
P.O. Box 1995
Vancouver, WA 98668-1995

Phone: (360) 487-8600

Website: www.cityofvancouver.us

AUDIT HISTORY

We audit the City annually. The prior eight audits of the City reported one area of concern. The 2007 audit contained a federal finding regarding compliance with federal prevailing wage laws. This finding has been resolved.



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.

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