



Exit Recommendations  
Columbia County  
Audit Period Ending: 12/31/2017

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We are providing the following exit recommendations for management's consideration. They are not referenced in the audit report. We may review the status of the following exit items in our next audit.

**Accountability:**

**Property Room Policies**

We noted the current property room policies do not require scheduled internal audits of the property room.

We recommend the County update written policies and procedures to include an annual internal audit of property room evidence to ensure listings are accurate and complete.

**Property Room**

During our review of property room dispositions we did not note any official approval of 2017 dispositions (there were approximately 40 items disposed) or the 2017 internal audit results of the property room.

We recommend the County retain approval for disposition of property and documentation of internal audits performed.

**Citations - Document Retention**

Per RCW 46.64.010(6), "Every record of traffic citations required in this section shall be audited monthly by the appropriate fiscal officer of the government agency to which the traffic enforcement agency is responsible."

The County has switched to a new electronic system for generating citations. When we requested to review the monthly audit reports generated from the system, the documentation was not available, but could be generated for us. Audit Reports should be retained and available for review as they occur (monthly), versus all being generated as needed.

We recommend the County puts controls in place to ensure that citation documentation is retained per RCW 46.64.010(6).

**County Policies**

During our review of prior audit issues we found that there were several recommendations related to policies that have not yet been developed or approved. They include:



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#### Bonus Payments

The County was not able to provide a policy for the application of Bonus Payments (in the form of more Holiday hours being awarded to employees).

#### Giftng of Public Funds

The County was not able to provide a policy for the waiving of rental fees at the youth center.

#### Cash Receipting

The County was not able to provide a policy for the cash receipting processes and procedures at the Fairgrounds.

During our audit testing, we also found recommendations related to policies that have not yet been developed or approved. They include:

#### Credit Cards

The County was not able to provide a policy for credit cards in accordance with RCW 43.09.2855.

We again recommend that the County develop and implement policies to address Bonus Payments, Gifting of Public Funds, Cash Receipting, and Credit Cards to safeguard County assets. We also recommend that the County develop and implement policies to address Credit Card expenditures to safeguard County assets.

#### **Federal Procurement Policies**

The County has not established written conflict or interest or general procurement policies that address the federal requirements, as required under Uniform Guidance. The County had until January 1, 2018 to have these policies in place, which if not done, may result in a higher level of recommendation the future audit periods.

We recommend that the County put procurement/conflict of interest policies in place to address federal requirements.

#### **Financial Statements:**

##### **Reporting Misstatement**

We found that the County misclassified approximately \$30 million in agency collections as court remittances on the Fiduciary Fund Resources and Uses Arising from Cash Transactions (C-5.)

We recommend the County ensure complete and accurate reporting on the financial statements.



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**Single Audit:**

**SEFA Preparation**

During our review of the County's Schedule of Expenditures of Federal Awards (SEFA), we determined:

- The Prosecutor's Office was filling out the Departmental SEFA Form based on revenues rather than expenditures resulting in an overstatement of \$10,493.
- The Public Works department miscalculated three federal highway construction projects resulting in an understatement of \$6,890.
- The Auditor's Office recorded a federal grant by mistake resulting in an overstatement of \$5,984.
- The Public Health Department miscalculated a grant by using revenues rather than expenditures resulting in an overstatement of \$20,790.

We recommend the County ensure complete and accurate reporting on the Schedule of Expenditures of Federal Awards.