Rate “Faire”

June 10, 2014

Chuck Pfeil, CPA
Director of State and Performance Audits
Overview

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

➢ State’s Comprehensive Annual Financial Report
➢ State’s Single (federal) Audit
➢ Accountability audits
➢ Performance audits
➢ Whistleblower investigations (state agencies)
➢ Fraud investigations (state and local)
➢ Local Funds Report
➢ Forensic computer investigations
➢ IT security reviews (through inter-agency agreements)
Auditing Services Revolving Account

Appropriated funding for:

- Comprehensive Annual Financial Report Audit (CAFR)
- Statewide Single Audit (SWSA)
- Accountability audits
- Whistleblower investigations
Accountability work

SAO approach to audits of state agencies:

- Audit work based on an agency risk assessment
- Audits to be performed at least once every four years.
- Includes Higher Education
Estimated allocations are developed

- Individual agency accountability audits are based on a risk assessment – to be audited at least once every four years
- Statewide theme accountability audits are planned based on emerging issues and potential cross-agency topics
- Whistleblower budget estimates are based on the prior three years’ Whistleblower activity

OFM is informed of proposed audit costs

Legislature adjusts funding during session based on anticipated audit work
Billing Methodology

All work is billed using an hourly billing rate multiplied by actual hours worked. The current rate is $89 per hour.

**Accountability Audits** – Agency specific audits are billed monthly based on hours worked. Statewide themed audits are billed quarterly based on an audit specific allocation multiplied by total hours worked.

**Whistleblower Investigations** - Billed monthly, bills 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.

**Central Systems Reviews** - Billed quarterly based on an agency’s net assets, revenues and expenditures.
Contacts

Troy Kelley
State Auditor  kelleyt@sao.wa.gov  (360) 902-0360

Chuck Pfeil, CPA
Director of State &  
Performance Audits  pfeilc@sao.wa.gov  (360) 902-0366

Jan Jutte
Deputy State Auditor  juttej@sao.wa.gov  (360) 902-0360

Janel Roper
Budget and Accounting Mgr  roperj@sao.wa.gov  (360) 725-5600