

Entrance Conference

Port of Seattle

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Office of the
Washington
State Auditor
Pat McCarthy

Disclaimer: This presentation is intended to be viewed in conjunction with the complete packet of entrance materials provided. A copy of those materials may be requested by contacting the presenters listed or by emailing PublicRecords@sao.wa.gov.

Audits that Matter



Accountability

Financial

Performance Audits

Cybersecurity Audits

Unauditable
Governments

Citizen Hotlines

Federal

Fraud/ Whistleblower
Investigations

Other Engagements



Pat McCarthy
State Auditor

2,724 audits conducted
(July 1, 2023 – June 30, 2024)

Accountability Audit

January 1, 2024 through December 31, 2024

We will examine the management, use and safeguarding of public resources to ensure there is protection from misuse and misappropriation. In addition, we will evaluate whether there is reasonable assurance for adherence to applicable state laws, regulations and policies and procedures.

We will use a risk-based audit approach for the Port and will share the specific areas we plan to evaluate after we complete our planning procedures.



Related Audit Work



Attestation – Port of Seattle Industrial Development Corporation

- January 1, 2022 through December 31, 2024
- Planned procedures: Compliance with state law for IDCs

Review of Independent CPA firm Audit

- January 1, 2024 through December 31, 2024
- Audit Type: Financial and Federal

Work of Other Auditors

- A financial statement audit and federal single audit was performed by Moss Adams (now Baker Tilly) of the Port.
- We will review their work and determine if anything causes concern about its quality.
- We will remain alert and report to you on whether any limitations restricted our analysis of the other audit.
- We will notify you if we notice any instance in which a material misstatement of the financial statements has or may have resulted from fraud or suspected fraud.





Levels of Reporting



Findings

Management
letters

Exit items



Important Information

Confidential
Information

Audit Costs

Audit
Dispute
Process

Loss
Reporting

Reporting Cybersecurity Issues



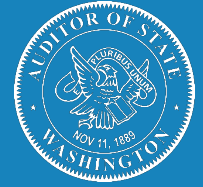
Reporting to the Attorney General's Office (AGO)

- Reporting required for single security incidents affecting >500 Washington residents
- Find out more about reporting requirements and how to report at www.atg.wa.gov/data-breach-notifications

Reporting to the State Auditor's Office (SAO)

- Reporting may be required for cyber-security events involving financial records or finances, regardless of number of affected parties.
- To learn more, please visit <https://sao.wa.gov/has-your-government-experienced-a-cybersecurity-issue-here-is-when-and-how-to-report/>

Peer Reviews of Washington State Auditor's Office



“Who audits the State Auditor?”

- To ensure our audits satisfy government auditing standards, our Office receives external peer reviews every three years by the National State Auditors Association (NSAA)
- Most recent peer review results are available online at www.sao.wa.gov/about-sao/who-audits-the-auditor/
- Rating received: “Pass”, the highest level of assurance that an external review team can provide

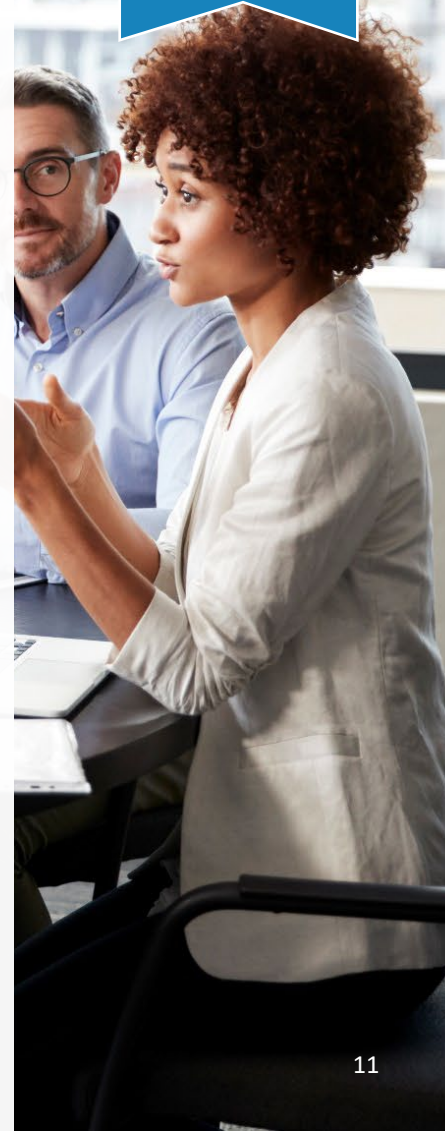
Working Together to Improve Government

Local Government Support Team

- BARS & Annual Online Filing
- Accounting and Reporting Training
- Client portal, including helpdesk

The Center for Government Innovation

- Free tools, resources and services to help you solve problems and improve operations.



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- **Cyber checkups** to assess your government's vulnerability to common cybersecurity threats
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- **Teambuilding workshops** to help you strengthen your team, increase trust, and promote workplace harmony
- **Financial Intelligence Tool (FIT)** data to help you monitor your government's financial health



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Questions?



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