



Washington State Auditor's Office

SMALL CITIES HOW TO MINIMIZE AUDIT COSTS

The State Auditor's Office (SAO) provides the following resources to help small cities reduce audit costs.

1. Assistance from Toni Ann Nelson, Small Cities Specialist, at reduced or no cost to small city.
2. Split reporting – which allows more flexibility in when or if the SAO does each component of the audit.
3. No financial statement audits (unless requested) for small cities with under \$2 million in revenue.
4. Expanded audit cycles from 2 years to 3 years where possible.
5. Do Assessments (survey) rather than full audit for those under \$200,000 in revenue. (8 hours versus full audit).
6. Raised Classified Utility from \$2 million to \$5 million (allows cash basis reporting up to \$5 million).
7. More analytical work and less testing if analytics look OK.
8. Developed Financial Analysis Program for ASP users. Allows SAO to do more work at their office (less travel costs). It also facilitates doing the analytics and less testing.

Note: SAO delivers training at EWFOA, WMTA, WMCA, WFOA.

Note: SAO has not increased the billing rate in 3 years.

For questions about these services, please call Small City Specialist, Toni Nelson, at:

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509 710 4949 Cell