



**Office of the Washington State Auditor
Pat McCarthy**

Local Government Advisory Committee (LGAC)

Meeting Minutes

December 4, 2024

9:00am – 11:00 am

Virtual Meeting – Microsoft Teams

Member attendance:

Member name	Attendance Status	Member name	Attendance Status
Brodersen, Bret	Excused	McMillan, Sandi	Present
Clark, Kathy	Present	Olander, Scott	Unexcused
Corin, Shannon	Unexcused	Payne, Randy	Present
DeGroot, David	Present	Pohle, Derek	Unexcused
Gall, Sheila	Present	Riley, Michael	Present
Goodrich, Scott	Present	Robacker, Tanya	Present
Hendren, Alisha	Present	Quichocho, Anna	Present
Hunt, Heidi	Present	Scott, Jill	Present
Jimenez, Grace	Present	Tellers, Stacie - Chair	Present
Knudson, Erin	Excused	Williams, Jason	Present
Liang, David	Unexcused	AWC	Vacant
Lundeen, Ann	Present	WCCMA	Vacant

Other attendees:

Hill, Shawn (Grays Harbor County) | Kelly, Mitchell (County) | Lowell, Eric (MRSC) | Pascoe, Jerica (Ellensburg) | Robnett, Heidi (Fire) | Rogers, Danette (Transit) | Schmidt, Cami (Transit)

SAO Staff in attendance:

Aguilar, Tamara | Cowgill, Christie | Crouch, Olivia | Kostick, Niles | McCarthy, Pat | Montgomery, Ryan | Pagio, Kayley | Strand, Ann | Vandenburg, Vivian | Watkins, Tina

Call to Order

The Committee meeting began at 9:00am, held via Teams. The meeting was called to order by Stacie Tellers, Manager for the Local Government Support Team.

Welcome and Attendance

Stacie welcomed everyone. Attendance was taken via the Teams attendee list and noted there were no attendees calling in via phone.



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SAO Executive Update

Washington State Auditor Pat McCarthy stated she was thankful for the opportunity to serve a third term. Pat announced the upcoming retirement of Deputy State Auditor Keri Rooney, effective February 1, 2025. With Keri's retirement Pat named the current Director of Local Audit, Kelly Collins to the Deputy Director role and Assistant Director of Local Audit, Tina Watkins to the Director of Local Audit role.

Pat spoke to the recent press release from Governor Inslee regarding the freeze on expenditures and hiring for the State. The directive does not directly impact the State Auditor's Office due to the separately elected status of the office, however Pat noted that she will evaluate the directive and determine impacts to the office should any freezes occur.

Pat discussed her role as President Elect for the National State Auditors Association and that serving on the national level supports Washington governments accounting and reporting concerns. She is excited that the Associations national conference for 2026 will be in Tacoma and hopes to see everyone there.

Pat noted that she recently spoke with the newly elected Secretary of State (SOS) of Oregon to discuss auditing and the similarities and differences of Oregon's SOS structure with Washington's SOS and SAO structure. Oregon's SOS conducts audits of Oregon State agencies, as well as performance audits. They were interested in how SAO performs this work and how Washington's agency structure differs from Oregon's.

Pat noted that SAO continues to develop tools for governments regarding fraud and how to advert fraud. She noted that SAO has several resources and trainings to assist governments in developing and strengthening their controls to help reduce the risk of fraud.

Pat appreciates the time committee members take to attend the meeting and participate with SAO. She wished the committee members a happy and safe holiday season.

Approval of Minutes of October 2, 2024, meeting

The minutes previously distributed via email with a link to the SAO LGAC webpage where the draft minutes are posted were presented.

Motion to approve the October 2024 minutes was made by Ann Lundeen and seconded by David DeGroot. The appointed committee members approved the minutes with no corrections or changes, unanimously.



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BARS Updates and Discussion

Stacie announced that the fiscal year 2024 BARS Manuals are fully updated as of Tuesday, December 3, 2024! SAO has soft launched the manuals to allow for time to fully review the live manuals for any necessary corrections. An article in the biweekly SAO newsletter will be posted and go out on Thursday, December 5, 2024, to announce that BARS Manuals are updated and live.

Christie Cowgill, Assistant Audit Manager for the Local Government Support Team provided an overview of the initial update list for the December 2025 update, including a brief overview of each item. Stacie added that SAO will actively watch the 2025 Washington Legislative session for any impacts to BARS and will notify governments via a BARS alert should any changes occur.

Sandi McMillan thanked the BARS group for all the updates. She noted that our continued updates help the newer generation of workers, making it easier for them to train them on the requirements.

Olivia Crouch, Assistant Audit Manager for the Local Government Support Team, reviewed the updates from GASB and the impact on BARS. There have been no new GASBs issued since the last meeting. However, GASB has issued several documents for public comment. Olivia discussed the documents and encouraged attendees to provide responses to the GASB.

Stacie opened the floor for questions, comments, and concerns related to BARS, GASB, or Annual Filing. Nothing was brought forward.

SAO Resources

Niles Kostick, Manager for the Center for Government Innovation, provided an update on the new and updated resources from SAO. He reminded the attendees that the Center's tools and trainings are free to them.

Niles reviewed the FIT update, noting that the 11-year revenue and expenditure trends have returned. He stated that side by side government comparisons will be coming soon. Additionally, a FIT Financial Health Indicator guide was published in the improving government's resource library, which explains the different indicators presented in FIT.

The Center is working on creating new and updating existing resources. Recently the Asset Retirement Obligation resource was updated, providing updates found in post implementation audits, adding additional ARO items such as irrigation canals, and



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additional links to valuable resources such as Department of Ecology lists. New resources include a jumpstart your cybersecurity program guide and a federal grant management guide, both available in the resource library. Planned updates for the take home vehicle, segregation of duties, cash receipting, payroll, and accounts payable guides will occur in 2025.

The Center is working on a new training workshop to be offered in 2025. This workshop will include internal controls information, including identifying fraud risks, best practices in fraud prevention, effective prevention strategies, and more. Watch for more information on this new workshop.

Questions or comments for the Center, email center@sao.wa.gov.

Open Discussion

Stacie opened the floor for the discussion period, proposing the following meeting dates for 2025.

Proposed Meeting Schedule for 2025

Wednesday, April 30, 2025, 9:00am-11:00am	Virtual
Wednesday, September 10, 2025, 9:00am-10:30am	Virtual
Wednesday, December 10, 2025, 9:00am-11:00am	Virtual

The proposed meeting schedule was accepted.

Stacie noted that there will be some committee positions for either renomination or to be filled. Notifications will be going to associations for the nominations in early 2025.

Meeting adjourned at 9:37 am.