

**Chapter 43.09 RCW  
STATE AUDITOR**

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35.104.060.  
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*Studies and adoption of classifications for school district budgets—  
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*Succession: State Constitution Art. 3 s 10.*

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*disbursement of public moneys, duties transferred: RCW 43.88.210.*

GENERALLY

**RCW 43.09.010 Residence—Office—Bond—Oath.** The state auditor shall reside and keep his or her office at the seat of government. Before entering upon his or her duties he or she shall execute and deliver to the secretary of state a bond to the state in the sum of fifty thousand dollars, to be approved by the governor, conditioned for the faithful performance of all duties required by law. He or she shall take an oath of office before any person authorized to administer oaths, and file a copy thereof, together with the required bond, in the office of the secretary of state. [1995 c 301 s 1; 1965 c 8 s 43.09.010. Prior: 1890 p 634 s 1; RRS s 10996; prior: Code 1881 s 2566; 1871 p 96 s 1; 1854 p 409 s 2.]

**RCW 43.09.020 Auditor of public accounts.** The auditor shall be auditor of public accounts, and shall have such powers and perform such duties in connection therewith as may be prescribed by law. [1989 c 140 s 1; 1965 c 8 s 43.09.020. Prior: 1890 p 635 s 2; RRS s 10997; prior: Code 1881 s 2567; 1871 p 97 s 4; 1854 p 409 s 3.]

*Budget and accounting system, powers and duties: RCW 43.88.160.*

*Fiscal records open to public: RCW 43.88.200.*

**RCW 43.09.025 Deputy auditors—Assistant directors.** The state auditor may appoint deputies and assistant directors as necessary to carry out the duties of the office of the state auditor. These individuals serve at the pleasure of the state auditor and are exempt from the provisions of chapter 41.06 RCW as stated in RCW 41.06.070(1)(v). [2020 c 18 s 14; 1995 c 301 s 2.]

**Explanatory statement—2020 c 18:** See note following RCW 43.79A.040.

**RCW 43.09.035 Assistants—Personnel.** The state auditor may appoint and employ other assistants and personnel necessary to carry out the work of the office of the state auditor. [1995 c 301 s 3.]

**RCW 43.09.045 Contracts with certified public accountants.** The state auditor may contract with public accountants certified in Washington to carry out those portions of the duties of auditing state agencies and local governments as the state auditor may determine. [1995 c 301 s 4.]

**RCW 43.09.050 General duties of auditor.** The auditor shall:  
(1) Except as otherwise specifically provided by law, audit the accounts of all collectors of the revenue and other holders of public money required by law to pay the same into the treasury;

(2) In his or her discretion, inspect the books of any person charged with the receipt, safekeeping, and disbursement of public moneys;

(3) Investigate improper governmental activity under chapter 42.40 RCW;

(4) Inform the attorney general in writing of the necessity for the attorney general to direct prosecutions in the name of the state for all official delinquencies in relation to the assessment, collection, and payment of the revenue, against all persons who, by any means, become possessed of public money or property, and fail to pay over or deliver the same, and against all debtors of the state;

(5) Give information in writing to the legislature, whenever required, upon any subject relating to the financial affairs of the state, or touching any duties of his or her office;

(6) Report to the director of financial management in writing the names of all persons who have received any moneys belonging to the state, and have not accounted therefor;

(7) Authenticate with his or her official seal papers issued from his or her office;

(8) Make his or her official report annually on or before the 31st of December. [1992 c 118 s 6; 1979 c 151 s 91. Prior: 1977 ex.s. c 144 s 7; 1977 c 75 s 40; 1971 ex.s. c 170 s 1; 1965 c 8 s 43.09.050; prior: 1890 p 636 s 5; RRS s 11001; prior: Code 1881 s 2570; 1854 p 410 s 5.]

**Severability—1971 ex.s. c 170:** "If any provision of this 1971 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1971 ex.s. c 170 s 5.]

*Advances: Chapter 42.24 RCW.*

*Information to legislature: RCW 43.88.160.*

*Investigations of improper governmental actions—Protection of employee disclosures: Chapter 42.40 RCW.*

*Post-audit duties: RCW 43.88.160.*

*Powers and duties, budget and accounting system: RCW 43.88.160.*

*Report of irregularities to attorney general: RCW 43.88.160.*

*Report to legislature: RCW 43.88.160.*

**RCW 43.09.055 Audit of entities with state contracts or grants—Costs.** The state auditor may, where there is reasonable cause to believe that a misuse of state moneys has occurred, conduct an audit of financial and legal compliance of any entity that receives public moneys through contract or grant in return for services. This authority includes examinations of not-for-profit corporations who provide personal services to a state agency or to clients of a state agency. Such a financial audit shall be performed in a manner consistent with this chapter, and may be performed according to an

agreed upon procedures engagement as in the existing 1998 standards of the American institute of certified public accountants professional standards section 600.

The state auditor may charge the contracting agency, whether state or local, for the costs of an audit of a not-for-profit corporation that receives public moneys through contract or grant in return for services. Any contracting agency that is responsible to the state auditor for such costs shall use due diligence to recover costs from the audited entity. [1998 c 232 s 3.]

**Findings—Intent—1998 c 232:** "The legislature finds that the state auditor lacks the needed authority to investigate the finances of state nongovernmental contractors. The legislature further finds that current contract oversight and management procedures cannot ensure that services under contract are delivered effectively and efficiently. Therefore, the legislature intends to enhance the authority of the state auditor to audit entities that provide services to the state or its clients under contract with state agencies." [1998 c 232 s 1.]

**RCW 43.09.065 Audit of entities with state contracts or grants—Report regarding criminal misuse of public moneys.** If after a financial audit of an entity that receives public moneys under contract or grant in return for services, there is reasonable cause to believe that a criminal misuse of public moneys has occurred, the office of the state auditor, within thirty days from receipt of the report, shall deliver a copy of the report to the appropriate local prosecuting authority. [1998 c 232 s 4.]

**Findings—Intent—1998 c 232:** See note following RCW 43.09.055.

**RCW 43.09.165 Subpoenas—Compulsory process—Witnesses—Oaths—Testimony—Penalty.** (1) The state auditor, his or her employees and every person legally appointed to perform such service, may issue subpoenas and compulsory process and direct the service thereof by any constable or sheriff, compel the attendance of witnesses and the production of books and papers before him or her at any designated time and place, and may administer oaths.

(2) When any person summoned to appear and give testimony neglects or refuses to do so, or neglects or refuses to answer any question that may be put to him or her touching any matter under examination, or to produce any books or papers required, the person making such examination shall apply to a superior court judge of the proper county to issue a subpoena for the appearance of such person before him or her; and the judge shall order the issuance of a subpoena for the appearance of such person forthwith before him or her to give testimony; and if any person so summoned fails to appear, or appearing, refuses to testify, or to produce any books or papers required, he or she shall be subject to like proceedings and penalties for contempt as witnesses in the superior court.

(3) Willful false swearing in any such examination is perjury under chapter 9A.72 RCW. [2003 c 53 s 225; 1995 c 301 s 5.]

**Intent—Effective date—2003 c 53:** See notes following RCW 2.48.180.

**RCW 43.09.166 Subpoenas—Court approval—Process.** (1) In addition to the authority granted in RCW 43.09.165, the state auditor and his or her authorized assistants may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or the county where the subpoenaed records or documents are located, or in Thurston county. The application must (a) state that an order is sought pursuant to this subsection; (b) adequately specify the records, documents, or testimony; and (c) declare under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the state auditor's authority and that the subpoenaed documents or testimony are reasonably related to an investigation within the state auditor's authority.

(2) Where the application under this section is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this section constitutes authority of law for the state auditor to subpoena the records or testimony.

(3) The state auditor and his or her authorized assistants may seek approval and a court may issue an order under this section without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation. [2013 c 50 s 2.]

**Intent—2013 c 50:** "The legislature intends to provide a process for the state auditor's office to apply for court approval of an investigative subpoena which is authorized under current law in cases where the agency seeks such approval, or where court approval is required by Article I, section 7 of the state Constitution. The legislature does not intend to require court approval except where otherwise required by law or Article I, section 7 of the state Constitution. The legislature does not intend to create any new authority to subpoena records or create any new rights for any person." [2013 c 50 s 1.]

**RCW 43.09.170 May administer oaths.** The state auditor may administer all oaths required by law in matters pertaining to the duties of his or her office. [1995 c 301 s 6; 1965 c 8 s 43.09.170. Prior: 1890 p 641 s 23; RRS s 11017; prior: Code 1881 s 2586.]

**RCW 43.09.180 Seal—Copies of documents as evidence.** The state auditor shall keep a seal of office for the identification of all papers, writings, and documents required by law to be certified by him or her, and copies authenticated and certified of all papers and documents lawfully deposited in his or her office shall be received in evidence with the same effect as the originals. [1995 c 301 s 7; 1965 c 8 s 43.09.180. Prior: 1890 p 641 s 24; RRS s 11018; prior: Code 1881 s 2587.]



**RCW 43.09.185 Loss of public funds—Illegal activity—Report to state auditor's office.** State agencies and local governments shall immediately report to the state auditor's office known or suspected loss of public funds or assets or other illegal activity. The state auditor must adopt policies as necessary to implement this section. [2022 c 148 s 1; 1995 c 301 s 8.]

**RCW 43.09.186 Toll-free efficiency hotline—Duties—Annual overview and update.** (1) Within existing funds, the state auditor must establish a toll-free telephone line that is available to public employees and members of the public to recommend measures to improve efficiency in state and local government and to report waste, inefficiency, or abuse, as well as examples of efficiency or outstanding achievement, by state and local agencies, public employees, or persons under contract with state and local agencies.

(2) The state auditor must prepare information that explains the purpose of the hotline, and the hotline telephone number must be prominently displayed in the information. Hotline information must be posted in all government offices in locations where it is most likely to be seen by the public. The state auditor must publicize the availability of the toll-free hotline through print and electronic media and other means of communication with the public.

(3) The state auditor must designate staff to be responsible for processing recommendations for improving efficiency and reports of waste, inefficiency, or abuse received through the hotline. The state auditor must conduct an initial review of each recommendation for efficiency and report of waste, inefficiency, or abuse made by public employees and members of the public. Following the initial review, the state auditor must determine which assertions require further examination or audit under the auditor's current authority and must assign qualified staff.

(4) The identity of a person making a report through the hotline, by email through the state auditor's website, or other means of communication is confidential at all times unless the person making a report consents to disclosure by written waiver, or until the investigation described in subsection (3) of this section is complete. All documents related to the report and subsequent investigation are also confidential until completion of the investigation or audit or when the documents are otherwise statutorily exempt from public disclosure.

(5) The state auditor must prepare a written determination of the results of the investigation performed, including any background information that the auditor deems necessary. The state auditor must report publicly the conclusions of each investigation and recommend ways to correct any deficiency and to improve efficiency. The reports must be distributed to the affected state agencies.

(6) The state auditor must provide an annual overview and update of hotline investigations, including the results and efficiencies achieved, to the legislature and to the appropriate legislative committees. [2007 c 41 s 1.]

**RCW 43.09.188 Regulatory fairness act—Performance reviews.** The state auditor shall conduct a performance review of agency compliance with the regulatory fairness act, pursuant to chapter 19.85 RCW. The

performance review must be completed no earlier than June 30, 2020, and subsequent reviews must be completed periodically thereafter. Factors used to determine the frequency of subsequent reviews include the degree to which agencies are found to be in compliance with the act. The auditor must report his or her findings to the legislature, and any recommendations, by June 30, 2021, and after every subsequent review. [2017 c 53 s 4.]

## LOCAL GOVERNMENT ACCOUNTING

**RCW 43.09.200 Local government accounting—Uniform system of accounting.** The state auditor shall formulate, prescribe, and install a system of accounting and reporting for all local governments, which shall be uniform for every public institution, and every public office, and every public account of the same class.

The system shall exhibit true accounts and detailed statements of funds collected, received, and expended for account of the public for any purpose whatever, and by all public officers, employees, or other persons.

The accounts shall show the receipt, use, and disposition of all public property, and the income, if any, derived therefrom; all sources of public income, and the amounts due and received from each source; all receipts, vouchers, and other documents kept, or required to be kept, necessary to isolate and prove the validity of every transaction; all statements and reports made or required to be made, for the internal administration of the office to which they pertain; and all reports published or required to be published, for the information of the people regarding any and all details of the financial administration of public affairs. [1995 c 301 s 9; 1965 c 8 s 43.09.200. Prior: 1909 c 76 s 2; RRS s 9952.]

*Electronic transfer of public funds to be in compliance with: RCW 39.58.750.*

*School districts budgets to be in compliance with: RCW 28A.505.120.*

**RCW 43.09.205 Local government accounting—Costs of public works—Standard form.** The state auditor shall prescribe a standard form with which the accounts and records of costs of all local governments shall be maintained as required under RCW 39.04.070. [1995 c 301 s 10; 1987 c 120 s 4.]

**RCW 43.09.210 Local government accounting—Separate accounts for each fund or activity—Exemptions.** (1) Separate accounts shall be kept for every appropriation or fund of a taxing or legislative body showing date and manner of each payment made therefrom, the name, address, and vocation of each person, organization, corporation, or association to whom paid, and for what purpose paid.

(2) Separate accounts shall be kept for each department, public improvement, undertaking, institution, and public service industry under the jurisdiction of every taxing body.

(3) All service rendered by, or property transferred from, one department, public improvement, undertaking, institution, or public service industry to another, shall be paid for at its true and full value by the department, public improvement, undertaking, institution, or public service industry receiving the same, and no department, public improvement, undertaking, institution, or public service industry shall benefit in any financial manner whatever by an appropriation or fund made for the support of another.

(4) All unexpended balances of appropriations shall be transferred to the fund from which appropriated, whenever the account with an appropriation is closed.

(5) This section does not apply to:

(a) Agency surplus personal property handled under RCW 43.19.1919(1)(e); or

(b) The transfer, lease, or other disposal of surplus property for public benefit purposes, as provided under RCW 39.33.015. [2018 c 217 s 5; 2000 c 183 s 2; 1965 c 8 s 43.09.210. Prior: 1909 c 76 s 3; RRS s 9953.]

**RCW 43.09.220 Local government accounting—Separate accounts for public service industries.** Separate accounts shall be kept for every public service industry of every local government, which shall show the true and entire cost of the ownership and operation thereof, the amount collected annually by general or special taxation for service rendered to the public, and the amount and character of the service rendered therefor, and the amount collected annually from private users for service rendered to them, and the amount and character of the service rendered therefor. [1995 c 301 s 11; 1965 c 8 s 43.09.220. Prior: 1909 c 76 s 4; RRS s 9954.]

**RCW 43.09.230 Local government accounting—Annual reports—Comparative statistics.** (1) As used in this section:

(a) "Special purpose district" means every municipal and quasi-municipal corporation other than counties, cities, and towns. Such special purpose districts include, but are not limited to, water-sewer districts, fire protection districts, port districts, public utility districts, special districts as defined in RCW 85.38.010, lake and beach management districts, conservation districts, and irrigation districts.

(b) "Unauditable" means a special purpose district that the state auditor has determined to be incapable of being audited because the special purpose district has improperly maintained, failed to maintain, or failed to submit adequate accounts, records, files, or reports for an audit to be completed.

(2) The state auditor shall require from every local government financial reports covering the full period of each fiscal year, in accordance with the forms and methods prescribed by the state auditor, which shall be uniform for all accounts of the same class.

Such reports shall be prepared, certified, and filed with the state auditor within one hundred fifty days after the close of each fiscal year. The state auditor may allow local governments a thirty-day extension for filing annual fiscal reports if the governor has declared an emergency pursuant to RCW 43.06.210.

The reports shall contain accurate statements, in summarized form, of all collections made, or receipts received, by the officers from all sources; all accounts due the public treasury, but not collected; and all expenditures for every purpose, and by what authority authorized; and also: (a) A statement of all costs of ownership and operation, and of all income, of each and every public service industry owned and operated by a local government; (b) a statement of the entire public debt of every local government, to which power has been delegated by the state to create a public debt, showing the purpose for which each item of the debt was created, and the provisions made for the payment thereof; and (c) a classified statement of all receipts and expenditures by any public institution together with such other information as may be required by the state auditor.

The reports shall be certified as to their correctness by the state auditor, the state auditor's deputies, or other person legally authorized to make such certification.

Their substance shall be published in an annual volume of comparative statistics at the expense of the state as a public document.

(3) (a) (i) On or before December 31, 2020, and on or before December 31st of each year thereafter, the state auditor must search available records and notify the legislative authority of a county if any special purpose districts, located wholly or partially within the county, have been determined to be unauditible. If the boundaries of the special purpose district are located within more than one county, the state auditor must notify all legislative authorities of the counties within which the boundaries of the special purpose district lie.

(ii) If a county has been notified as provided in (a) (i) of this subsection (3), the special purpose district and the county auditor, acting on behalf of the special purpose district, are prohibited from issuing any warrants against the funds of the special purpose district until the district has had its report certified by the state auditor.

(iii) Notwithstanding (a) (ii) of this subsection (3), a county may authorize the special purpose district and the county auditor to issue warrants against the funds of the special purpose district:

(A) In order to prevent the discontinuation or interruption of any district services;

(B) For emergency or public health purposes; or

(C) To allow the district to carry out any district duties or responsibilities.

(b) (i) On or before December 31, 2020, and on or before December 31st of each year thereafter, the state auditor must search available records and notify the state treasurer if any special purpose districts have been determined to be unauditible.

(ii) If the state treasurer has been notified as provided in (b) (i) of this subsection (3), the state treasurer may not distribute any local sales and use taxes imposed by a special purpose district to the district until the district has had its report certified by the state auditor. [2022 c 148 s 2; 2021 c 122 s 6; 2020 c 179 s 1; 1995 c 301 s 12; 1993 c 18 s 2; 1989 c 168 s 1; 1977 c 75 s 41; 1965 c 8 s 43.09.230. Prior: 1909 c 76 s 5; RRS s 9955.]

**Finding—Intent—2021 c 122:** See note following RCW 2.32.050.

**Finding—Purpose—1993 c 18:** "The legislature finds and declares that the use of outside consultants is an increasing element in public sector labor relations. The public has a right to be kept informed about the role of outside consultants in public sector labor relations. The purpose of this act is to help ensure that public information is available." [1993 c 18 s 1.]

**RCW 43.09.240 Local government accounting—Public officers and employees—Duty to account and report—Removal from office—Deposit of collections.** Every public officer and employee of a local government shall keep all accounts of his or her office in the form prescribed and make all reports required by the state auditor. Any public officer or employee who refuses or willfully neglects to perform such duties shall be subject to removal from office in an appropriate proceeding for that purpose brought by the attorney general or by any prosecuting attorney.

Every public officer and employee, whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him or her with the treasurer of the local government once every twenty-four consecutive hours. The treasurer may in his or her discretion grant an exception where such daily transfers would not be administratively practical or feasible as long as the treasurer has received a written request from the department, district, or agency, and where the department, district, or agency certifies that the money is held with proper safekeeping and that the entity carries out proper theft protection to reduce risk of loss of funds. Exceptions granted by the treasurer shall state the frequency with which deposits are required as long as no exception exceeds a time period greater than one deposit per week.

In case a public officer or employee collects or receives funds for the account of a local government of which he or she is an officer or employee, the treasurer shall, by Friday of each week, pay to the proper officer of the local government for the account of which the collection was made or payment received, the full amount collected or received during the current week for the account of the district. [2002 c 168 s 3; 1995 c 301 s 13; 1991 c 245 s 13; 1965 c 8 s 43.09.240. Prior: 1963 c 209 s 2; 1911 c 30 s 1; 1909 c 76 s 6; RRS s 9956; prior: 1890 p 638 s 11; Code 1881 s 2577; 1854 p 411 s 7.]

**RCW 43.09.245 Local government accounting—Examination of financial affairs.** The state auditor has the power to examine all the financial affairs of every local government and its officers and employees. [1995 c 301 s 14.]

**RCW 43.09.260 Local government accounting—Examination of local governments—Reports—Action by attorney general.** (1) The examination of the financial affairs of all local governments shall be made at such reasonable, periodic intervals as the state auditor shall determine. However, an examination of the financial affairs of all local governments shall be made at least once in every three years, and an examination of individual local government health and welfare benefit plans and local government self-insurance programs shall be made at least once every two years.

(2) During the 2009-2011 fiscal biennium, the state auditor shall conduct audits no more often than once every two years of local governments with annual general fund revenues of ten million dollars or less and no findings of impropriety for the three-year period immediately preceding the audit period. This subsection does not prohibit the state auditor from conducting audits: (a) To address suspected fraud or irregular conduct; (b) at the request of the local government governing body; or (c) as required by federal laws or regulations.

(3) The term local governments for purposes of this chapter includes but is not limited to all counties, cities, and other political subdivisions, municipal corporations, and quasi-municipal corporations, however denominated.

(4) The state auditor shall establish a schedule to govern the auditing of local governments which shall include: A designation of the various classifications of local governments; a designation of the frequency for auditing each type of local government; and a description of events which cause a more frequent audit to be conducted.

(5) On every such examination, inquiry shall be made as to the financial condition and resources of the local government; whether the Constitution and laws of the state, the ordinances and orders of the local government, and the requirements of the state auditor have been properly complied with; and into the methods and accuracy of the accounts and reports.

(6) A report of such examination shall be made and filed in the office of state auditor, and one copy shall be transmitted to the local government. A copy of any report containing findings of noncompliance with state law shall be transmitted to the attorney general. If any such report discloses malfeasance, misfeasance, or nonfeasance in office on the part of any public officer or employee, within thirty days from the receipt of his or her copy of the report, the attorney general shall institute, in the proper county, such legal action as is proper in the premises by civil process and prosecute the same to final determination to carry into effect the findings of the examination.

(7) It shall be unlawful for any local government or the responsible head thereof, to make a settlement or compromise of any claim arising out of such malfeasance, misfeasance, or nonfeasance, or any action commenced therefor, or for any court to enter upon any compromise or settlement of such action, without the written approval and consent of the attorney general and the state auditor. [2009 c 564 s 927; 1995 c 301 s 15; 1991 sp.s. c 30 s 26; 1979 c 71 s 1; 1965 c 8 s 43.09.260. Prior: 1909 c 76 s 8; RRS s 9958.]

**Effective date—2009 c 564:** See note following RCW 2.68.020.

**Effective date, implementation, application—1991 sp.s. c 30:** See RCW 48.62.900.

*School district budgeting violations not to affect duties of attorney general under RCW 43.09.260: RCW 28A.505.150.*

**RCW 43.09.270 Local government accounting—Expense of audit, what constitutes.** The expense of auditing local governments and those

expenses directly related to prescribing accounting systems, training, maintenance of working capital including reserves for late and uncollectible accounts and necessary adjustments to billings, and field audit supervision, shall be considered expenses of auditing public accounts within the meaning of RCW 43.09.280 and 43.09.282, and shall be prorated for that purpose equally among all entities directly affected by such service. [1995 c 301 s 17; 1993 c 315 s 1; 1991 sp.s. c 16 s 920; 1982 c 206 s 1; 1965 c 8 s 43.09.270. Prior: 1963 c 209 s 4; 1911 c 30 s 1; 1909 c 76 s 10; RRS s 9960.]

**Effective date—1993 c 315:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1993." [1993 c 315 s 2.]

**Severability—Effective date—1991 sp.s. c 16:** See notes following RCW 9.46.100.

**RCW 43.09.280 Local government accounting—Expense of examination.** The expense of auditing public accounts shall be borne by each entity subject to such audit for the auditing of all accounts under its jurisdiction and the state auditor shall certify the expense of such audit to the fiscal or warrant-issuing officer of such entity, who shall immediately make payment to the state auditor. If the expense as certified is not paid by any local government within thirty days from the date of certification, the state auditor may certify the expense to the auditor of the county in which the local government is situated, who shall promptly issue his or her warrant on the county treasurer payable out of the current expense fund of the county, which fund, except as to auditing the financial affairs and making inspection and examination of the county, shall be reimbursed by the county auditor or chief financial officer designated in a charter county out of the money due the local government at the next monthly settlement of the collection of taxes and shall be transferred to the current expense fund. [2009 c 337 s 14; 1995 c 301 s 18; 1979 c 71 s 2; 1965 c 8 s 43.09.280. Prior: 1963 c 209 s 5; 1911 c 30 s 1; 1909 c 76 s 11; RRS s 9961.]

**RCW 43.09.2801 Local government accounting—Expense of audit—Additional charge.** (1) From July 1, 1992, to June 30, 1995, the state auditor shall charge an entity subject to an audit an additional ten cents per hour billed under RCW 43.09.270 and 43.09.280, to be deposited in the local government administrative hearings account.

(2) After June 30, 1995, the state auditor shall base the amount to be collected and deposited into the local government administrative hearings account on the funds remaining in the account on June 30, 1995, and the anticipated caseload for the future.

(3) The state auditor may exempt a local government that certifies that it is in compliance with RCW 42.41.050 from a charge added under subsection (1) or (2) of this section. [1995 c 301 s 19; 1992 c 44 s 11.]

**Effective dates—1992 c 44:** See RCW 42.41.901.

*Local government administrative hearings account: RCW 42.41.060.*

**RCW 43.09.281 Appeal procedure to be adopted—Inclusion of number and disposition of appeals in annual report.** The state auditor shall adopt appropriate rules pursuant to chapter 34.05 RCW, the administrative procedure act, to provide a procedure whereby a \*taxing district may appeal charges levied under RCW 43.09.280. Such procedure shall provide for an administrative review process and an external review process which shall be advisory to the state auditor's office. The number of appeals and their disposition shall be included in the auditor's annual report. [1982 c 206 s 3.]

**\*Reviser's note:** "Taxing district" was redesignated "local government" by 1995 c 301 s 18.

**RCW 43.09.282 Local government accounting—Municipal revolving account—Records of auditing costs.** For the purposes of centralized funding, accounting, and distribution of the costs of the audits performed on local governments by the state auditor, there is hereby created an account entitled the municipal revolving account. The state treasurer shall be custodian of the account. All moneys received by the state auditor or by any officer or employee thereof shall be deposited with the state treasurer and credited to the municipal revolving account. Only the state auditor or the auditor's designee may authorize expenditures from the account. No appropriation is required for expenditures. The state auditor shall keep such records as are necessary to detail the auditing costs attributable to the various types of local governments. During the 2009-2011 fiscal biennium, the state auditor shall reduce the municipal revolving account charges for financial audits performed on local governments by five percent. [2009 c 564 s 928; 2008 c 328 s 6007; 1995 c 301 s 20; 1982 c 206 s 2; 1965 c 8 s 43.09.282. Prior: 1963 c 209 s 6.]

**Effective date—2009 c 564:** See note following RCW 2.68.020.

**Part headings not law—Severability—Effective date—2008 c 328:** See notes following RCW 43.155.050.

**Effective date—1982 c 206 s 2:** "Section 2 of this act shall take effect on July 1, 1983." [1982 c 206 s 4.]

**RCW 43.09.285 Joint operations by municipal corporations or political subdivisions—Deposit and control of funds.** Whenever by law, two or more municipal corporations or political subdivisions of the state are permitted by law to engage in a joint operation, the funds of such joint operation shall be deposited in the public treasury of the municipal corporation or political subdivision embracing the largest population or the public treasury of any other as so agreed upon by the parties; and such deposit shall be subject to the same audit and fiscal controls as the public treasury where the funds are so deposited: PROVIDED, That whenever the laws applicable to any particular joint operation specifically state a contrary rule for deposits, the specific rule shall apply in lieu of the provisions of



this section: PROVIDED, FURTHER, That nothing contained herein shall be construed as limiting the power or authority of the disbursing officer of such joint operation from making disbursements in accordance with the provisions of any contract or agreement entered into between the parties to the joint operation. [1967 c 41 s 1.]

**RCW 43.09.2851 Repayment of amounts charged to another fund within same political subdivision to be credited to original fund or appropriation—Expenditure.** Except as otherwise provided by law, amounts charged by a county, city, or other municipal or quasi municipal corporation for providing services or furnishing materials to or for another fund within the same county, city, or other municipal or quasi municipal corporation pursuant to RCW 43.09.210 or other law shall be repaid and credited to the fund or appropriation against which the expenditure originally was charged. Amounts representing a return of expenditures from an appropriation shall be considered as returned loans of services or goods, supplies, or other materials furnished and may be expended as part of the original appropriation to which they belong, without further or additional appropriation.

Except as otherwise provided by law, this section shall not apply to the furnishing of materials or services by one fund to another when other funds have been provided specifically for that purpose pursuant to law. [1981 c 39 s 1. Formerly RCW 39.58.160.]

**RCW 43.09.2853 Municipal corporations authorized to establish line of credit for payment of warrants—Interest.** Any municipal corporation is authorized to establish a line of credit with any \*qualified public depository to be drawn upon for cashing its warrants, to delegate to a fiscal officer authority to determine the amount of credit extended, and to pay interest and other finance or service charges. The interest rate may be a fixed rate set periodically or a fluctuating rate determined by agreement of the parties. If any warrant of a municipal corporation is presented and not paid for lack of funds, the interest rate set on unpaid warrants shall apply. Nothing in this section affects the priority for payment of warrants established by law. [1981 c 156 s 37. Formerly RCW 39.58.170.]

**\*Reviser's note:** The term "qualified public depository" was redefined as "public depository" by 1996 c 256 s 1.

**RCW 43.09.2855 Local governments—Use of credit cards.** (1) Local governments, including counties, cities, towns, special purpose districts, municipal and quasi-municipal corporations, and political subdivisions, are authorized to use credit cards for official government purchases and acquisitions.

(2) A local government may contract for issuance of the credit cards.

(3) The legislative body shall adopt a system for:

(a) The distribution of the credit cards;

(b) The authorization and control of the use of credit card funds;

(c) The credit limits available on the credit cards;

(d) Payment of the bills; and

(e) Any other rule necessary to implement or administer the system under this section.

(4) As used in this section, "credit card" means a card or device issued under an arrangement pursuant to which the issuer gives to a cardholder the privilege of obtaining credit from the issuer.

(5) Any credit card system adopted under this section is subject to examination by the state auditor's office pursuant to chapter 43.09 RCW.

(6) Cash advances on credit cards are prohibited. [1995 c 30 s 2. Formerly RCW 39.58.180.]

**Findings—1995 c 30:** "The legislature finds that (1) the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency; and (2) local governments should consider and use credit cards when appropriate." [1995 c 30 s 1.]

**RCW 43.09.2856 School district audits—School district compliance with RCW 28A.150.276 and 28A.505.240—Report of findings.**

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with RCW 28A.150.276, including the spending plan approved by the superintendent of public instruction under RCW 28A.505.240 and its implementation, and any supplemental contracts entered into under RCW 28A.400.200. The audit must also include a review of the expenditure schedule and supporting documentation required by RCW 28A.320.330(1)(c).

(2) If an audit under subsection (1) of this section results in findings that a school district has failed to comply with these requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature. If the superintendent of public instruction receives a report of findings from the state auditor that an expenditure of a school district is out of compliance with the requirements of RCW 28A.150.276, and the finding is not resolved in the subsequent audit, the maximum taxes levied for collection by the school district under RCW 84.52.0531 in the following calendar year shall be reduced by the expenditure amount identified by the state auditor.

(3) The use of the state allocation provided for professional learning under RCW 28A.150.415 must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of RCW 28A.150.415. [2019 c 410 s 4; (2019 c 387 s 5 expired December 1, 2021); 2018 c 266 s 406; 2017 3rd sp.s. c 13 s 503.]

**Expiration date—2019 c 387 s 5:** "Section 5 of this act expires December 1, 2021." [2019 c 387 s 6.]

**Intent—Findings—2019 c 387:** See note following RCW 28A.150.392.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

## AGENCY AUDITS

**RCW 43.09.290 Post-audit of state agencies—Definitions.** For the purposes of RCW 43.09.290 through 43.09.340 and 43.09.410 through 43.09.418, post-audit means an audit of the books, records, funds, accounts, and financial transactions of a state agency for a complete fiscal period; pre-audit means all other audits and examinations; state agency means elective officers and offices, and every other office, officer, department, board, council, committee, commission, or authority of the state government now existing or hereafter created, supported, wholly or in part, by appropriations from the state treasury or funds under its control, or by the levy, assessment, collection, or receipt of fines, penalties, fees, licenses, sales of commodities, service charges, rentals, grants-in-aid, or other income provided by law, and all state educational, penal, reformatory, charitable, eleemosynary, or other institutions, supported, wholly or in part, by appropriations from the state treasury or funds under its control, but not including a comprehensive cancer center participating in a collaborative arrangement as defined in RCW 28B.10.930 that is operated in conformance with RCW 28B.10.930. [2022 c 71 s 7; 1995 c 301 s 21; 1981 c 336 s 6; 1965 c 8 s 43.09.290. Prior: 1941 c 196 s 1; Rem. Supp. 1941 s 11018-1.]

**Findings—Intent—2022 c 71:** See note following RCW 28B.10.930.

**Effective date—1981 c 336:** See note following RCW 43.09.410.

*Petty cash: RCW 42.26.080.*

*Post-audit duties, budget and accounting system: RCW 43.88.160.*

**RCW 43.09.310 Audit of statewide combined financial statements—Post-audits of state agencies—Periodic audits—Reports—Filing.** (1) Except as provided in subsection (2) of this section, the state auditor shall annually audit the statewide combined financial statements prepared by the office of financial management and make post-audits of state agencies. Post-audits of state agencies shall be made at such periodic intervals as is determined by the state auditor. Audits of combined financial statements shall include determinations as to the validity and accuracy of accounting methods, procedures and standards utilized in their preparation, as well as the accuracy of the financial statements themselves. A report shall be made of each such audit and post-audit upon completion thereof, and one copy shall be transmitted to the governor, one to the director of financial management, one to the state agency audited, one to the joint legislative audit and review committee, one each to the standing committees on ways and means of the house and senate, one to the chief clerk of the house, one to the secretary of the senate, and at least one shall be kept on file in the office of the state auditor. A copy of any report containing findings of noncompliance with state law

shall be transmitted to the attorney general and shall be subject to the process provided in RCW 43.09.312.

(2) Audits of the department of labor and industries must be coordinated with the audits required under RCW 51.44.115 to avoid duplication of audits. [2017 c 66 s 1; 2005 c 387 s 2; 1996 c 288 s 35; 1995 c 301 s 22; 1981 c 217 s 1; 1979 c 151 s 92; 1975-'76 2nd ex.s. c 17 s 1. Prior: 1975 1st ex.s. c 293 s 1; 1975 1st ex.s. c 193 s 1; 1971 ex.s. c 170 s 2; 1965 c 8 s 43.09.310; prior: 1947 c 114 s 1; 1941 c 196 s 3; Rem. Supp. 1947 s 11018-3.]

**Severability—1971 ex.s. c 170:** See note following RCW 43.09.050.

*Reports of post-audits: RCW 43.88.160.*

**RCW 43.09.312 Post-audits of state agencies under RCW 43.09.310 —Noncompliance—Remediation—Referral to attorney general.** (1) Within thirty days of receipt of an audit under RCW 43.09.310 containing findings of noncompliance with state law, the subject state agency shall submit a response and a plan for remediation to the office of financial management. Within sixty days of receipt of an audit under RCW 43.09.310 containing findings of noncompliance with state law, the office of financial management shall submit the subject state agency's response and a plan for remediation to the governor, the state auditor, the joint legislative audit and review committee, and the relevant fiscal and policy committees of the senate and house of representatives.

(2) If, at the next succeeding audit of the subject state agency, the state auditor determines that the subject state agency has failed to make substantial progress in remediating the noncompliance with state law, the state auditor shall notify the entities specified in subsection (1) of this section.

(3) Upon receipt of a notification under subsection (2) of this section, a fiscal or policy committee of the senate or house of representatives may refer the matter to the senate committee on facilities and operations or the executive rules committee of the house of representatives, which committee may refer the matter to the attorney general for appropriate legal action under RCW 43.09.330. [2017 c 66 s 2.]

**RCW 43.09.330 Audit disclosing malfeasance or nonfeasance—Action by attorney general.** If any audit of a state agency discloses malfeasance, misfeasance, or nonfeasance in office on the part of any public officer or employee, within thirty days from the receipt of his or her copy of the report, the attorney general shall institute and prosecute in the proper county, appropriate legal action to carry into effect the findings of such post-audit. It shall be unlawful for any state agency or the responsible head thereof, to make a settlement or compromise of any claim arising out of such malfeasance, misfeasance, or nonfeasance, or any action commenced therefor, or for any court to enter upon any compromise or settlement of such action without the written approval and consent of the attorney general and the state auditor. [1995 c 301 s 23; 1965 c 8 s 43.09.330. Prior: 1941 c 196 s 5; Rem. Supp. 1941 s 11018-5.]

**RCW 43.09.340 Post-audit of books of state auditor.** The governor shall, at least every two years, provide for a post-audit of the books, accounts, and records of the state auditor, and the funds under his or her control, to be made either by independent qualified public accountants or the director of financial management, as he or she may determine. The expense of making such audit shall be paid from appropriations made therefor from the general fund. [1995 c 301 s 24; 1979 c 151 s 93; 1965 c 8 s 43.09.340. Prior: 1947 c 114 s 2; 1941 c 196 s 6; Rem. Supp. 1947 s 11018-6.]

**RCW 43.09.410 Auditing services revolving account—Created—Purpose.** An auditing services revolving account is hereby created in the state treasury for the purpose of a centralized funding, accounting, and distribution of the actual costs of the audits provided to state agencies by the state auditor and audits of the state employee whistleblower program under RCW 42.40.110. [1999 c 361 s 9; 1995 c 301 s 25; 1981 c 336 s 1.]

**Effective date—1981 c 336:** "This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect on July 1, 1981." [1981 c 336 s 8.]

**RCW 43.09.412 Auditing services revolving account—Transfers and payments into account—Allotments to state auditor.** The amounts to be disbursed from the auditing services revolving account shall be paid from funds appropriated to any and all state agencies for auditing services or administrative expenses. State agencies operating in whole or in part from nonappropriated funds shall pay into the auditing services revolving account such funds as will fully reimburse funds appropriated to the state auditor for auditing services provided.

The director of financial management shall allot all such funds to the state auditor for the operation of his or her office, pursuant to appropriation, in the same manner as appropriated funds are allocated to other state agencies headed by elected officers under chapter 43.88 RCW. [1995 c 301 s 26; 1987 c 165 s 1; 1981 c 336 s 2.]

**Effective date—1981 c 336:** See note following RCW 43.09.410.

**RCW 43.09.414 Auditing services revolving account—Disbursements.** Disbursements from the auditing services revolving account shall be made pursuant to vouchers executed by the state auditor or his or her designee in accordance with RCW 43.09.412. [1995 c 301 s 27; 1981 c 336 s 3.]

**Effective date—1981 c 336:** See note following RCW 43.09.410.

**RCW 43.09.416 Auditing services revolving account—Allocation of costs to funds, accounts, and agencies—Billing rate.** The state auditor shall keep such records as are necessary to facilitate proper allocation of costs to funds and accounts and state agencies served and the director of financial management shall prescribe appropriate

accounting procedures to accurately allocate costs to funds and accounts and state agencies served. The billing rate shall be established based on costs incurred in the prior biennium and anticipated costs in the new biennium. Those expenses related to training, maintenance of working capital including reserves for late and uncollectible accounts, and necessary adjustments to billings, shall be considered as expenses of auditing public accounts. Working capital shall not exceed five percent of the auditing services revolving account appropriation. [1995 c 301 s 28; 1987 c 165 s 2; 1981 c 336 s 4.]

**Effective date—1981 c 336:** See note following RCW 43.09.410.

**RCW 43.09.418 Auditing services revolving account—Direct payments from state agencies.** In cases where there are unanticipated demands for auditing services or where there are insufficient funds on hand or available for payment through the auditing services revolving account or in other cases of necessity, the state auditor may request payment for auditing services directly from state agencies for whom the services are performed to the extent that revenues or other funds are available. Upon approval by the director of financial management the state agency shall make the requested payment. The payment may be made on either an advance or reimbursable basis as approved by the director of financial management. [1995 c 301 s 29; 1981 c 336 s 5.]

**Effective date—1981 c 336:** See note following RCW 43.09.410.

**RCW 43.09.420 Audit of revolving, local, and other funds and accounts.** As part of the routine audits of state agencies, the state auditor shall audit all revolving funds, local funds, and other state funds and state accounts that are not managed by or in the care of the state treasurer and that are under the control of state agencies, including but not limited to state departments, boards, and commissions. In conducting the audits of these funds and accounts, the auditor shall examine revenues and expenditures or assets and liabilities, accounting methods and procedures, and recordkeeping practices. [2022 c 148 s 3; 1993 c 216 s 1.]

**RCW 43.09.430 Performance audits—Definition.** For purposes of this chapter, "preliminary performance audit report" means a written document prepared after the completion of a performance audit to be submitted for comment before the final performance audit report. The preliminary performance audit report must contain the audit findings and any proposed recommendations to improve the efficiency, effectiveness, or accountability of the state agency being audited. [2022 c 148 s 4; 2005 c 385 s 2.]

**RCW 43.09.440 Performance audits—Comments.** The state auditor must solicit comments on preliminary performance audit reports from the audited state agency, the office of the governor, and the office of financial management. Comments must be received within thirty days after receipt of the preliminary performance audit report unless a

different time period is approved by the state auditor. All comments shall be incorporated into the final performance audit report. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; conclusions; and identification of best practices. [2022 c 148 s 5; 2012 c 229 s 817; 2005 c 385 s 5.]

**Effective date—2012 c 229 ss 101, 117, 401, 402, 501 through 594, 601 through 609, 701 through 708, 801 through 821, 902, and 904:** See note following RCW 28B.77.005.

**RCW 43.09.455 Performance audits—Follow-up and corrective action—Progress reports.** The audited agency is responsible for follow-up and corrective action on all performance audit findings and recommendations. The audited agency's plan for addressing each audit finding and recommendation shall be included in the final audit report. The plan shall provide the name of the contact person responsible for each action, the action planned, and the anticipated completion date. If the audited agency does not agree with the audit findings and recommendations or believes action is not required, then the action plan shall include an explanation and specific reasons.

For agencies under the authority of the governor, the governor may require periodic progress reports from the audited agency until all resolution has occurred.

For agencies under the authority of an elected official other than the governor, the appropriate elected official may require periodic reports of the action taken by the audited agency until all resolution has occurred. [2022 c 148 s 6; 2005 c 385 s 9.]

**RCW 43.09.465 Comprehensive performance audit of state printing services.** By November 1, 2016, building on the findings of the 2011 audit, the state auditor shall conduct a comprehensive performance audit of state printing services in accordance with RCW 43.09.470. Following the audit in 2016, the state auditor shall conduct follow-up audits as deemed necessary to ensure effective implementation of chapter 43, Laws of 2011 1st sp. sess. [2011 1st sp.s. c 43 s 310.]

**Effective date—Purpose—2011 1st sp.s. c 43:** See notes following RCW 43.19.003.

**RCW 43.09.470 Comprehensive performance audits—Scope—Reports.** In addition to audits authorized under RCW 43.88.160, the state auditor shall conduct independent, comprehensive performance audits of state government and each of its agencies, accounts, and programs; local governments and each of their agencies, accounts, and programs; state and local education governmental entities and each of their agencies, accounts, and programs; state and local transportation governmental entities and each of their agencies, accounts, and programs; and other governmental entities, agencies, accounts, and programs. The term "government" means an agency, department, office, officer, board, commission, bureau, division, institution, or institution of higher education. This includes individual agencies and programs, as well as those programs and activities that cross agency

lines. "Government" includes all elective and nonelective offices in the executive branch and includes the judicial and legislative branches. The state auditor shall review and analyze the economy, efficiency, and effectiveness of the policies, management, fiscal affairs, and operations of state and local governments, agencies, programs, and accounts. These performance audits shall be conducted in accordance with the United States general accounting office government auditing standards. The scope for each performance audit shall not be limited and shall include nine specific elements: (1) Identification of cost savings; (2) identification of services that can be reduced or eliminated; (3) identification of programs or services that can be transferred to the private sector; (4) analysis of gaps or overlaps in programs or services and recommendations to correct gaps or overlaps; (5) feasibility of pooling information technology systems within the department; (6) analysis of the roles and functions of the department, and recommendations to change or eliminate departmental roles or functions; (7) recommendations for statutory or regulatory changes that may be necessary for the department to properly carry out its functions; (8) analysis of departmental performance data, performance measures, and self-assessment systems; and (9) identification of best practices. The state auditor may contract out any performance audits. For counties and cities, the audit may be conducted as part of audits otherwise required by state law. Each audit report shall be submitted to the corresponding legislative body or legislative bodies and made available to the public on or before thirty days after the completion of each audit or each follow-up audit. On or before thirty days after the performance audit is made public, the corresponding legislative body or legislative bodies shall hold at least one public hearing to consider the findings of the audit and shall receive comments from the public. The state auditor is authorized to issue subpoenas to governmental entities for required documents, memos, and budgets to conduct the performance audits. The state auditor may, at any time, conduct a performance audit to determine not only the efficiency, but also the effectiveness, of any government agency, account, or program. No legislative body, officeholder, or employee may impede or restrict the authority or the actions of the state auditor to conduct independent, comprehensive performance audits. To the greatest extent possible, the state auditor shall instruct and advise the appropriate governmental body on a step-by-step remedy to whatever ineffectiveness and inefficiency is discovered in the audited entity. For performance audits of state government and its agencies, programs, and accounts, the legislature must consider the state auditor reports in connection with the legislative appropriations process. An annual report will be submitted by the joint legislative audit and review committee by July 1st of each year detailing the status of the legislative implementation of the state auditor's recommendations. Justification must be provided for recommendations not implemented. Details of other corrective action must be provided as well. For performance audits of local governments and their agencies, programs, and accounts, the corresponding legislative body must consider the state auditor reports in connection with its spending practices. An annual report will be submitted by the legislative body by July 1st of each year detailing the status of the legislative implementation of the state auditor's recommendations. Justification must be provided for recommendations not implemented. Details of other corrective action must be provided as well. The people encourage the state auditor to aggressively pursue the largest, costliest governmental entities first but to pursue all



governmental entities in due course. Follow-up performance audits on any state and local government, agency, account, and program may be conducted when determined necessary by the state auditor. Revenues from the performance audits of government account, created in RCW 43.09.475, shall be used for the cost of the audits. [2006 c 1 s 2 (Initiative Measure No. 900, approved November 8, 2005).]

**Policies and purposes—2006 c 1 (Initiative Measure No. 900):** "It is essential that state and local governments establish credibility with the taxpayers by implementing long-overdue performance audits to ensure accountability and guarantee that tax dollars are spent as cost-effectively as possible. Are politicians spending our current tax revenues as cost-effectively as possible? Voters don't know because politicians have repeatedly blocked our state auditor from conducting independent, comprehensive performance audits on state and local governments, agencies, programs, and accounts. Currently, Washington is the only state in the nation that prohibits the independently elected state auditor from doing the job he or she was hired to do without explicit legislative permission. This handicap is costing the taxpayers billions of dollars in potential savings. Thankfully, this common sense initiative remedies this egregious failure of politicians to enact this reform. It is absurd for politicians to unilaterally impose tax increases or to seek voter approval for tax increases without first learning if we're getting the biggest bang for the buck from our current tax revenues. This measure requires the state auditor to conduct independent, comprehensive performance audits on state and local governments, agencies, programs, and accounts. This act dedicates a portion of the state's existing sales and use tax (1/100th of 1%) to fund these comprehensive performance audits. Similar performance reviews in Texas have saved taxpayers there nine billion dollars out of nineteen billion dollars in identified savings over the past decade. The performance audits required by this common sense initiative will identify solutions to our public policy problems, saving the taxpayers billions of dollars." [2006 c 1 s 1 (Initiative Measure No. 900, approved November 8, 2005).]

**Construction—2006 c 1 (Initiative Measure No. 900):** "The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act." [2006 c 1 s 7 (Initiative Measure No. 900, approved November 8, 2005).]

**Severability—2006 c 1 (Initiative Measure No. 900):** "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2006 c 1 s 8 (Initiative Measure No. 900, approved November 8, 2005).]

**Part headings not law—2006 c 1 (Initiative Measure No. 900):** "Part headings used in this act are not part of the law." [2006 c 1 s 9 (Initiative Measure No. 900, approved November 8, 2005).]

**RCW 43.09.471 Short title—Effective date—2006 c 1 (Initiative Measure No. 900).** This act shall be called the performance audits of government act and takes effect December 8, 2005. [2006 c 1 s 10 (Initiative Measure No. 900, approved November 8, 2005).]

**Policies and purposes—Construction—Severability—Part headings not law—2006 c 1 (Initiative Measure No. 900):** See notes following RCW 43.09.470.

**RCW 43.09.475 Performance audits of government account.** The performance audits of government account is hereby created in the custody of the state treasurer. Revenue identified in RCW 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money in the account shall be used to fund the performance audits and follow-up performance audits under RCW 43.09.470 and shall be expended by the state auditor in accordance with chapter 1, Laws of 2006. Only the state auditor or the state auditor's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. The performance audits of government account may be appropriated for the joint legislative audit and review committee, the legislative evaluation and accountability program committee, and for the office of financial management's performance audit and compliance audit activities. During the 2019-2021, 2021-2023, and 2023-2025 fiscal biennia, the performance audits of government account may be appropriated for the superintendent of public instruction, the office of the governor, and audits of school districts. In addition, during the 2019-2021 and 2021-2023 fiscal biennia the account may be used to fund the office of financial management's contract for the compliance audit of the state auditor and audit activities at the department of revenue. [2023 c 475 s 928; 2022 c 157 s 14; 2021 c 334 s 970; 2019 c 415 s 963; 2017 3rd sp.s. c 1 s 967; 2016 sp.s. c 36 s 925; 2015 3rd sp.s. c 4 s 954; 2013 2nd sp.s. c 4 s 974; 2011 1st sp.s. c 50 s 942; 2009 c 564 s 929; 2006 c 1 s 5 (Initiative Measure No. 900, approved November 8, 2005).]

**Effective date—2023 c 475:** See note following RCW 16.76.030.

**Conflict with federal requirements—Effective date—2021 c 334:** See notes following RCW 43.79.555.

**Effective date—2019 c 415:** See note following RCW 28B.20.476.

**Effective date—2017 3rd sp.s. c 1:** See note following RCW 43.41.455.

**Effective date—2016 sp.s. c 36:** See note following RCW 18.20.430.

**Effective dates—2015 3rd sp.s. c 4:** See note following RCW 28B.15.069.

**Effective dates—2013 2nd sp.s. c 4:** See note following RCW 2.68.020.

**Effective dates—2011 1st sp.s. c 50:** See note following RCW 15.76.115.

**Effective date—2009 c 564:** See note following RCW 2.68.020.

**Policies and purposes—Construction—Severability—Part headings not law—2006 c 1 (Initiative Measure No. 900):** See notes following RCW 43.09.470.

**RCW 43.09.480 Long-term services and supports trust program—Audit—Report.** By December 1, 2032, the state auditor must conduct a comprehensive evaluation of the long-term services and supports trust program established in chapter 50B.04 RCW and deliver a report, including a conclusion and recommendations for improvement to the legislature regarding:

(1) Program operations, including the performance of the long-term services and supports trust commission established in RCW 50B.04.030;

(2) Program financial status, including solvency, the value of the benefit provided, and the financial balance of program benefits to costs;

(3) The overall efficacy of the program, based on the established goals under chapter 363, Laws of 2019 including, but not limited to:

(a) Delaying middle class families' need to spend to poverty to receive medicaid-funded long-term care;

(b) Strengthening the state economy through improving workforce participation;

(c) Reducing the caseload and expenditures of the state medicaid program on long-term care; and

(d) Obtaining shared savings through a medicaid demonstration waiver. [2019 c 363 s 18.]