## STAFF REPORT

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| **Agenda Item:** | 9 | **Name:** | Mike Reed |
| **Proposed No**.: | 2021-B0136 | **Date:** | October 6, 2021 |

**SUBJECT**

Management Letter prepared by the King County Auditor’s Office on the Wastewater Treatment Division Clean Water Plan planning process

**SUMMARY**

The King County Auditor’s Office has prepared a Management Letter on the Clean Water Plan planning process, and is prepared to brief the Regional Water Quality Committee on the Management Letter.

**BACKGROUND**

The King County Auditor’s Office is responsible for conducting performance audits of county government programs and services as a means of encouraging performance improvement, and of keeping policymakers and the public informed of operational challenges and issues. The 2021 Work Program of the KCAO includes performance audits of law enforcement, transit, and other services and functions of county government; the Office additionally provides project oversight to capital functions, and has identified “Wastewater Treatment Program Savings and Planning” for review in the KCAO 2021 Work Program.

While the primary product of the KCAO is performance audits and associated followup reports, the Office also prepares “Management Letters” as a product that provides a level of review short of a full performance audit.

The KCAO policies and procedures define a Management Letter as follows:

***Management Letter:*** *A management letter is a short communication presenting the results of audit follow-ups, audit and nonaudit interim reporting, or communication of issues not appropriate to include in full reports. This may include issues such as reporting internal control components or fraud or noncompliance not appropriate for an audit but warranting the attention of management. Management letters are more substantive than a simple memo. Management letters are generally addressed to the county council, but may also be addressed to the audited entity. The audited entity should have the opportunity to review and provide input on management letters prior to transmittal to council unless otherwise approved by the county auditor.*

The KCAO has monitored the Clean Water Plan planning process that has been the subject of briefings in 2020 and 2021 before the Regional Water Quality Committee and outreach to a range of audiences. The KCAO has prepared a Management Letter on the Clean Water Plan planning process, and has prepared a briefing for the Regional Water Quality Committee on the Management Letter.

The Wastewater Treatment Division has been provided an opportunity to review the Management Letter, and has prepared a response. Attached to the staff report are both the KCAO Clean Water Plan Management Letter, dated September 30, 2021, and a response letter from the Director of the King County Department of Natural Resources and Parks, dated September 17, 2021

**ATTACHMENTS**

1. Clean Water Plan Management Letter prepared by the King County Auditor’s Office, dated September 30, 2021
2. Response to the KCAO Management Letter from the Director, King County Department of Natural Resources and Parks, dated September 17, 2021

***A*TTENDING**

1. Ben Thompson, King County Auditor’s Office
2. Zainab Nejati, King County Auditor’s Office