



**Washington State Auditor  
Brian Sonntag**

December 2, 2011

The Honorable Mike Hewitt  
Senate Minority Leader  
314 Legislative Building  
PO Box 40416  
Olympia WA 98504-0416

I write to state my strong opposition to the Governor's proposed supplemental operating budget provision that sweeps additional money from the Performance Audits of Government Account.

Further, I request that you restore the \$8 million of I-900 funding that was appropriated to Department of Social and Health Services and the Department of Revenue in the 2011-13 operating budget. This \$8 million, which represented a 33 percent reduction in the performance audit account, was used to pay for positions in other agencies and that are not related to performance audits.

Certainly, I am empathetic to the tough financial decisions you face, and we have accepted significant reductions to our Office's budget in the past four years. However, the diversion of money from the performance audit program is just not right. When citizens overwhelmingly approved Initiative 900, they were voting for performance audits to be done by the State Auditor's Office, not for staff positions in other agencies.

This latest diversion comes as these audits continue to result in real cost-savings and to make recommendations on how to make government work better. For example:

- Our 2009 performance review provided the cost analysis and options for getting the state out of the business of selling liquor, while preserving government's core functions of enforcement and public health. The public recently approved an initiative that would do this, and that is projected to bring in over \$400 million in additional revenues in the next six years.
- Our 2009 performance review presented the first proposal for tax amnesty for businesses in this state. The Department of Revenue recognized this suggestion was a good one, and in 2010, the Governor and the Legislature approved it. It has brought in \$343 million in new revenue and added unregistered businesses to the tax rolls.
- The Legislature used our 2011 performance audit to begin reforms to the public school employee health benefits system. Our suggested reforms could save up to \$90 million per year – enough to pay for more than 1,000 school teachers.
- Our most recent performance audits showed how the state can shave costs for cell phones and mail. In times such as this, every penny counts. Nearly 2000 phones already have been turned in resulting in \$732,565 in savings. Those dollars can be redirected immediately to help pay for core services.

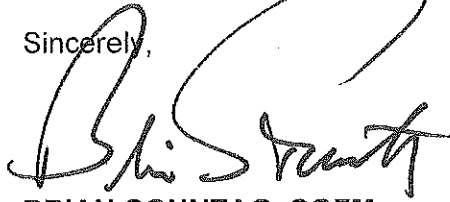


These examples alone amount to almost a billion dollars in actual and confirmed estimated savings. For a program that has cost a sum total of \$47.5 million since its inception in 2006, that amounts to a return on investment of 21-to-one.

I urge you to preserve and make whole the performance audit funding level to provide us with the maximum opportunity to continue to make suggestions on ways to address the state's budget challenges. If the sweep were to remain in the budget, it gives us one choice – do less at a time when we should be doing more.

Please let me know if you need further information or have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with a large loop at the end of the last name.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR