



Washington State Auditor  
Brian Sonntag

June 1, 2011

The Honorable Christine Gregoire  
Governor  
P.O. Box 40002  
Olympia, WA 98504-0002

Dear Governor Gregoire:

*Chris*

I write to request that you veto two sections of 2ESHB 1087, the state operating budget. The sections, which together transfer \$8 million from the Performance Audits of Government Account to two state agencies, are:

- Section 211 DSHS \$4,812,000
- Section 135 DOR 3,188,000

Diverting performance audit funding to support unrelated, specific activities at other agencies is wrong. It sets a precedent for future use of this money that is not in keeping with provisions of Initiative 900.

We feel strongly that Department of Revenue tax recovery auditing must be paid for by the funds generated by that activity. As an alternative, it also could be funded by money raised by the tax amnesty program, which to date has collected \$343 million in back taxes, \$282 million for the state and \$61 million for local governments.

Along a similar line, money for the Department of Social and Health Services' fraud investigations should come from the dollars recovered by the fraud unit, not the State Auditor's Office performance audit funds.

Permit me to remind you that \$17 million has been swept from the Performance Audits of Government Account to help balance the state's general fund budget. Despite that, our Office has used performance audit to offer ideas to save millions of dollars, generate millions more in new revenue and make government work better for all of us. You've seen it reflected in successful legislation transforming state printing and liquor operations. And we're pleased you seized on our 2010 Performance Review idea for the previously mentioned tax amnesty program.

We believe that it is important for our Office to keep providing cost-savings, ideas and suggestions that are being produced by our quality performance audit work. That is what state citizens demanded and expected when they overwhelmingly passed Initiative 900.

Additionally, national auditing standards, which this office must adhere to, require absolute independence in appearance and fact. To subsidize other agency program budgets clearly may compromise this responsibility.

Thank you for your leadership in getting the Legislature to forge compromises on difficult issues and bring the special session to a successful close. Please contact me if you have any questions.

Sincerely,

BRIAN SONNTAG, CGFM  
STATE AUDITOR

