

Washington State Auditor's Office
Accountability Audit Report

Issaquah School District No. 411
King County

Report Date
January 28, 2008

Report No. 74116

Issue Date
March 10, 2008



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

March 10, 2008

Board of Directors
Issaquah School District No. 411
Issaquah, Washington

Report on Accountability

Please find attached our report on Issaquah School District No. 411's accountability and compliance with state laws and regulations and its own policies and procedures.

In addition to this work, we also audit the District's financial statements and compliance with federal laws and regulations. The results of that audit will be included in a separately issued audit report.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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King County
January 28, 2008**

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Audit Summary

**Issaquah School District No. 411
King County
January 28, 2008**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Issaquah School District No. 411.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We also examined District management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from September 1, 2006, through August 31, 2007.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets.

RELATED REPORTS

Our opinion on the District's financial statements and compliance with federal program requirements is provided in a separate report, which includes the District's financial statements.

CLOSING REMARKS

We thank District officials and personnel for their assistance and cooperation during the audit.

Description of the District

Issaquah School District No. 411 King County January 28, 2008

ABOUT THE DISTRICT

Issaquah School District No. 411 serves approximately 16,000 students. The District employs approximately 2,000 staff to work in the classrooms and in school support roles within its 23 schools. The operating budget for 2007 was approximately \$132 million. The District operates three high schools, one freshman campus, one alternative high school, four middle schools and 14 elementary schools. It also operates the educational section of nearby Echo Glen Juvenile Detention Facility.

AUDIT HISTORY

We audit the District annually. The past five audits of the District have reported no findings.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:
President:

Jan Woldseth
Constance Fletcher
Mike Winkler
Larry Ishmael (through October 2006)
Brian Deagle (effective October 2006)
Mark Warner (through January 2007)
Suzanne Weaver (effective January 2007)

APPOINTED OFFICIALS

Superintendent
Assistant Superintendent – Teaching and
Learning
Executive Director of Finance
Executive Director of Operations

Dr. Steve Rasmussen

Lynn Brogan
Jacob Kuper
Craig Christensen

ADDRESS

District

565 Northwest Holly Street
Issaquah, WA 98027-2899

Audit Areas Examined

Issaquah School District No. 411 King County January 28, 2008

In keeping with general auditing practices, we do not examine every portion of Issaquah School District No. 411's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

ACCOUNTABILITY

We evaluated the District's accountability in the following areas:

- Accounting/financial reporting
- Cash receipting and revenues
- Debt/covenants
- Open public meetings/records laws
- Procurement (bidding/prevaling wage)
- Special Education reporting
- Disbursements/expenditures
- Apportionment – Transportation reporting
- Conflict of interest/ethics laws
- To/from Transportation accounting

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal program requirements, as applicable, for the District's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

FINANCIAL AREAS

Our opinion on the District's financial statements is provided in a separate report. That report includes the District's financial statements and other required financial information. We examined the financial activity and balances of the District including:

- Cash and investments
- Revenues
- Expenditures/expenses
- Financial condition
- Long-term debt
- Overall presentation of the financial statements
- Financial statement preparation



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office has 300 employees who are located around the state to deliver our services effectively and efficiently. Approximately 65 percent of our staff are certified public accountants or hold other certifications and advanced degrees.

Our regular audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. We also perform fraud and whistleblower investigations. In addition, we have the authority to conduct performance audits of state agencies and local governments.

The results of our audits are widely distributed through a variety of reports, which are available on our Web site. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive program to coordinate audit efficiency and to ensure high-quality audits.

State Auditor
Chief of Staff
Chief Policy Advisor
Director of Administration
Director of Audit
Director of Performance Audit
Director of Special Investigations
Director for Legal Affairs
Local Government Liaison
Communications Director
Public Records Officer
Main number
Toll-free hotline for government efficiency

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