

**Washington State Auditor's Office**  
**Financial Statements and Federal Single Audit Report**

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**West Valley School District No. 363**  
**Spokane County**

Audit Period  
**September 1, 2009 through August 31, 2010**

**Report No. 1005576**

Issue Date  
**May 16, 2011**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

May 16, 2011

Board of Directors  
West Valley School District No. 363  
Spokane, Washington

***Report on Financial Statements and Federal Single Audit***

Please find attached our report on West Valley School District No. 363's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

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Spokane County  
September 1, 2009 through August 31, 2010**

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# **Federal Summary**

## **West Valley School District No. 363 Spokane County September 1, 2009 through August 31, 2010**

The results of our audit of West Valley School District No. 363 are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

### ***FINANCIAL STATEMENTS***

An unqualified opinion was issued on the financial statements.

#### **Internal Control Over Financial Reporting:**

- ***Significant Deficiencies:*** We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- ***Material Weaknesses:*** We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the District.

### ***FEDERAL AWARDS***

#### **Internal Control Over Major Programs:**

- ***Significant Deficiencies:*** We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- ***Material Weaknesses:*** We identified no deficiencies that we consider to be material weaknesses.

We issued an unqualified opinion on the District's compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed under section 510(a) of OMB Circular A-133.

***Identification of Major Programs:***

The following were major programs during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
10.553	Child Nutrition Cluster - School Breakfast Program
10.555	Child Nutrition Cluster - National School Lunch Program
10.559	Child Nutrition Cluster - Summer Food Service Program
84.010	Title I Part A
84.027	Special Education Cluster - Grants to States (IDEA, Part B)
84.173	ARRA - Title I Cluster, Part A (Recovery Act)
84.389	Special Education Cluster - Preschool Grants (IDEA Preschool)
84.391	ARRA - Special Education Cluster, IDEA Part B (Recovery Act)
84.392	ARRA - Special Education Cluster, Preschool Grants (Recovery Act)
84.394	ARRA - State Fiscal Stabilization Fund - Education State Grants (Recovery Act)

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The District qualified as a low-risk auditee under OMB Circular A-133.

# **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards***

West Valley School District No. 363  
Spokane County  
September 1, 2009 through August 31, 2010

Board of Directors  
West Valley School District No. 363  
Spokane, Washington

We have audited the financial statements of West Valley School District No. 363, Spokane County, Washington, as of and for the year ended August 31, 2010, and have issued our report thereon dated April 20, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## ***INTERNAL CONTROL OVER FINANCIAL REPORTING***

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Board of Directors, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", is positioned above the printed name.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

April 20, 2011

# **Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133**

**West Valley School District No. 363  
Spokane County  
September 1, 2009 through August 31, 2010**

Board of Directors  
West Valley School District No. 363  
Spokane, Washington

## **COMPLIANCE**

We have audited the compliance of West Valley School District No. 363, Spokane County, Washington, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2010. The District's major federal programs are identified in the Federal Summary. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2010.

## ***INTERNAL CONTROL OVER COMPLIANCE***

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management, the Board of Directors, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

April 20, 2011

# **Independent Auditor's Report on Financial Statements**

**West Valley School District No. 363  
Spokane County  
September 1, 2009 through August 31, 2010**

Board of Directors  
West Valley School District No. 363  
Spokane, Washington

We have audited the accompanying financial statements of West Valley School District No. 363, Spokane County, Washington, as of and for the year ended August 31, 2010, as listed on page 9. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements using accounting practices prescribed by Washington State statutes and the *Accounting Manual for Public Schools in the State of Washington*, which demonstrates compliance with the regulatory basis of accounting which differs from accounting principles generally accepted in the United States of America. The differences between the regulatory basis of accounting and the accounting principles generally accepted in the United States of America are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Valley School District No. 363, as of August 31, 2010, and the changes in financial position thereof for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying Schedule of Long-Term Debt is also presented for purposes of additional analysis as required by the prescribed accounting manual. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended for the information and use of the governing body and management of the District. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag", written in a cursive style.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

April 20, 2011

# **Financial Section**

**West Valley School District No. 363  
Spokane County  
September 1, 2009 through August 31, 2010**

## ***FINANCIAL STATEMENTS***

Balance Sheet – Governmental Funds – 2010  
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental  
Funds – 2010  
Statement of Fiduciary Net Assets – Fiduciary Funds – 2010  
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds – 2010  
Notes to Financial Statements – 2010

## ***SUPPLEMENTAL INFORMATION***

Schedule of Long-Term Debt – 2010  
Schedule of Expenditures of Federal Awards – 2010  
Notes to the Schedule of Expenditures of Federal Awards – 2010

West Valley School District 363  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
August 31, 2010

	General Fund	Transportation Vehicle Fund	Capital Projects Fund	Debt Service Fund	Associated Student Body Fund	Total
<b>Assets and Other Debits</b>						
Imprest Cash	\$12,959				\$15,920	\$28,879
Cash on Hand						
Cash on Deposit w/ County Treasurer	3,248,062		\$73		3,448	3,251,583
Warrants Outstanding	(3,248,062)		(73)		(3,448)	(3,251,583)
Cash w/ Fiscal Agent						
Taxes Receivable	3,310,366		246,885	\$1,836,409		5,393,660
Accounts Receivable	369,264					369,264
Due From Other Funds						
Prepaid Items			64,399			64,399
Inventories	15,794					15,794
Investments	2,166,324	\$373,241	745,658	1,122,155	91,759	4,499,137
<b>Total Assets and Other Debits</b>	<b>\$5,874,708</b>	<b>\$373,241</b>	<b>\$1,056,942</b>	<b>\$2,958,564</b>	<b>\$107,679</b>	<b>\$10,371,134</b>
<b>Liabilities</b>						
Accounts Payable	\$142,728		\$105,259			\$247,987
Est Employee Ins Ben Pay	102,304					102,304
Due to Other Funds						
Bonds Payable Long-Term						
Defer Revenue						
Defer Rev - Taxes Rec	3,310,366		246,885	\$1,836,409		5,393,660
<b>Total Liabilities</b>	<b>\$3,555,398</b>	<b>\$0</b>	<b>\$352,145</b>	<b>\$1,836,409</b>	<b>\$0</b>	<b>\$5,743,952</b>
<b>Fund Balance and Other Credits</b>						
Reserved for Inventory	\$100,000					\$100,000
Reserved for Levy Proceeds			\$212,841			212,841
Unreserved Fund Balance	2,219,310	\$373,241	491,957	\$1,122,155	\$107,679	4,314,341
<b>Total Fund Balance and Other Credits</b>	<b>\$2,319,310</b>	<b>\$373,241</b>	<b>\$704,798</b>	<b>\$1,122,155</b>	<b>\$107,679</b>	<b>\$4,627,182</b>
<b>Total Liabilities, Fund Balance and Other Credits</b>	<b>\$5,874,708</b>	<b>\$373,241</b>	<b>\$1,056,942</b>	<b>\$2,958,564</b>	<b>\$107,679</b>	<b>\$10,371,134</b>

The accompanying notes are an integral part of this statement

West Valley School District 363  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For The Fiscal Year Ended August 31, 2010

	General Fund	Transportation Vehicle Fund	Capital Projects Fund	Debt Service Fund	Associated Student Body Fund	Total
<b>Revenues</b>						
Local	\$7,273,206	\$5,342	\$596,569	\$3,526,058	\$459,979	\$11,861,155
State	23,812,128	342,050	124	898		24,155,200
Federal	2,676,592					2,676,592
Federal Stimulus	2,066,446					2,066,446
Other	362,090					362,090
<b>Total Revenues</b>	<b>\$36,190,462</b>	<b>\$347,392</b>	<b>\$596,693</b>	<b>\$3,526,956</b>	<b>\$459,979</b>	<b>\$41,121,482</b>
<b>Expenditures</b>						
Current:						
Regular Instruction	\$18,285,886					\$18,285,886
Federal Stimulus	1,933,838					1,933,838
Special Education	3,797,011					3,797,011
Vocational Education	1,388,369					1,388,369
Compensatory Programs	1,916,098					1,916,098
Other Instructional Programs	282,840					282,840
Community Services						
Support Services	7,881,756					7,881,756
Student Activities/Other					\$453,312	453,312
Capital Outlay:						
Sites						
Building						
Equipment			\$457,326			457,326
Energy						
Transportation Equipment						
Other	35,571					35,571
Debt Service:						
Principal	131,499	\$92,609		\$2,147,077		2,371,185
Interest and Other	41,637	38,677		1,619,385		1,699,699
<b>Total Expenditures</b>	<b>\$35,694,505</b>	<b>\$131,286</b>	<b>\$457,326</b>	<b>\$3,766,462</b>	<b>\$453,312</b>	<b>\$40,502,890</b>
<b>Revenues Over (Under) Expenditures:</b>	<b>\$495,957</b>	<b>\$216,107</b>	<b>\$139,367</b>	<b>(\$239,506)</b>	<b>\$6,667</b>	<b>\$618,592</b>
<b>Other Financing Sources (Uses)</b>						
Bond Sales						
Long-Term Financing						
Transfers In				\$278,077		\$278,077
Transfers Out	(\$263,577)	(\$14,500)				(278,077)
Other Financing Uses						
Other						
<b>Total Other Financing Sources (Uses)</b>	<b>(\$263,577)</b>	<b>(\$14,500)</b>	<b>\$0</b>	<b>\$278,077</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$232,380</b>	<b>\$201,607</b>	<b>\$139,367</b>	<b>\$38,571</b>	<b>\$6,667</b>	<b>\$618,592</b>
Fund Balance September 1	\$2,086,930	\$171,635	\$565,431	\$1,083,584	\$101,011	\$4,008,590
Correction of Prior Years Errors and Other Restatements						
<b>Fund Balance August 31</b>	<b>\$2,319,310</b>	<b>\$373,241</b>	<b>\$704,798</b>	<b>\$1,122,155</b>	<b>\$107,679</b>	<b>\$4,627,182</b>

The accompanying notes are an integral part of this statement

West Valley School District 363  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
August 31, 2010

	Trust & Agency Fund
Assets and Other Debits	
Imprest Cash	
Cash on Hand	
Cash on Deposit w/ County Treasurer	\$236
Warrants Outstanding	(236)
Cash w/ Fiscal Agent	
Taxes Receivable	
Accounts Receivable	
Due From Other Funds	
Intergovernmental Receivable	
Prepaid Items	
Inventories	
Investments	63,771
Total Assets and Other Debits	<u>\$63,771</u>
Liabilities	
Accounts Payable	
Sick Leave Payable	
Est Employee Ins Ben Pay	
Due to Other Funds	
Matured Bonds Payable	
Bonds Payable Long-Term	
Defer Revenue	
Defer Rev - Taxes Rec	
Total Liabilities	<u>\$0</u>
Fund Balance and Other Credits	
Reserved for Trust Principal	\$55,738
Reserved for Inventory	
Reserved for Bond Proceeds	
Reserved for Levy Proceeds	
Unreserved, Undesignated Fund Bal	8,032
Total Fund Balance and Other Credits	<u>\$63,771</u>
Total Liabilities, Fund Balance and Other Credits	<u>\$63,771</u>

The accompanying notes are an integral part of this statement

West Valley School District 363  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
For The Fiscal Year Ended August 31, 2010

ADDITIONS	
Private Donations	
Private Donations	\$1,666
Employer	
Members	
Other	
Total Contributions	<u>\$1,666</u>
Interest Earnings	
Net Increase(Decrease) in Fair Value of Assets	
Interest	\$912
Dividends	
Total Investment Earnings	<u>\$912</u>
Less Investment Expense	
Net Investment Earnings	<u>\$912</u>
Rent or Lease Revenue	
Total Additions	<u>\$2,578</u>
DEDUCTION	
Benefits	
Refund of Contributions	
Administrative Expenses	
Scholarships	\$2,562
Other	
Total Deductions	<u>\$2,562</u>
Changes in Net Assets	\$17
Net Assets - Beginning of Year	63,754
Correction of Prior Year(s) Errors	
Net Assets - End of Year	<u><u>\$63,771</u></u>

The accompanying notes are an integral part of this statement

West Valley School District 363  
NOTES TO FINANCIAL STATEMENTS  
September 1, 2009 through August 31, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Reporting Entity**

The West Valley School District is a municipal corporation organized pursuant to Title 28A *Revised Code of Washington* (RCW) for the purpose of providing public school services to students in grades K–12. Oversight responsibility for the district's operations is vested with the independently elected board of directors. Management of the district is appointed by and is accountable to the board of directors. Fiscal responsibility, including budget authority and the power to set fees, levy property taxes, and issue debt consistent with provisions of state statutes, also rests with the board of directors.

For financial reporting purposes, the West Valley School District includes all funds, and organizations that are controlled by or dependent on the district's board of directors. Control by or dependence on the district was determined on the basis of budget adoption, taxing authority, outstanding debt secured by the general credit of the district, obligation of the district to finance any deficits that may occur, or receipt of significant subsidies from the district.

**b. Basis of Presentation - Fund Accounting**

The West Valley School District presents governmental fund financial statements and related notes on the modified accrual basis of accounting as prescribed by generally accepted accounting principles (GAAP) and required by its regulatory agencies, the Office of Superintendent of Public Instruction and the State Auditor's Office. However, the district elects to not present district-wide financial statements, and management's discussion and analysis, which are departures from GAAP. Long-term debt is reported on a required supplementary schedule. The accounts of the district are organized on the basis of funds, each of which is considered a separate accounting entity. The regulatory agencies require all funds be presented as major funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds in the report are grouped into governmental and fiduciary funds as follows:

**GOVERNMENTAL FUNDS**

General Fund

This fund is used to account for all expendable financial resources, except those required to be accounted for in another fund. In keeping with the principle of as few funds as necessary, food services, maintenance, data processing, printing, and transportation activities are included in the fund.

### Capital Projects Funds

These funds account for financial resources to be used for the construction or acquisition of major capital assets. The capital projects fund type consists of the Capital Projects Fund and the Transportation Vehicle Fund.

Capital Projects Fund - This fund is used to account for resources set aside for the acquisition and construction of capital assets.

Transportation Vehicle Fund - This fund is used to account for the purchase, major repair, rebuilding, and debt service expenditures related to pupil transportation equipment.

### Debt Service Fund

This fund is used to account for the accumulation of resources for and the payment of matured general long-term debt principal, interest, and related expenditures.

### Special Revenue Funds

These funds account for the proceeds of specific revenue sources that are legally restricted for specific purposes. The Associated Student Body Fund (ASB Fund) is the only fund of this type. This fund is accounted for as a special revenue fund since the financial resources legally belong to the district.

## FIDUCIARY FUNDS

Fiduciary funds that include pension trust funds, private-purpose trust funds, and agency funds, are used to account for assets held by the district in a trustee and agency capacity.

### Private-Purpose Trust Fund

This fund is used to account for resources legally held in trust where principal and income benefit individuals, private organizations, or other governments.

## **c. Basis of Accounting**

The district's accounting policies, as reflected in the accompanying financial statements, conform to the *Accounting Manual for Public School Districts in the State of Washington*, issued jointly by the State Auditor and the Superintendent of Public Instruction by the authority of RCW 43.09.200, RCW 28A.505.140, RCW 28A 505.010(1), and RCW 28A.505.020. This manual allows for a practice that differs from generally accepted accounting principles in the following manner:

- (1) District-wide statements are not presented.
- (2) The financial statements do not report capital assets.

- (3) Debt is not reported on the face of the financial statements. It is reported in the notes to the financial statements and on the Schedule of Long-Term Debt. The Schedule of Long-Term Debt is required supplemental information.
- (4) The original budget is not presented. This information is available through the Office of Superintendent of Public Instruction.
- (5) The Management Discussion and Analysis is not required.

The modified accrual basis of accounting is used for all governmental funds. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and the district considers all revenues available if they are collected within 60 days after year-end to pay liabilities of the current period. Property taxes receivable are measurable but not available and are, therefore, not accrued. However, categorical program claims and inter-district billings are measurable and available and are, therefore, accrued.

Expenditures are recognized under the modified basis of accounting when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which are recorded when due. The fund liability is incurred when the goods or services have been received. For federal grants, the recognition of expenditures is dependent on the obligation date, (obligations means purchased order issued, contracts awarded, or goods and services received).

All governmental funds' reporting focus primarily on the sources, uses, and balances of current financial resources and often has a budgetary orientation. This means that only current assets and current liabilities are included on their balance sheets.

#### **d. Budgetary Data**

##### General Budgetary Policies

Chapter 28A.505 RCW and Chapter 392-123 *Washington Administrative Code* (WAC) mandates school district budget policies and procedures. The board adopts the budget after a public hearing. An appropriation is a prerequisite to expenditure. Appropriations lapse at the end of the fiscal period.

##### Budgetary Basis of Accounting

For budget and accounting purposes, revenues and expenditures are accounted for on a modified accrual basis as prescribed in law for all governmental funds. Fund balance is budgeted as available resources and, under statutes may not be negative, unless the District enters into binding conditions with state oversight pursuant to RCW 28A.505.110.

#### **e. Assets, Liabilities, and Fund Equity**

All of the Districts cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

## Deposits and Investments

The county treasurer is the ex-officio treasurer for the District. In this capacity, the county treasurer receives deposits and transacts investments on the District's behalf. The District's deposits are covered entirely by federal depository insurance or by collateral held by the district's custodial banks in the District's name. Statutes authorize the district to invest in (1) securities, certificates, notes, bonds, short-term securities, or other obligations of the United States, and (2) deposit in any state bank or trust company, national banking association, stock saving bank, mutual savings bank, savings and loan association, and any branch bank engaged in banking in the state in accordance with RCW 30.04.300 if the institution has been approved by the Public Deposit Protection Commission to hold public deposits and has segregated eligible collateral having a value of not less than its maximum liability.

All temporary investments are stated at cost plus accrued interest that approximates market. Investments are shown on the combined balance sheet at cost, net of amortized premium or discount.

Reductions in market value are not reflected on the financial statements. Gains or losses on investments sold or exchanged are recognized at the time the transactions are completed.

All of the District's investments during the year and at year-end were insured or registered and held by the district or its agent in the district's name.

The District's year-end investments are as follows:

	Carrying Amount	Market Value
Spokane County Treasurer's Investment Pool	<u>\$4,499,137</u>	<u>\$4,499,137</u>
Total Investments	<u><u>\$4,499,137</u></u>	<u><u>\$4,499,137</u></u>

Market value of investments do not include a gain or loss in the value of the investments as realized by GASB 31. This amount is not recorded as a gain or loss in the financial statements, as it is the policy of the Spokane County Treasurer to hold investments until maturity. Accordingly these amounts do not reflect the funds available to the District.

## Inventory

Inventory is valued at cost using the first-in, first-out (FIFO) method. The "consumption method" of inventory is used, which charges inventory as an expenditure when it is consumed. Management may reserve a portion of fund balance in any amount as a budgetary technique to ensure the availability of resources at the appropriate time. Such reserves for inventory indicate that a portion of net current assets is set aside to replace or increase the inventory. USDA commodity inventory consists of food donated by the US Department of Agriculture. It is valued at the prices paid by the USDA for the commodities.

## **f. Revenue and Expenditure Recognition**

### Debt Service

Principal and interest on general long-term debt is recognized only when due.

### Property Taxes

Property tax revenues are collected as the result of special levies passed by the voters in the District. Taxes are levied on January 1. The taxpayer has the option of paying all taxes on April 30 or one half then and one half on October 31. Typically, slightly more than half of the collections are made on the April 30 date. The October 31 collection is not available in time to cover liabilities for the fiscal period ended August 31. Therefore, the fall portion of property taxes is not accrued as revenue. Instead, the taxes due on October 31 are recorded as deferred revenue.

### Compensated Absences

Employees earn sick leave at a rate of 12 days per year up to a maximum of one contract year.

Under the provisions of RCW 28A.400.210, sick leave accumulated by district employees is reimbursed at death or retirement at the rate of 1 day for each 4 days of accrued leave, limited to 180 accrued days. This chapter also provides for an annual buy-out of an amount up to the maximum annual accumulation of 12 days.

For buy-out purposes employees may accumulate such leave to a maximum of 192 days, including the annual accumulation, as of December 31 of each year.

These expenditures are recorded when paid, except termination sick leave that is accrued upon death, retirement, or upon termination provided the employee is at least 55 years of age and has sufficient years of service. Vested sick leave was computed using the vesting method.

In July 2005, the District entered into an agreement to participate in the ESD 101 Compensated Absences Liability Pool. The pool allows member districts to accumulate funds for payments of accrued sick and/or annual leave due to annual cash out, long-term medical leave, retirement and/or death of employees.

Payroll contributions are made to the Pool at the time leave is earned to reserve assets for expenditures related to sick leave and vacation leave buy out at retirement and certain other instances. Such expenditures are recorded at the time leave is earned rather than at the time of cash out. Expenditures of leave taken during employment continue to be recorded when paid. In the fiscal year ending August 31, 2010, the District made payments totaling \$215,702 to the ESD 101 Compensated Absences Liability Pool. The District at the end of fiscal year 2010 has a balance of \$423,100.

No unrecorded liability exists for other employee benefits.

**g. Fund Balance – May contain restrictions, commitments, or assignments.**

Restrictions are legal restrictions placed on spending of the fund balance of a district based upon statute, WAC or other legal requirements beyond the discretion of the board of directors of the district. Examples include anticipated carryover or recovery of revenues previously received and restricted as to usage.

Commitments represent formal actions taken by the board of directors to commit funds for specific purposes. Funds that have been committed cannot be used for another purpose unless the board of directors takes a specific action to end the commitment.

Assignments are used to set aside financial resources for specific purposes. These accounts reflect tentative management plans for future financial resource use such as the replacement of equipment or the assignment of resources for contingencies.

**NOTE 2 - CAPITAL ASSETS**

The District's capital assets are insured in the amount of \$110,058,347 for fiscal year 2010. In the opinion of the District's insurance consultant, this amount is sufficient to adequately fund replacement of the District's assets.

**NOTE 3 - PENSIONS**

**A. General Information**

Substantially all West Valley School District full-time and qualifying part-time employees participate in one of the following three contributory, multi-employer, cost-sharing statewide retirement systems managed by the Washington State Department of Retirement Systems (DRS): Teachers' Retirement System (TRS), Public Employees' Retirement System (PERS) and School Employees' Retirement System (SERS). Participation in the programs was as follows:

Membership by retirement system program as of June 30, 2009:

<u>Program</u>	<u>Active Members</u>	<u>Inactive Vested Members</u>	<u>Retired Members</u>
TRS	67,388	8,660	39,927
PERS	159,235	28,074	74,857
SERS	52,474	9,193	4,629

Certificated public employees are members of TRS. Noncertificated public employees are members of PERS (if Plan 1) or SERS.

Plan 1 under the TRS and PERS programs are defined benefit pension plans whose members joined the system on or before September 30, 1977. Plan 1 members are eligible to retire with full benefits after five years of credited service and attainment of age 60, after 25 years of credited service and attainment of age 55, or after 30 years of credited service.

Plan 2 under the TRS or SERS programs are defined benefit pension plans whose members joined on or after October 1, 1977, but before June 30, 1996 or August 31, 2000, for TRS or SERS programs, respectively. Members of TRS and SERS are eligible to retire with full benefits

after five years of credited service and attainment of age 65 or after 20 years of credited service and attainment of age 55 with the benefit actuarially reduced from age 65.

Plan 3 under the TRS and SERS programs are defined benefit, defined contribution pension plans whose members joined on or after July 1, 1996, or September 1, 2000, for TRS and SERS, respectively. Members are eligible to retire with full benefits after five years of credited service and attainment of age 60 or after ten years of credited service and attainment of age 55 with the benefit actuarially reduced from age 65.

Average final compensation (AFC) of Plan 1 TRS and PERS members is the highest average salary during any two consecutive years. For Plan 2 and Plan 3 TRS and SERS members, it is the highest average salary during any five consecutive years.

The retirement allowance of Plan 1 TRS and PERS members is the AFC multiplied by 2 percent per year of service capped at 60 percent with a cost-of-living adjustment. For Plan 2 TRS and SERS members, it is the AFC multiplied by 2 percent per year of service with provision for a cost-of-living adjustment. For the defined benefit portion of Plan 3 TRS and SERS it is the AFC multiplied by 1 percent per year of service with a cost-of-living adjustment.

The employer contribution rates for PERS, TRS, and SERS (Plans 1, 2, and 3) and the TRS and SERS Plan 2 employee contribution rates are established by the Pension Funding Council based upon advice from the Office of the State Actuary. The employee contribution rate for Plan 1 in PERS and TRS is set by statute at 6 percent and does not vary from year to year. The employer rate is the same for all plans in a system. The methods used to determine the contribution requirements are established under chapters 41.40, 41.32, and 41.35 RCW for PERS, TRS and SERS respectively.

## **B. Contributions**

Employee contribution rates as of August 31, 2010:

Plan 1 TRS	6.00%	Plan 1 PERS	6.00%
Plan 2 TRS	3.36%	Plan 2 SERS	3.14%
Plan 3 TRS/SERS	5.00% (minimum) 15.00% (maximum)		

For Plan 3 TRS and SERS, rates adjusted based upon age may be chosen. The optional rates range begins at 5 percent and increase to a maximum of 15 percent.

Employer contribution rates as of August 31, 2010:

Plan 1 TRS	6.14%	Plan 1 PERS	5.31%
Plan 2 TRS	6.14%	Plan 2 SERS	5.44%
Plan 3 TRS	6.14%	Plan 3 SERS	5.44%

Under current law the employer must contribute 100 percent of the employer-required contribution. Employer required contributions in dollars (Participant information for all plans is as of September 30):

<u>Plan</u>	<u>Fiscal Year 2009</u>
TRS 1	91,557
TRS 2	119,440
TRS 3	698,286
PERS 1	8,726
SERS 2	81,191
SERS 3	221,158

Historical trend information showing TRS and PERS progress in accumulating sufficient assets to pay benefits when due is presented in the State of Washington's June 30, 2010, Comprehensive Annual Financial Report.

Refer to this report for detailed trend information. It is available from:

State of Washington  
Office of Financial Management  
300 Insurance Building  
PO Box 43113  
Olympia, WA 98504-3113

#### **NOTE 4 - RISK MANAGEMENT**

The district made payments totaling \$256,852 to the industrial insurance pool, which is administered by Educational Service District No. 101 on behalf of several local school districts for fiscal year 2010. These funds are operated for the district's benefit in-lieu-of the district having to make monthly premium payments to the State of Washington for industrial insurance beneficiaries as they occur and minimizes the district's cost for the programs.

The district self-insures unemployment compensation for all of its employees. Actual employee claims are paid by the State of Washington, Department of Employment Security and then reimbursed by the district. This self-insurance program costs the district less than full participation in the state unemployment compensation program. The district made unemployment compensation payments totaling \$55,773 in fiscal year 2010, and has set aside \$102,304 in payables for fiscal year 2010 to ensure payment of these claims.

The district is a member of the United Schools Insurance Program. Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on September 1, 1985 when 29 school districts in the State of Washington joined together by signing a Joint Purchasing Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Two hundred and thirty-six schools have joined the Pool.

The pool allows members to jointly purchase insurance coverage and provide related services, such as administration, risk management, claims administration, etc. Coverage for educators' legal liability is on a "claims made basis." All other coverages are on an "occurrence basis." The pool provides the following forms of group purchased insurance coverage for its members: property, liability, automobile liability, boiler and machinery, crime, excess liability and educators' legal liability.

The pool acquires liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is joint liability among the participating members towards the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a stop loss policy in the amount of \$3,600,000 to eliminate any risk to members and, in addition, fully funds the stop loss through the budget and unreserved equity.

Property insurance is subject to a per-occurrence deductible of \$50,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$49,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool an admittance fee. This amount covers the member's share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice before August 31 before terminating participation the following September 1. The Joint Purchasing Agreement is renewed automatically each year. Even after termination, a member is still responsible for contributions to the pool for any unresolved, unreported, and in-process claims for the periods they were a signatory to the Joint Purchasing Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, which has been contracted to perform pool administration, claims adjustment and administration and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ended August 31, 2010 were \$1,805,908.

A Board of Directors of nine members is selected by the membership from six areas of the state on a staggered term basis and is responsible for conducting the business affairs of the pool. The board of Directors has contracted with Canfield & Associates to perform day to day administration of the pool. This pool has no employees.

## NOTE 5 – LEASE OBLIGATIONS AND CONDITIONAL SALES CONTRACT OBLIGATIONS

### Non-Cancelable Operating Leases

Lessor	Description	Initial Amount	Final Installment Date	Interest Rate	Annual Payment	Balance August 31, 2010
ABC	Copiers	42,142	January 1, 2014	8.75%	11,538	\$ 33,968
ABC	Copiers	18,035	April 1, 2014	8.76%	4,722	14,763
IKON	Copiers	82,536	April 1, 2014	6.19%	20,407	66,793
IKON	Copiers	4,028	April 1, 2014	7.34%	1,022	3,277
Northern Leasing Systems	Credit Card Machine	1,359	December 1, 2012	5.00%	443	975
Total Non-Cancelable Operating Leases						<u>\$ 119,776</u>

### Capital Leases

Lessor	Description	Initial Amount	Final Installment Date	Interest Rate	Annual Payment	Balance August 31, 2010
Avista Utilities	Lighting Retrofit	43,628	October 1, 2010	6.85%	39,016	\$ 6,447
Banner Bank	12 Busses	542,807	November 30, 2017	4.13% to 5.98%	76,555	493,210
Banner Bank	6 Busses	441,649	May 1, 2017	4.94%	67,492	395,394
Banner Bank	1 Bus	78,499	November 19, 2017	4.90%	11,404	70,851
Banner Bank	1 Bus	83,996	May 31, 2017	4.75%	12,778	75,159
Banner Bank	Bleachers	44,053	November 30, 2011	4.61%	18,857	27,031
Banner Bank	3 Busses	269,258	May 30, 2018	5.40%	36,605	246,895
Banner Bank	3 Busses	299,436	May 30, 2019	5.40%	38,834	273,003
Total Capital Leases						<u>\$ 1,587,990</u>

## NOTE 6 - LONG-TERM DEBT

Bonds payable at August 31, 2010, are comprised of the following individual issues:

Issue name	Amount Authorized	Annual Installments	Final Maturity	Interest Rate(s)	Amount Outstanding
General Obligation Bonds - 2004 Issue	20,250,000	175,000 to 2,805,000	2021	2.00% to 5.25%	\$ 20,075,000
General Obligation Bonds - 2007 Issue	14,750,000	200,000 to 3,100,000	2019	4.00% to 5.75%	13,755,000
Limited General Obligation Bonds - 1998 Issue	1,340,000	103,077	2012	0.00%	206,154
Limited General Obligation Bonds - 2001 Issue	250,000	25,000	2011	0.00%	25,000
Limited General Obligation Bonds - 2008 Issue	500,000	100,000	2013	0.00%	<u>400,000</u>
Total Limited & General Obligation Bonds					<u>\$ 34,461,154</u>

The following is a summary of general obligation long-term transactions of the district for the year ended August 31, 2010:

Long-term Debt Payable at September 1, 2009	\$ 36,608,231
New Issues	-
Debt Retired	<u>2,147,077</u>
Long-term Debt Payable at August 31, 2010	<u>\$ 34,461,154</u>

The following is a schedule of annual requirements to amortize long-term debt at August 31, 2010:

Years Ending August 31,	Principal	Interest	Total
2011	\$ 2,248,077	\$ 1,533,635	\$ 3,781,712
2012	2,378,077	1,451,641	3,829,718
2013	2,430,000	1,360,730	3,790,730
2014	2,695,000	1,253,790	3,948,790
2015	2,605,000	1,140,403	3,745,403
2016-	22,105,000	3,852,406	25,957,406
Total	\$ 34,461,154	\$ 10,592,605	\$ 45,053,759

On August 31, 2010, the district had \$1,122,155 available in the Debt Service Fund to service the general obligation bonds.

#### **NOTE 7 – OTHER DISCLOSURES**

The school district is a member of the King County Directors' Association (KCDA). KCDA is a purchasing co-op designed to pool the member districts' purchasing power. The districts' current equity of \$7,946 is the accumulation of the annual assignment of KCDA's operating surplus based upon the percentage derived from KCDA's total sales to the district applied against paid administrative fees. The district may withdraw from the joint venture and will receive its equity in ten annual allocations of merchandise or 15 annual payments.

#### **NOTE 8 – SUMMARY OF SIGNIFICANT CONTINGENCIES**

##### Litigation

The district has no known legal obligations that would materially impact the financial position of the district.

#### **NOTE 9 – SUBSEQUENT EVENTS**

##### Capital Lease

On January 12, 2011, the district purchased 2 busses in the amount of \$271,675. The district expects to reimburse this expenditure by issuing long-term obligations with a principal amount not to exceed \$225,000.

West Valley School District 363  
SCHEDULE OF LONG-TERM DEBT  
For The Fiscal Year Ended August 31, 2010

Description	Beginning Outstanding Debt	Amount Issued	Amount Redeemed	Ending Outstanding Balance
Total Voted Bonds	\$35,699,000		\$1,869,000	\$33,830,000
QZAB	909,231		278,077	631,154
OTHER LONG TERM DEBT				
Capital Leases	1,803,325		215,336	1,587,990
Non-Cancelable Operating Leases	148,100		28,324	119,776
Compensated Absences	643,484	\$13,620	8,582	648,522
Total Other Long-Term Debt	<u>\$2,594,909</u>	<u>\$13,620</u>	<u>\$252,241</u>	<u>\$2,356,288</u>
Total Long-Term Debt	<u>\$39,203,140</u>	<u>\$13,620</u>	<u>\$2,399,318</u>	<u>\$36,817,442</u>

West Valley School District No. 363  
Spokane County  
EIN: 91-6033556  
Schedule of Expenditures of Federal Awards  
For Year Ending August 31, 2010

Federal Agency Name	Pass Through Agency	Federal Program Title	CFDA Number	Expenditures			Foot Note
				From Direct Awards	From Pass Through Awards		
					Total		
Dept of Agriculture							
	OSPI	School Breakfast Program (A)	10.553		128,258	128,258	
	OSPI	Nat'l School Lunch Program (A)	10.555				
		Cash Assistance			583,987	583,987	
		Non-cash Assistance (Commodities)			68,957	68,957	4
	OSPI	Summer Food Service Program For Children	10.559		10,910	10,910	
Dept of Agriculture Subtotal				0	792,112	792,112	
Dept of Education							
	OSPI	Title 1 Grants to LEAs (A)	84.010		562,541	562,541	5
	OSPI	Special Ed - State Grants (A)	84.027		708,708	708,708	5
	OSPI	Voc Ed Basic Grants to States (A)	84.048		20,267	20,267	5
	OSPI	Special Ed - Preschool Grants (A)	84.173		34,142	34,142	5
	OSPI	Education for Homeless Children and Youth	84.196		15,111	15,111	5
	OSPI	Education Technology State Grants (A)	84.318*		29,814	29,814	5
State of WA		Gaining Early Aware & Read for Undergrad Pro (B)	84.334		137,621	137,621	5
	OSPI	English Language Acquisition Grants (A)	84.365		22,632	22,632	5
	OSPI	Improving Teacher Quality State Grant (A)	84.367		130,538	130,538	5
	OSPI	ARRA - Education Technology State Grants, Recovery Act (A)	84.386*		20,357	20,357	2, 5
	OSPI	ARRA - Title I Grants to Local Educational Agencies, Recovery Act (A)	84.389		144,742	144,742	2, 5
	OSPI	ARRA - Special Education Grants to States, Recovery Act (A)	84.391		415,786	415,786	2, 5
	OSPI	ARRA - Special Education - Preschool Grants, Recovery Act (A)	84.392		24,434	24,434	2, 5
	OSPI	ARRA - State Fiscal Stabilization	84.394		1,446,017	1,446,017	2, 6
Dept of Education Subtotal				0	3,712,710	3,712,710	
Dept of Health/Human Srv							
	DSHS	Public Health Emergency Preparedness (B)	93.069		4,882	4,882	
	DSHS	Medical Assist Program (A)	93.778		77,384	77,384	
Dept of Health/Human Services Subtotal				0	82,266	82,266	
Dept of Homeland Security							
		Public Assistance	97.036	5,869		5,869	
Dept of Homeland Security Subtotal				5,869	0	5,869	

**Totals** **5,869** **4,587,088** **4,592,957**

\*Note

84.318 Includes:

Ed Through Tech	4,368
Peer Coach-Seth Wd E	2,852
Peer Coach-WV City S	1,153
Peer Coach-WVHS	4,500
Peer Coach-CMS	7,941
Peer Coach-CBE	9,000

84.386 Includes:

Tech ARRA	10,732
Peer Coach ARRA-CMS	3,713
Peer Coach ARRA-WVHS	4,500
Peer Coach ARRA-CBE	1,411

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

# **West Valley School District No. 363**

## **Notes to the Schedule of Expenditures of Federal Awards**

### **NOTE 1 – BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the West Valley School District's financial statements. The District uses the modified accrual basis of accounting. Expenditures represent only the federally funded portions of the program. District records should be consulted to determine amounts expended or matched from non-federal sources.

### **NOTE 2 – AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) of 2009**

The funding for this program was provided by the American Recovery and Reinvestment Act (ARRA) of 2009.

### **NOTE 3 – PROGRAM COSTS/MATCHING CONTRIBUTIONS**

The amounts shown as current year expenses represent the federal grant portion of the program costs. Entire program costs, including the District's portion, may be more than shown.

### **NOTE 4 – NONCASH AWARDS**

The amount of commodities reported on the schedule is the value of commodities distributed by the District during the current year and priced as prescribed by the State of Washington Office of Superintendent of Public Instruction.

### **NOTE 5 – FEDERAL RESTRICTED INDIRECT RATE**

The District used the federal restricted rate of 2.92% for this program.

### **NOTE 6 – FEDERAL UNRESTRICTED INDIRECT RATE**

The District used the federal unrestricted rate of 18.52% for this program.



## **ABOUT THE STATE AUDITOR'S OFFICE**

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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 employees are located around the state to deliver our services effectively and efficiently.

Our 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. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. 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 quality assurance program.

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