

Washington State Auditor's Office
Accountability Audit Report

Mount Baker School District No. 507
Whatcom County

Report Date
March 3, 2014

Report No. 1011466

Issue Date
March 20, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

March 20, 2014

Board of Directors
Mount Baker School District No. 507
Deming, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your District to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on Mount Baker School District No. 507's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

TROY KELLEY
STATE AUDITOR

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Whatcom County
March 3, 2014

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Audit Summary

Mount Baker School District No. 507
Whatcom County
March 3, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Mount Baker School District No. 507 from September 1, 2011 through August 31, 2013.

We evaluated internal controls and performed audit procedures on the activities of the District. We also determined whether the District complied with state laws and regulations and its own policies and procedures.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Student transportation reporting
- Teacher education and experience (staff mix) reporting
- Third party cash receipting
- Open Public Meetings Act
- Payroll and benefits
- Prior audit issues:
 - Associated Student Body parking permit revenue
 - Timely deposits

RESULTS

In the areas we examined, the District's internal controls were adequate to safeguard public assets. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

Mount Baker School District No. 507
Whatcom County
March 3, 2014

FINANCIAL

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

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the 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.

Description of the District

Mount Baker School District No. 507 Whatcom County March 3, 2014

ABOUT THE DISTRICT

Mount Baker School District No. 507 provides educational services to approximately 1,800 students in kindergarten through 12th grade in Whatcom County. The District operates one high school, one middle school, three elementary schools, a preschool and an alternate program.

An elected, five-member Board of Directors governs the District. The Board appoints a Superintendent to oversee the District's daily operations as well as its 300 employees. Revenue is derived from state apportionment, federal grants and local property taxes. For fiscal years 2012 and 2013, the District's operating expenditures were \$21,104,826 and \$20,689,553, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Ellen Dodson
Jim Freeman
Trish Hart
Russ Pfeiffer Hoyt
Gary Chadwick (through May 2013)
Brian Kelly (effective June 2013)

APPOINTED OFFICIALS

Superintendent

Dr. Richard Gantman (through
September 2011)
Karst Brandsma (effective October
2011 through June 2012)
Charles Burleigh (effective July 2012)

Note: Karst Brandsma served as Interim Superintendent.

DISTRICT CONTACT INFORMATION

Address: Mount Baker School District No. 507
P.O. Box 95
Deming, WA 98244-0095

Phone: (360) 383-2000 x 4

Website: www.mtbaker.wednet.edu

AUDIT HISTORY

We audit the District every two years. The past five audits were free of findings.



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.

We work 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 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 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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Deputy Director of Communications
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