

Washington State Auditor's Office
Accountability Audit Report

Northshore School District No. 417
King County

Report Date
May 12, 2014

Report No. 1011890

Issue Date
May 19, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

May 19, 2014

Board of Directors
Northshore School District No. 417
Bothell, 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 Northshore School District No. 417'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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King County
May 12, 2014

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Audit Summary

Northshore School District No. 417
King County
May 12, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Northshore School District No. 417 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:

- Financial condition
- Student transportation reporting
- Staff mix
- Bond expenditures
- Procurement – public works
- Procurement – sole source
- Property sale – City of Bothell
- Catering revenues
- Cash receipting – Bothell High School
- General disbursements
- Credit cards
- Payroll
- Travel
- Third party cash receipting

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

Northshore School District No. 417
King County
May 12, 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 program, which is listed in the Federal Summary section of the financial statement and single audit report.

Description of the District

Northshore School District No. 417

King County

May 12, 2014

ABOUT THE DISTRICT

Northshore School District No. 417 serves approximately 20,240 students in a 60 square-mile area of northeast King County and south Snohomish County. The District has 20 elementary schools, six junior high schools, three high schools and an alternative high school. In addition, the District has an early childhood center, a kindergarten through 12th grade home school program, a preschool and prekindergarten 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 approximately 2,300 employees. For fiscal years 2011-2012 and 2012-2013, the District's general fund operating budgets were approximately \$186 million and \$188 million, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Julia Lacey
Janet Quinn
Dawn McCravey
Sandy Hayes
Todd Banks

APPOINTED OFFICIALS

Superintendent
Executive Director of Business
Services
Director of Accounting
Director of Finance

Larry Francois

Richard Anastasi
Holly Burlingame
Lydia Sellie

DISTRICT CONTACT INFORMATION

Address: Northshore School District No. 417
3330 Monte Villa Parkway
Bothell, WA 98021-8972

Phone: 425-408-7635

Website: www.nsd.org

AUDIT HISTORY

We perform an accountability audit every two years. The District has not received an accountability finding for the past seven audits.



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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