



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Mason County Fire Protection District
No. 9

For the period January 1, 2015 through December 31, 2015

Published January 19, 2017

Report No. 1018453





**Office of the Washington State Auditor
Pat McCarthy**

January 19, 2017

Board of Commissioners
Mason County Fire Protection District No. 9
Shelton, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the District's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

TABLE OF CONTENTS

Audit Summary	4
Summary Schedule Of Prior Audit Findings	5
Information About The District	7
About The State Auditor's Office	8

AUDIT SUMMARY

Results in brief

In the areas we audited, District operations complied with applicable requirements and provided adequate safeguarding of public resources. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of Mason County Fire Protection District No. 9 from January 1, 2015 through December 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the District's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Cash receipting
- Payments/expenditures
- Procurement (bidding/prevaling wage)
- Property purchase

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Mason County Fire Protection District No. 9 January 1, 2015 through December 31, 2015

This schedule presents the status of findings reported in prior audit periods. The status listed below is the representation of Mason County Fire Protection District No. 9. The State Auditor's Office has reviewed the status as presented by the District.

Audit Period: 1/1/2010 – 12/31/2014	Report Ref. No: 1014142	Finding Ref. No: 2014-001
Finding Caption: The District does not have adequate internal controls over procurement.		
Background: The District requested bids for the purchase of a constructed modular home in January 2014 and received three bids. The District rejected all bids and changed the project specifications; however, they were not able to provide documentation supporting the rejection of all bids. The District did not select the lowest bid from the second set of requested bids and was not able to provide documentation supporting the decision. In addition, the District was not able to provide documentation for the selected proposal of survey services, demonstrating the most qualified bidder was awarded the contract.		
Status of Corrective Action: (check one) <input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
Corrective Action Taken: <i>The District is utilizing MRSC as well as legal counsel for procurement processes and questions. The District is using a graph selection process to outline their selection reasoning.</i>		

Audit Period: 1/1/2010 – 12/31/2014	Report Ref. No: 1014142	Finding Ref. No: 2014-002
Finding Caption: Internal controls over operations are inadequate to safeguard public resources and ensure compliance with state laws and regulations.		
Background: During our audit we found the District did not have effective internal controls over financial reporting, cash receipting, disbursements and open public meetings. The lack of internal controls hindered the District's ability to produce reliable financial statements, ensure compliance with laws and policies, and prevent or detect misappropriation.		

Status of Corrective Action: (check one)☒ Fully
Corrected☐ Partially
Corrected☐ Not Corrected☐ Finding is considered no
longer valid**Corrective Action Taken:**

The District has an accounting system and creates their own in house financial statements and cross references them with County reports for accuracy. The District has a minimum of two people involved in cash receipting. The District records are up to date and accounted for.

INFORMATION ABOUT THE DISTRICT

Mason County Fire Protection District No. 9 provides fire protection and suppression services as well as EMS services for the Skokomish Valley and part of the Skokomish Indian Reservation.

An elected, three-member Board of Commissioners governs the District. The District has two stations. The annual revenues for the District are approximately \$186,000.

Contact information related to this report

Address:	Mason County Fire Protection District No. 9 W. 2320 Skok Valley Road Shelton, WA 98584
Contact:	Janelle Twiss, Secretary
Telephone:	(360) 338-2553
Website:	www.mcfd9.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for Mason County Fire Protection District No. 9 at <http://portal.sao.wa.gov/ReportSearch>.

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 to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov