



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Wahluke School District No. 73

Grant County

For the period September 1, 2014 through August 31, 2016

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Office of the Washington State Auditor
Pat McCarthy

May 22, 2017

Board of Directors
Wahluke School District No. 73
Mattawa, 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

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AUDIT SUMMARY

Results in brief

In most 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 most areas we examined.

However, we noted certain matters that we communicated to District management in a letter dated May 16, 2017, related to basic enrollment. We appreciate the District's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of Wahluke School District No. 73 from September 1, 2014 through August 31, 2016.

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:

- Basic enrollment
- Career and Technical Education (CTE)
- Teacher education and experience reporting (Staff mix)
- Transportation reporting
- Disbursements
- Associated Student Body-High School fundraising and cash receipts

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Wahluke School District No. 73
Grant County
September 1, 2014 through August 31, 2016

This schedule presents the status of findings reported in prior audit periods. The status listed below is the representation of Wahluke School District No. 73. The State Auditor's Office has reviewed the status as presented by the District.

Audit Period: September 1, 2012 through August 31, 2014	Report Ref. No.: 1014324	Finding Ref. No.: 2014-001				
Finding Caption: (2014 Accountability finding over enrollment) The District did not retain adequate documentation to support student enrollment reported to the Office of Superintendent of Public Instruction.						
Background: We issued a finding to the District in our previous audit, which included recommendations that the District establish controls and procedures to retain all documentation needed to support enrollment information. While staff members involved in enrollment reporting for the high school began retaining related documentation such as absence reports and student entry and withdrawal records, they did not understand the importance of student rosters and course lists to support enrollment figures.						
Status of Corrective Action: <table><tr><td><input type="checkbox"/> Fully Corrected</td><td><input checked="" type="checkbox"/> Partially Corrected</td><td><input type="checkbox"/> Not Corrected</td><td><input type="checkbox"/> Finding is considered no longer valid</td></tr></table>			<input type="checkbox"/> Fully Corrected	<input checked="" type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid
<input type="checkbox"/> Fully Corrected	<input checked="" type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid			
Corrective Action Taken: <i>Staff in all buildings have been attending training regarding scheduling and enrollment procedures. Enrollment reports are printed and retained each month. Procedures are in place for review of enrollment at the building and then district level prior to submitting to the State. The high school staff continue to attend training and receive support to understand and follow procedures regarding the relation of rosters, schedules, and FTE in the enrollment process.</i>						

RELATED REPORTS

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. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

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 Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Wahluke School District No. 73 provides educational services to 2,291 students in kindergarten through 12th grade in Grant County. Additional services include an alternative school, vocational education, bilingual education, pupil transportation, food services, special education and numerous programs for remedial and enriched education.

An elected, five-member Board of Directors governs the District. The Board appoints management to oversee the District's operations as well as over 200 certified and classified employees. For the 2015-2016 school year, the District operated on a \$24.8 million budget.

Contact information related to this report

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Information current as of report publish date.

Audit history

You can find current and past audit reports for Wahluke School District No. 73 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.

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