

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Town of Malden**  
**Whitman County**

Report Date  
**January 24, 2009**

**Report No. 1001969**

Issue Date  
**August 24, 2009**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

August 24, 2009

Mayor and Town Council  
Town of Malden  
Malden, Washington

***Report on Accountability***

Please find attached our report on the Town of Malden's accountability and compliance with state laws and regulations and its own policies and procedures.

In addition to this work, we also audit the Town's financial statements. The results of that audit will be included in a separately issued audit report.

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

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Whitman County  
January 24, 2009

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# **Audit Summary**

**Town of Malden  
Whitman County  
January 24, 2009**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Town of Malden.

We performed audit procedures to determine whether the Town complied with state laws and regulations and its own policies and procedures. We also examined Town management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from January 1, 2006, through December 31, 2007.

## ***RESULTS***

The Town complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets.

## ***RELATED REPORTS***

Our opinion on the Town's financial statements is provided in a separate report, which includes the Town's financial statements.

## ***CLOSING REMARKS***

We thank Town officials and personnel for their assistance and cooperation during the audit.

# **Description of the Town**

**Town of Malden  
Whitman County  
January 24, 2009**

## ***ABOUT THE TOWN***

The Town of Malden serves approximately 215 citizens in Whitman County. An elected, five-member Council and an independently elected Mayor govern the Town. With a staff of three part-time employees the Town provides an array of services including public safety, parks and recreation, street improvement, water and general administrative services. The Town operates on an annual budget of \$122,000.

## ***AUDIT HISTORY***

We audit the Town every two years. We reported two findings in the 2004-2005 audit. The Town has taken steps to improve and correct the conditions reported in the findings.

## ***ELECTED OFFICIALS***

These officials served during the audit period:

Mayor  
Town Council:

Andrea Harp  
Paul Goyke  
James Wendt  
Joyce Darou  
Harley Harp  
Kelly Brown

Note: Pam Montague replaced Andrea Harp in June 2007. Ted Maxwell replaced Pam Montague in December 2007. Jay Rupp replaced Paul Goyke in April 2006. Pam Montague replaced Joyce Darou in June 2006. Linda Hanks replaced James Wendt in February 2007. Raymond DeFord replaced Pam Montague in July 2007. Danny Sturgeon replaced Harley Harp in September 2007. Christina Ferrell replaced Jay Rupp in December 2007. Tamra Van Dyke replaced Linda Hanks in December 2007. Rudy Miles replaced Danny Sturgeon in December 2007. Chelsea Fanara replaced Kelly Brown in January 2008.

## ***APPOINTED OFFICIALS***

Clerk-Treasurer

Kristy Boyce

Note: Misty Hutchison replaced Kristy Boyce in December 2006. Kynda Browning replaced Misty Hutchison in September 2007. Becka Maxwell replaced Kynda Browning in November 2007. Joyce Darou replaced Becka Maxwell in July 2008.

**ADDRESS**

Town

204 W. Moreland  
P.O. Box 248  
Malden, WA 99149  
(509) 569-3771  
(509) 569-3207 (fax)

## **Audit Areas Examined**

**Town of Malden  
Whitman County  
January 24, 2009**

In keeping with general auditing practices, we do not examine every portion of the Town of Malden's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Town were examined during this audit period:

### ***ACCOUNTABILITY***

We evaluated the Town's accountability in the following areas:

- Cash receipting and revenue
- Open public meetings/records laws
- Budget compliance
- Disbursements/expenditures
- Conflict of interest/ethics laws
- State and federal grants

### ***FINANCIAL AREAS***

Our opinion on the Town's financial statements is provided in a separate report. That report includes the Town's financial statements and other required financial information. We examined the financial activity and balances of the Town including:

- Cash and investments
- Revenue
- Expenditures/expenses
- Financial condition
- Long-term debt
- Overall presentation of the financial statements
- Financial statement preparation



## **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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**Deputy Chief of Staff**  
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**Director of Special Investigations**  
**Director for Legal Affairs**  
**Director of Quality Assurance**  
**Local Government Liaison**  
**Communications Director**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Brian Sonntag, CGFM**  
**Ted Rutt**  
**Doug Cochran**  
**Jerry Pugnetti**  
**Chuck Pfeil, CPA**  
**Jim Brittain, CPA**  
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