

Washington State Auditor's Office
Accountability Audit Report

King County Ferry District

Report Date
September 25, 2013

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October 28, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

October 28, 2013

Board of Supervisors
King County Ferry District
Seattle, 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 the King County Ferry District'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

Table of Contents

King County Ferry District
September 25, 2013

Audit Summary	1
Related Reports	2
Description of the Authority	3

Audit Summary

**King County Ferry District
September 25, 2013**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the King County Ferry District from January 1, 2012 through December 31, 2012.

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:

- Accounting/financial reporting
- Cash receipting
- Conflict of interest/ethics laws
- Open public meeting minutes

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

**King County Ferry District
September 25, 2013**

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

King County Ferry District September 25, 2013

ABOUT THE DISTRICT

The Metropolitan King County Council established the King County Ferry District on April 30, 2007, to provide passenger-only ferry service. It currently operates routes from Vashon Island and West Seattle to downtown Seattle. The King County Council serves as the District's Board of Supervisors. The District contracts out the management of daily operations mainly to the King County Marine Division by inter-local agreement with King County.

Although a component unit of King County, the District has taxing authority. It levies one-third of one cent property tax per \$1,000 assessed value to pay for operations. In addition to the tax levy, the District receives revenue from passenger fares and state grants.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Supervisors:

Joe McDermott, Chair
Larry Gossett, Vice Chair
Reagan Dunn
Bob Ferguson
Jane Hague
Kathy Lambert
Larry Gossett
Larry Phillips
Pete von Reichbauer

DISTRICT CONTACT INFORMATION

Address: King County Ferry District
516 Third Avenue, Room W 1039
Seattle, WA 98104

Phone: (206) 954-5464

Website: www.kingcountyferries.org

AUDIT HISTORY

We audit the District annually and this is our fourth audit of the District. We reported one finding in 2009 related to deficiencies in internal control over public funds. This finding has been resolved.



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.

Our mission is to 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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