

Washington State Auditor's Office

Accountability Audit Report

Everett School District No. 2 **Snohomish County**

Report Date
March 21, 2014

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March 31, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

March 31, 2014

Board of Directors
Everett School District No. 2
Everett, 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 Everett School District No. 2'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

<h1>Table of Contents</h1>

Everett School District No. 2
Snohomish County
March 21, 2014

Audit Summary	1
Related Reports	2
Description of the District	3

Audit Summary

Everett School District No. 2 Snohomish County March 21, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Everett School District No. 2 from September 1, 2012 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:

- Cash receipting software review
- General disbursement system review
- Transportation ridership
- Access to District buildings

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

**Everett School District No. 2
Snohomish County
March 21, 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 programs, which are listed in the Federal Summary section of the financial statement and single audit report.

Description of the District

Everett School District No. 2 Snohomish County March 21, 2014

ABOUT THE DISTRICT

Everett School District No. 2 provides educational services to students in preschool through 12th grade in Snohomish County. The District serves parts of the cities of Everett and Mill Creek and areas of unincorporated Snohomish County. During the audit period, the District served approximately 18,600 students at four high schools, five middle schools and 17 elementary schools.

An elected, five-member Board of Directors governs the District. Board Members serve staggered, six-year terms. The Board appoints a Superintendent to oversee the District's daily operations as well as its approximately 2,400 employees. The District operates on an operating budget of \$245 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Pam LeSesne
Carol Andrews
Ed Petersen (through December 2013)
Jeff Russell (resigned December 2013)
Jessica Olson (resigned January 2014)

Note: Ted Wenta was elected to the Board in the November 2013 election to fill Ed Petersen's position. Caroline Mason was appointed to the Board on January 9, 2014 to fill Jeff Russell's position. Also, Traci Mitchell was appointed to the Board on February 3, 2014 to fill Jessica Olson's position.

APPOINTED OFFICIALS

Superintendent
Executive Director of Finance and
Business Services

Dr. Gary Cohn
Jeffrey Moore

DISTRICT CONTACT INFORMATION

Address: Everett School District No. 2
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Phone: (425) 385-4170

Website: www.everett.k12.wa.us

AUDIT HISTORY

We audit the District on an annual basis. The past 10 audits have reported one finding in fiscal year 2011 related to internal controls over accounting and financial statement preparation. 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.

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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