

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

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**Edmonds School District No. 15**  
**Snohomish County**

Report Date  
**March 18, 2014**

**Report No. 1011616**

Issue Date  
**April 14, 2014**



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



## Washington State Auditor Troy Kelley

April 14, 2014

Board of Directors  
Edmonds School District No. 15  
Lynnwood, 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 Edmonds School District No. 15'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

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**Snohomish County**  
**March 18, 2014**

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# Audit Summary

## Edmonds School District No. 15 Snohomish County March 18, 2014

### ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of Edmonds School District No. 15 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:

- Transportation enrollment
- Credit cards
- Payroll
- Local receipting
- Associated Student Body

### ***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**

### **Edmonds School District No. 15 Snohomish County March 18, 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, are listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding free and reduced lunch count reporting.

#### ***OTHER REPORTS***

During the current audit period, the State Auditor's Office issued a report in April 2014 on a misappropriation of public funds by two former employees at the District. That report is available on our website, [www.sao.wa.gov](http://www.sao.wa.gov).

## **Description of the District**

### **Edmonds School District No. 15**

**Snohomish County**

**March 18, 2014**

### ***ABOUT THE DISTRICT***

Edmonds School District No. 15 provides public school services to students in preschool through 12th grade. The District is the 10th largest school district in the state and the largest in Snohomish County. The District's service area of 36 square miles includes the cities of Lynnwood, Woodway, Brier, Edmonds, Mountlake Terrace and the surrounding unincorporated area of Snohomish County. The District serves approximately 19,125 students with a staff of approximately 1,175 certificated and 694 classified employees. The District has 22 elementary schools, two of which include seventh and eighth grades. The District has one early childhood center, four middle schools, five high schools, one alternative K-12 school, and one K-12 center for students with disabilities.

The District's budgeted expenditures for fiscal year 2012-2013 were General Fund \$195,366,249, Associated Student Body Fund \$3,129,024, Debt Service Fund \$28,876,211, Capital Projects Fund \$11,178,563, and Transportation and Vehicle Fund \$2,000,000. A five-member Board of Directors, elected to four-year terms by the District's voters, governs the District's operations.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Directors:

Ann McMurray  
Gary Noble  
Susan Phillips  
Diana White  
Kory DeMun

### ***APPOINTED OFFICIALS***

Superintendent

Nick J. Brossoit, Ed. D.

## ***DISTRICT CONTACT INFORMATION***

Address: Edmonds School District No. 15  
20420 68th Avenue W.  
Lynnwood, WA 98036-7400

Phone: 425-431-7051

Website: [www.edmonds.wednet.edu](http://www.edmonds.wednet.edu)

## ***AUDIT HISTORY***

We audit the District annually. The past five audits have reported a total of three findings. During that period, one finding was issued each in 2009-2010, 2010-2011 and 2011-2012. No findings were reported in fiscal year 2007-2008 and 2008-2009. The finding issued in 2009-2010 related to procurement cards has been resolved. The District received a finding in 2010-2011 related to Alternative Learning Experience, which has been resolved. The finding received in 2011-2012 related to the Nutrition Cluster federal program has been resolved. However, we re-issued the finding in our federal single audit report this year because the time span involved in the finding included 2012-2013.



## **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.

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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**Chief of Staff**  
**Director of Performance and State Audit**  
**Director of Local Audit**  
**Deputy Director of State Audit**  
**Deputy Director of Local Audit**  
**Deputy Director of Local Audit**  
**Deputy Director of Performance Audit**  
**Deputy Director of Quality Assurance**  
**Deputy Director of Communications**  
**Local Government Liaison**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Troy Kelley**  
**Doug Cochran**  
**Chuck Pfeil, CPA**  
**Kelly Collins, CPA**  
**Jan M. Jutte, CPA, CGFM**  
**Sadie Armijo**  
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