

# **Washington State Auditor's Office**

## **Accountability Audit Report**

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### **North Beach School District No. 64** **Grays Harbor County**

Report Date  
**May 12, 2014**

**Report No. 1011891**

Issue Date  
**May 19, 2013**



**Washington State Auditor**  
**Troy Kelley**

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Independence • Respect • Integrity



## Washington State Auditor Troy Kelley

May 19, 2014

Superintendent and Board of Directors  
North Beach School District No. 64  
Ocean Shores, 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 North Beach School District No. 64'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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**Grays Harbor County**  
**May 12, 2014**

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# Audit Summary

## North Beach School District No. 64 Grays Harbor County May 12, 2014

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

This report contains the results of our independent accountability audit of North Beach School District No. 64 from September 1, 2010 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:

- Open Public Meetings Act
- General revenues
- General expenditures
- Financial condition
- Apportionment – staff mix
- Apportionment – enrollment
- Apportionment – transportation
- Associated Student Body
- Cash receipting – internal controls
- Accounts payable – internal controls
- Payroll – internal controls

### ***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**

**North Beach School District No. 64**  
**Grays Harbor County**  
**May 12, 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 program, which is listed in the Federal Summary section of the financial statement and single audit report.

## **Description of the District**

### **North Beach School District No. 64 Grays Harbor County May 12, 2014**

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

North Beach School District No. 64 provides educational services to approximately 650 students in preschool through 12th grade in Grays Harbor County. The District has four schools, two elementary, one junior high and one high school.

The District's five-member Board of Directors is the primary policy-making body, exercising budgetary and financial control for the District. Members are elected to staggered, four-year terms. The Superintendents and staff administer day-to-day operations and carry out decisions made by the Board. The District operates on an \$8.2 million annual budget. The District has 43 certificated and 31 classified staff.

#### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Directors:

Scott Sage  
Linda Poplin  
Stephen Buck  
Don Grossi (September 2010 - August 2011)  
Leanne Carl (September 2011 - August 2013)  
Rob Paylor (September 2010 - August 2012)  
Mark Eaton (September 2012 - August 2013)

#### ***APPOINTED OFFICIALS***

Superintendent  
Assistant Superintendent  
Business Manager

Stan Pinnick  
David Wayman  
Sharon Wilme

## ***DISTRICT CONTACT INFORMATION***

Address: North Beach School District No. 64  
P.O. Box 159  
Ocean Shores, WA 98569-0159

Phone: 360-289-2447

Website: [www.northbeach.k12.wa.us](http://www.northbeach.k12.wa.us)

## ***AUDIT HISTORY***

Typically, we audit the District once every three years for accountability and every year for financial statements and federal compliance. The past five audits, including the current audit have been free of findings.



## **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.

**State Auditor**  
**Chief of Staff**  
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**Director of Local Audit**  
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**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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