



**Office of the Washington State Auditor**  
**Pat McCarthy**

**Accountability Audit Report**  
**King County Rural Library District**

**For the period January 1, 2016 through December 31, 2016**

**Published December 28, 2017**

**Report No. 1020425**





**Office of the Washington State Auditor**  
**Pat McCarthy**

December 28, 2017

Board of Trustees  
King County Rural Library District  
Issaquah, Washington

**Report on Accountability**

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the District's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy  
State Auditor  
Olympia, WA

## TABLE OF CONTENTS

Audit Summary .....	4
Related Reports .....	5
Information About The District .....	6
About The State Auditor’s Office .....	7

## AUDIT SUMMARY

### Results in brief

In most areas we audited, District operations complied with applicable requirements and provided adequate safeguarding of public resources. The District also complied with state laws and regulations and its own policies and procedures in most areas we examined.

However, we noted certain matters that we communicated to District management in a letter dated December 11, 2017, related to the reimbursement of foundation expenses. We appreciate the District's commitment to resolving those matters.

### About the audit

This report contains the results of our independent accountability audit of the King County Rural Library District from January 1, 2016 through December 31, 2016.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the District's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Payroll system review
- Small and attractive asset review
- General disbursements
- Self-insurance – unemployement compensation
- Foundation contract review

## RELATED REPORTS

### **Financial**

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE DISTRICT

The King County Rural Library District, doing business as the King County Library System, is one of the largest circulating libraries in the United States with 49 community libraries and 17 outreach vehicles. The District circulated over 20.8 million items in 2016, plus an additional 3.5 million item downloads, and serves more than 1.4 million residents. The District offers a collection of more than 4.3 million items including books, ebooks, periodicals, newspapers, CDs, DVDs, films, and extensive online resources.

A five-member Board of Trustees, appointed by the King County Council, governs the District. The District has more than 1,200 employees. The general fund budget for library operations in 2016 was \$125 million, which includes \$ 12.2 million for capital outlay.

Contact information related to this report	
Address:	King County Rural Library District 960 Newport Way N.W. Issaquah, WA 98027
Contact:	Renee Wasisco, Accounting & Purchasing Manager
Telephone:	(425) 369-3245
Website:	<a href="http://www.kcls.org">www.kcls.org</a>

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for the King County Rural Library District at <http://portal.sao.wa.gov/ReportSearch>.

## 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 to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	<a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a>
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	<a href="http://www.sao.wa.gov">www.sao.wa.gov</a>