



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Thurston Conservation District

For the period January 1, 2015 through December 31, 2018

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

August 19, 2019

Board of Supervisors
Thurston Conservation District
Tumwater, 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 independent audit report on the District's compliance with applicable requirements and safeguarding of public resources for the 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

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AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In most of the areas we examined, District operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over safeguarding of public resources.

As referenced above, we noted certain matters that we communicated to District management and Board of Supervisors in a letter dated July 25, 2019, related to District operations, financial condition and compliance with open public meetings. 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 Thurston Conservation District from January 1, 2015 through December 31, 2018.

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.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. 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, based on our risk assessment for the years ended December 31, 2018, 2017, 2016 and 2015, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Financial condition and fiscal sustainability
- Open public meetings – documentation of minutes and executive sessions
- Bank statement reconciliations
- Compliance with state grants
- Accounts payable – credit card and travel expenditures
- Cash receipting including petty cash
- Payroll – review of retroactive adjustments

INFORMATION ABOUT THE DISTRICT

The Thurston Conservation District was established in 1947 to educate and assist the residents of the Thurston County community with conservation programs, services and project funding. The District is governed by a five-member Board of Supervisors consisting of three elected Supervisors and two Supervisors appointed by the Conservation Commission. The Board appoints management to oversee the District's daily operations.

The District operates with approximately 10 employees. The District typically receives approximately one-third of its funding annually from a local assessment fee (Rates and Charges beginning in 2019) of \$5.00 per parcel and \$0.10 per acre, that is levied on most properties in the Thurston County boundaries (excluding the 1947 boundaries of Rainier, Tenino and Yelm). The remainder of the funding comes from competitive grants (primarily state funding sources) for conservation projects, technical assistance and education. For the years 2015 through 2018, the District operated on an average budget of \$1.3 million.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Thurston Conservation 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.

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