



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Bridgeport School District No. 75

For the period September 1, 2019 through August 31, 2021

Published August 22, 2022

Report No. 1030803



Find out what's new at SAO
by scanning this code with
your smartphone's camera



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

August 22, 2022

Board of Directors
Bridgeport School District No. 75
Bridgeport, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor 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.

Attached is 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 value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

TABLE OF CONTENTS

Audit Results..... 4

Summary Schedule of Prior Audit Findings 5

Related Reports 7

Information about the District..... 8

About the State Auditor's Office..... 9

AUDIT RESULTS

Results in brief

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

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of Bridgeport School District No. 75 from September 1, 2019 through August 31, 2021.

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 Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the District's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the years ended August 31, 2021 and 2020, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Student enrollment reporting
- Use of restricted funds – professional learning and local revenue for enrichment activities
- Establishment of local revenue and expenditure accounts
- Compliance with supplemental contracts for enrichment activities
- Payroll direct deposits – evaluated design of controls
- Associated Student Body (ASB) activities – student council approvals and meeting minutes, fundraisers
- Open public meetings – compliance with minutes, meetings and executive session requirements
- Financial condition – reviewing for indications of financial distress

BRIDGEPORT SCHOOL DISTRICT NO. 75

P.O. BOX 1060
BRIDGEPORT, WASHINGTON 98813

Telephones:
Office of the Superintendent 509-686-5656
Elementary School 509-686-2201
Middle School 509-686-9501
High School 509-686-8770
Bus Garage 509-686-3921

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Bridgeport School District No. 75 September 1, 2019 through August 31, 2021

This schedule presents the status of findings reported in prior audit periods.

Audit Period: September 1, 2017 through August 31, 2019	Report Ref. No.: 1025937	Finding Ref. No.: 2019-001
Finding Caption: The District's internal controls over Associated Study Body activities were insufficient to safeguard against potential loss and noncompliance with laws and regulations.		
Background: The District did not allocate the necessary resources and oversight to establish adequate internal controls over ASB activities or to ensure ASB activities were handled in accordance with state laws and regulations, and were adequately supported and monitored. We recommend the District improve internal controls over ASB activities to comply with state laws and regulation and adequately safeguard public resources. Specifically, we recommend the District: <ul style="list-style-type: none">• Provide adequate training to staff and students involved in ASB fundraisers• Reconcile fundraiser receipts to expected revenues as derived from inventory sold, tickets, or another method of estimating expected revenue• Prepare, keep, and monitor all necessary records for ASB activities• Keep all ASB Student Council minutes and clearly document formal approval of activities, purchases, and prior minutes		
Status of Corrective Action: <input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
Corrective Action Taken: <i>Training</i> <ul style="list-style-type: none">• The ASB Advisors, Central Treasurers, ASB Officers and Business Manager attend the yearly ASB training provided by WASBO.		

Fundraisers and events

- *After each fundraiser the clubs turn in all documentation to the Business Manager who goes over the documents. Included in the documents, clubs attach the inventory track sheets and all manual receipts. All receipts add up to the total revenues reported on the fundraising/activity form.*
- *Reconciliations are completed by the Coach/Club Advisor and the Business Manager to ensure that all receipts attached add up to the total revenues reported on the fundraising/activity form.*
- *The reconciliation summary of the fundraiser form is checked for completion. This section includes total revenues received, total expenditures and net profit (loss).*
- *An internal control checklist was created to verify that all fundraisers necessary records completed, gathered, and filed.*

ASB Student Council minutes

- *ASB minutes are now checked for prior fundraising approval.*
- *All ASB clubs minutes include the approval of expenses and ASB warrants.*

RELATED REPORTS

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. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

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 Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Bridgeport School District No. 75 serves about 745 students in kindergarten through 12th grade in Douglas and Okanogan counties. The District operates one elementary school, one middle school, one high school, and one alternative high school.

An elected, five-member Board of Directors governs the District. The Board appoints a Superintendent to oversee the District's daily operations as well as its approximately 70 full-time and 46 part-time employees. For fiscal year 2021, the District operated on a budget of about \$24 million.

Contact information related to this report

Address:	Bridgeport School District No. 75 P.O. Box 1060 Bridgeport, WA 98813
Contact:	Eddie Morales, Business Manager
Telephone:	(509) 686-5656
Website:	www.bridgeport.wednet.edu

Information current as of report publish date.

Audit history

You can find current and past audit reports for Bridgeport School District No. 75 at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

Stay connected at sao.wa.gov

- [Find your audit team](#)
- [Request public records](#)
- Search BARS manuals ([GAAP](#) and [cash](#)), and find [reporting templates](#)
- Learn about our [training workshops](#) and [on-demand videos](#)
- Discover [which governments serve you](#) — enter an address on our map
- Explore public financial data with the [Financial Intelligence Tool](#)

Other ways to stay in touch

- Main telephone:
(564) 999-0950
- Toll-free Citizen Hotline:
(866) 902-3900
- Email:
webmaster@sao.wa.gov