

Washington State Auditor's Office
Accountability Audit Report

Grays Harbor Council of Governments
Grays Harbor County

Report Date
October 7, 2008

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WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

October 20, 2008

Board of Directors
Grays Harbor Council of Governments
Aberdeen, Washington

Report on Accountability

Please find attached our report on the Grays Harbor Council of Governments' accountability and compliance with state laws and regulations and its own policies and procedures.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Grays Harbor County
October 7, 2008**

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Audit Summary

Grays Harbor Council of Governments Grays Harbor County October 7, 2008

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Grays Harbor Council of Governments.

We performed audit procedures to determine whether the Council complied with state laws and regulations and its own policies and procedures. We also examined Council management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from January 1, 2005, through December 31, 2007.

RESULTS

The Council complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets.

CLOSING REMARKS

We thank Council officials and personnel for their assistance and cooperation during the audit.

Description of the Council

Grays Harbor Council of Governments Grays Harbor County October 7, 2008

ABOUT THE COUNCIL

The Grays Harbor Council of Governments was established in 1960 to provide countywide planning to its members, which include all public entities within Grays Harbor County, through regional programs and contractual services. The Council's Board of Directors is made up of representatives from 16 area public entities. The Board of Directors directs the activities of the Council and formulates its policies. A Director and three employees carry out day-to-day operations for the Council. The Council's annual operating budgets were \$320,968 for 2005, \$418,008 for 2006 and \$410,601 for 2007.

AUDIT HISTORY

The Council is on a three year audit cycle. The Council has not received a finding in the past ten years.

ELECTED OFFICIALS

These officials served during the audit period:

2005 Board of Directors:

Mayor Vickie Raines, City of Cosmopolis
Mayor Dave Osgood, City of Elma
Ron Tibbetts, City of Hoquiam
Michael Davolio, City of McCleary
Chris Thomas, City of Montesano
Mayor Buck Melie, City of Oakville
Mayor Terry Veitz, City of Ocean Shores
Gene Hall, City of Westport
Commissioner Bob Beerbower, Grays Harbor
County and Grays Harbor Public
Development Authority
Commissioner Tom Casey, Grays Harbor Public
Utility District
Don Fargo, Grays Harbor Transit
Commissioner Chuck Caldwell, Port of Grays
Harbor
Sandra Wells-Kalama, Quinalt Indian Nation
Mike Wessells, Timberland Regional Library
Terry Fernsler, Col-Pac and EDD

2006 Board of Directors:

Mayor Vickie Raines, City of Cosmopolis
Mayor Dave Osgood, City of Elma
Ron Tibbetts, City of Hoquiam
Michael Davolio, City of McCleary
Chris Thomas, City of Montesano
John Ruymann, City of Oakville
Mayor Terry Veitz, City of Ocean Shores
Mayor Michael Bruce, City of Westport
Commissioner Bob Beerbower, Grays Harbor
County and Grays Harbor Public
Development Authority
Commissioner Tom Casey, Grays Harbor Public
Utility District
Don Fargo, Grays Harbor Transit
Commissioner Chuck Caldwell, Port of Grays
Harbor
Jonathan Ciesla, Quinalt Indian Nation
Mike Wessells, Timberland Regional Library
Terry Fernsler, Col-Pac and EDD

2007 Board of Directors:

Mayor Vickie Raines, City of Cosmopolis
Mayor Dave Osgood, City of Elma
John Pellegrini, City of Hoquiam
Chris Vessey, City of McCleary
Chris Thomas, City of Montesano
John Ruymann, City of Oakville
Nick Johnson, City of Ocean Shores
Desiree Dodson, City of Westport
Commissioner Bob Beerbower, Grays Harbor
County and Grays Harbor Public
Development Authority
Commissioner Tom Casey, Grays Harbor Public
Utility District
Don Fargo, Grays Harbor Transit
Commissioner Chuck Caldwell, Port of Grays
Harbor
Jonathan Ciesla, Quinalt Indian Nation
Mike Wessells, Timberland Regional Library
Terry Fernsler, Col-Pac and EDD

APPOINTED OFFICIALS

Executive Director

Vicki Cummings

ADDRESS

Council

115 South Wooding Street
Aberdeen, WA 98520
(360) 537-4386

Audit Areas Examined

Grays Harbor Council of Governments Grays Harbor County October 7, 2008

In keeping with general auditing practices, we do not examine every portion of the Grays Harbor Council of Governments' financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Council were examined during this audit period:

ACCOUNTABILITY

We evaluated the Council's accountability and compliance with laws, regulations, contracts and grant agreements in the following areas:

- Open Public Meetings Act
- Insurance coverage
- State grants
- Safeguarding of assets



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.

Our mission is to work in cooperation 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 has 300 employees who are located around the state to deliver our services effectively and efficiently. Approximately 65 percent of our staff are certified public accountants or hold other certifications and advanced degrees.

Our regular 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. We also perform fraud and whistleblower investigations. In addition, we have the authority to conduct performance audits of state agencies and local governments.

The results of our audits are widely distributed through a variety of reports, which are available on our Web site. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive program to coordinate audit efficiency and to ensure high-quality audits.

**State Auditor
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Chief Policy Advisor
Director of Administration
Director of State and Local Audits
Director of Performance Audit
Director of Special Investigations
Director for Legal Affairs
Local Government Liaison
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