

Washington State Auditor's Office
Accountability Audit Report

Anacortes School District No. 103
Skagit County

Report Date
March 8, 2011

Report No. 1005301

Issue Date
March 28, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

March 28, 2011

Board of Directors
Anacortes School District No. 103
Anacortes, 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 Anacortes School District No. 103'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,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

**Anacortes School District No. 103
Skagit County
March 8, 2011**

Audit Summary 1

Related Reports 2

Description of the District 3

Audit Summary

**Anacortes School District No. 103
Skagit County
March 8, 2011**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Anacortes School District No. 103 from September 1, 2008 through August 31, 2010.

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:

- Apportionment – staff mix reporting
- Apportionment – enrollment reporting
- Payroll
- Associated Student Body fundraising
- Open Public Meetings Act

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

**Anacortes School District No. 103
Skagit County
March 8, 2011**

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 programs, which are listed in the Federal Summary section of the financial statement and single audit report. That report includes a federal finding regarding internal controls over reported student absence rates.

Description of the District

Anacortes School District No. 103 Skagit County March 8, 2011

ABOUT THE DISTRICT

Anacortes School District No. 103, located in Skagit County, provides educational services for approximately 2,600 students in kindergarten through 12th grade. The District has one high school, one middle school and four elementary schools. The District also operates an alternative high school and a home education partnership.

An elected, five-member Board of Directors governs the District. The Board appoints a Superintendent to oversee the District's day-to-day operations as well as its approximately 300 employees. For the 2010 fiscal year, the District operated on a general fund budget of approximately \$26.4 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Jeannette Papadakis
Mitch Everton
Carol Pyke
Chris Anderson (through July 2009)
Karl Yost (effective November 2009)
Kris Lytton (through November 2010)
Robert Maxson (effective January 2011)

APPOINTED OFFICIALS

Superintendent
Director of Business and Finance
Director of Learning and Instruction
Director of Special Programs

Chris Borgen
Lisa Matthews
Cindy Simonsen
Maggie Thompson

DISTRICT CONTACT INFORMATION

Address: Anacortes School District No. 103
2200 M Avenue
Anacortes, WA 98221

Phone: (360) 293-1200

Website: www.asd103.org

AUDIT HISTORY

We audit the District's financial statements and federal compliance annually and previously audited the District's accountability for public resources annually. Beginning with the current audit, we plan to audit the District's accountability and legal compliance every two years due to the District's generally positive accountability history.

In the past five audits, the District received one accountability finding and three federal findings. Audit recommendations have been positively acknowledged by District officials and steps have been taken to correct all issues.



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 employees are located around the state to deliver our 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 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 quality assurance program.

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Jan Jutte, CPA, CGFM
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