

Washington State Auditor's Office
Accountability Audit Report

Kennewick School District No. 17
Benton County

Report Date
July 22, 2010

Report No. 1004061

Issue Date
August 23, 2010



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

August 23, 2010

Superintendent and Board of Directors
Kennewick School District No. 17
Kennewick, 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 Kennewick School District No. 17'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

**Kennewick School District No. 17
Benton County
July 22, 2010**

Audit Summary 1

Related Reports 2

Description of the District 3

Audit Summary

Kennewick School District No. 17 Benton County July 22, 2010

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Kennewick School District No. 17 for the period from September 1, 2008, through August 31, 2009.

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 – teacher education and experience (staff mix) reporting
- Use of bond proceeds
- Gifts of public funds – incentive policy
- Procurement public works projects (bidding/prevaling wage)
- Procurement professional service contracts
- General disbursements
- Procurement card expenditures
- Joint use agreement
- I-728 student achievement funds requirements and expenditures
- Payroll expenditures – largest increases, teacher national certification pay and cash outs
- Performance pay
- Apportionment – transportation reporting
- Tracking and safeguarding of computers

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

**Kennewick School District No. 17
Benton County
July 22, 2010**

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.

Description of the District

Kennewick School District No. 17 Benton County July 22, 2010

ABOUT THE DISTRICT

Kennewick School District No. 17, located in Benton County, provides educational services to approximately 15,000 students in pre-kindergarten through 12th grade. The District encompasses 292 square miles including the city of Kennewick and the unincorporated community of Plymouth. The District operates three high schools, an alternative high school, one project based high school, a skill center, four middle schools, 13 elementary schools and one preschool. In addition, the District also holds classes at the Juvenile Justice Center.

An elected, five-member Board of Directors governs the District. The Board appoints management to oversee the District's daily operations as well as its approximately 1,750 employees. For fiscal year 2009, the District operated on a \$157 million annual budget.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Dawn Adams
Lynn Fielding
Heather Kintzley
Wendy London
Kathy White

APPOINTED OFFICIALS

Superintendent
Associate Superintendent of
Curriculum and Instruction
Business Manager
Assistant Superintendent of Personnel
Executive Directors:
Secondary Schools
Elementary Education
Information Technology

Dave Bond

Dr. Charles Lybeck
Vic Roberts
Beverly Johnson-Torelli

Ron Williamson
Greg Fancher
Ron Cone

DISTRICT CONTACT INFORMATION

Address: Kennewick School District No. 17
524 S. Auburn Street
Kennewick, WA 99336

Phone: (509) 222-5000

Web site: www.ksd.org

AUDIT HISTORY

We audit the District on an annual basis. The past five audits of the District have reported one finding. The 2007 audit contained a finding related to transportation reporting. The District is continuing to resolve reporting of transportation routes.



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.

State Auditor
Chief of Staff
Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
Local Government Liaison
Communications Director
Public Records Officer
Main number
Toll-free Citizen Hotline

Brian Sonntag, CGFM
Ted Rutt
Doug Cochran
Jerry Pugnetti
Chuck Pfeil, CPA
Jim Brittain, CPA
Jan Jutte, CPA, CGFM
Ivan Dansereau
Mike Murphy
Mindy Chambers
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
<https://www.sao.wa.gov/EN/News/Subscriptions/>