

Washington State Auditor's Office
Accountability Audit Report

Peninsula School District No. 401
Pierce County

Report Date
February 7, 2013

Report No. 1009225

Issue Date
March 11, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

March 11, 2013

Board of Directors
Peninsula School District No. 401
Gig Harbor, 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 Peninsula School District No. 401'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,

TROY KELLEY
STATE AUDITOR

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Pierce County
February 7, 2013**

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Audit Summary

Peninsula School District No. 401
Pierce County
February 7, 2013

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Peninsula School District No. 401 from September 1, 2011 through August 31, 2012.

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:

- Financial condition
- Safeguarding of small and attractive assets such as computers
- Procurement
- General disbursements
- Booster club
- Associated Student Body fundraisers
- Student store
- Lunch cash receipting
- Payroll
- Bond compliance

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

**Peninsula School District No. 401
Pierce County
February 7, 2013**

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

Peninsula School District No. 401 Pierce County February 7, 2013

ABOUT THE DISTRICT

Peninsula School District No. 401, located in Pierce County, provides educational services to about 9,000 students in preschool through 12th grade. The District provides services including basic education, bilingual education, special education, pupil transportation and food services out of 15 schools.

An elected, five-member Board of Directors governs the District. Board Members serve staggered, four-year terms. The Board appoints a Superintendent to oversee the District's daily operations as well as its approximately 1,175 employees. For the 2011-2012 school year, the District operated on a general fund budget of approximately \$83 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:	Wendy Wojtanowicz Matthew Wilkinson Rand Wilhelmsen Jill Uddenberg (resigned September 2012) Harlan Gallinger (effective December 2012) Rick Jones (effective December 2011)
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APPOINTED OFFICIALS

Superintendent	Charles Cuzzetto
Chief Financial Officer	Karen Andersen

DISTRICT CONTACT INFORMATION

Address: Peninsula School District No. 401
14015 62nd Avenue N.W.
Gig Harbor, WA 98335

Phone: (253) 530-1000

Website: www.peninsula.wednet.edu

AUDIT HISTORY

We audit the District annually. The 2007 audit contained two findings regarding special education procurement and Title I supplemental educational services. The District has since resolved these findings and has been free of findings for the last five audits.



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 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 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 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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