

Washington State Auditor's Office
Accountability Audit Report

Bainbridge Island School District No. 303
Kitsap County

Report Date
April 10, 2014

Report No. 1011695

Issue Date
April 24, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

April 24, 2014

Board of Directors
Bainbridge Island School District No. 303
Bainbridge Island, 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 Bainbridge Island School District No. 303'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

Table of Contents

Bainbridge Island School District No. 303
Kitsap County
April 10, 2014

Audit Summary.....	1
Related Reports.....	2
Description of the District.....	3

Audit Summary

Bainbridge Island School District No. 303
Kitsap County
April 10, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Bainbridge Island School District No. 303 from September 1, 2011 through August 31, 2013.

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:

- Teacher education and experience (staff mix) reporting
- Bainbridge Island Schools Foundation
- Change order testing
- Disbursements
- Financial condition
- Transportation

RESULTS

In most areas, the District complied with state laws and regulations and its own policies and procedures.

However, we noted certain matters that we communicated to District management. We appreciate the District's commitment to resolving those matters.

Related Reports

Bainbridge Island School District No. 303
Kitsap County
April 10, 2014

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 program, which is listed in the Federal Summary section of the financial statement and single audit report.

Description of the District

Bainbridge Island School District No. 303 Kitsap County April 10, 2014

ABOUT THE DISTRICT

Bainbridge Island School District No. 303 provides education services to approximately 3,782 students in kindergarten through 12th grade. The District operates three elementary schools, one intermediate school, one middle school, one main high school and an array of optional programs, including a multiage program and a second smaller high school.

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 276 certificated and 225 classified employees. For the 2012-2013 fiscal year, the District operated on annual expenses of \$50.8 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Mike Spence
Sheila Jakubik
Patty Fielding
Timothy Kinhead
Mev Hoberg
Mary Curtis (through November 2013)
John Tawresey (through March 2012)

APPOINTED OFFICIALS

Superintendent

Faith Chapel

DISTRICT CONTACT INFORMATION

Address: Bainbridge Island School District No. 303
8489 Madison Avenue N.E.
Bainbridge Island, WA 98110-2999

Phone: 206-780-1061

Website: www.bisd303.org

AUDIT HISTORY

We audit the District's financial statements and perform a federal single audit annually. We audit the District for accountability of public resources and legal compliance biennially. There have been no findings for the past seven years.

District management has been responsive to audit recommendations and has taken steps to make improvements and correct areas of concern noted in prior audits. We believe this reflects the District's commitment to maintaining a strong financial system with sufficient internal controls.



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.

We 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.

State Auditor
Chief of Staff
Director of Performance and State Audit
Director of Local Audit
Deputy Director of State Audit
Deputy Director of Local Audit
Deputy Director of Local Audit
Deputy Director of Performance Audit
Deputy Director of Quality Assurance
Deputy Director of Communications
Local Government Liaison
Public Records Officer
Main number
Toll-free Citizen Hotline

Troy Kelley
Doug Cochran
Chuck Pfeil, CPA
Kelly Collins, CPA
Jan M. Jutte, CPA, CGFM
Sadie Armijo
Mark Rapozo, CPA
Lou Adams, CPA
Barb Hinton
Thomas Shapley
Mike Murphy
Mary Leider
(360) 902-0370
(866) 902-3900

Website
Subscription Service

www.sao.wa.gov
portal.sao.wa.gov/saportal/Login.aspx