



Washington State Auditor's Office

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Accountability Audit Report

Valley School District No. 70

Stevens County

For the period September 1, 2013 through August 31, 2015

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Washington State Auditor's Office

May 26, 2016

Board of Directors
Valley School District No. 70
Valley, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the District's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

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AUDIT SUMMARY

Results in brief

In the areas we audited, District operations complied with applicable requirements and provided adequate safeguarding of public resources. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of Valley School District No. 70 from September 1, 2013 through August 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the District's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Insurance/risk management (self-insurance)
- Financial condition
- Associated Student Body activities
- Teacher education and experience (staff mix) reporting
- Payments/expenditures

RELATED REPORTS

Financial

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

Other reports

We have conducted a separate audit to examine the District's compliance with Alternative Learning Experience (ALE) requirements. That separate report also includes the status of findings contained in the prior year audit report relating to the District's compliance with ALE requirements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Valley School District No. 70 provides educational services to approximately 224 kindergarten through eighth grade students in its traditional classrooms. The District hosts a cooperative onsite high school, Paideia High School, comprised of five non-high school districts serving an average of 48 students. Columbia Virtual Academy is the District's online and parent partnership program serving approximately 460 choice students from across Washington State. The District's Valley Early Learning Center serves 28 preschool students and provides childcare services to an average of eight children ages 12 to 36 months. The District also operates the VL Transport Center Cooperative, which is a state-of-the-art transportation facility providing mechanical and fuel services for 12 school districts.

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 115 employees. For the years under audit, the District operated on annual General Fund budgets of approximately \$10.5 and \$10.2 million for 2014 and 2015, respectively.

Contact information related to this report	
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Information current as of report publish date.

Audit history

You can find current and past audit reports for Valley School District No. 70 at <http://portal.sao.wa.gov/ReportSearch>.

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 to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

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