

Washington State Auditor's Office
Accountability Audit Report

**Whatcom County Council of
Governments**

Audit Period
January 1, 2001 through December 31, 2001

Report No. 63784

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Washington
State Auditor
Brian Sonntag

Audit Summary

Whatcom County Council of Governments January 1, 2001 through December 31, 2001

ABOUT THE AUDIT

This report contains the results of our independent audit of the Whatcom County Council of Governments for the period of January 1, 2001, through December 31, 2001.

We performed audit procedures to determine whether the Council complied with state laws and regulations and its own policies and procedures. We also evaluated the internal controls established by the Council's management. Our work focused on specific areas that have potential for abuse and misuse of public resources.

RESULTS

The Council complied with state laws and regulations and its own policies and procedures in the areas we examined.

RELATED REPORTS

Our opinion on the Council's financial statements and compliance with federal requirements is provided in a separate report, which includes the Council's financial statements.

CLOSING REMARKS

We thank Council officials and personnel for their assistance and cooperation during the audit.

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Non-Voting Members:

Sudden Valley Association
The Opportunity Council
Birch Bay Chamber of Commerce
Whatcom Transportation Authority

Dave Olson
Kay Sardo
George Astler
Richard Walsh

Executive Director

James Miller

ADDRESS

Council

314 East Champion Street
Bellingham, WA 98225

Description of the Council

Whatcom County Council of Governments January 1, 2001 through December 31, 2001

ABOUT THE COUNCIL

The Whatcom County Council of Governments coordinates projects primarily relating to transportation issues that affect multiple levels of government. The Council had an operating budget of \$1,528,773 in 2001. The Council employs 10 full-time staff and one hourly/temporary staff.

The Council is governed by an Executive Board, which reports to the Council. The Executive Board carries out the day-to-day responsibilities of the Council. The Council meets on a quarterly basis to adopt budgets and policies. Mayors, executives, commissioners, and council members of local governments serve as Board Members. The Council receives its funding from local dues and state, federal and local grants.

AUDIT HISTORY

We audit the Council annually. The past five audits have reported no findings.

ELECTED OFFICIALS

These officials served during the audit period:

Executive Board:

Bellingham City Council	Bob Ryan, Chair
Mayor, City of Lynden	Daryl Brennick, Vice-Chair
Everson City Council	Joy Monjure, Secretary/Treasurer
Whatcom County Executive	Pete Kremen
Mayor, City of Bellingham	Mark Asmundson
Mayor, Blaine City Council	Dieter Schugt
Whatcom County Council	Bob Imhof
Port of Bellingham	Doug Smith

Full Council – Includes the Executive Board Members plus the following:

Bellingham City Council	Barbara Ryan
Whatcom County Council	Sam Crawford
Mayor, City of Nooksack	Jim Ackerman
Mayor, City of Sumas	Don Peterson
Mayor, City of Ferndale	Carolyn Jensen
Birch Bay Water and Sewer District	Pat Alesse
Water District No.10	Tom Hadd

Audit Areas Examined

Whatcom County Council of Governments January 1, 2001 through December 31, 2001

In keeping with general auditing practices, we do not examine every portion of the Whatcom County Council of Governments' financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Council were examined during this audit period:

ACCOUNTABILITY OF PUBLIC ASSETS

We evaluated the Council's accountability in the following areas:

- Cash receipts
- Purchases of goods and services
- Travel expenses
- Petty cash/advanced travel
- Payroll
- Safeguarding of assets
- Insurance and bonding

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Open Public Meetings Act
- Timely and intact deposits
- Allowable expenditures
- State grants
- Conflicts of interest
- Budget compliance

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal requirements, as applicable, for the Council's major federal program, which is listed in the Federal Summary section of the financial statement and federal single audit report.

FINANCIAL AREAS

Our opinion on the Council's financial statements is provided in a separate report, which includes the Council's financial statements and other required financial information. The financial activity and balances were examined, which included a review of:

- Cash and investments
- Revenues
- Expenditures
- Overall presentation of the financial statements and schedules