Whatcom Council of Governments
Whatcom County

Audit Period
January 1, 2002 through December 31, 2003

Report No. 67177

Issue Date
September 3, 2004
Audit Summary

Whatcom Council of Governments
Whatcom County
January 1, 2002 through December 31, 2003

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Whatcom Council of Governments for the period January 1, 2002, through December 31, 2003.

We performed audit procedures to determine whether the Council complied with state laws and regulations and its own policies and procedures. Our work focused on specific areas that have potential for abuse and misuse of public resources.

RESULTS

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

RELATED REPORTS

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

CLOSING REMARKS

We appreciate the Council's prompt attention to resolve prior audit issues and its commitment to ensure compliance with conditions reported this audit. We thank Council officials and personnel for their assistance and cooperation during the audit.
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Description of the Council

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ABOUT THE COUNCIL

The Whatcom Council of Governments is an intergovernmental organization that serves as a coordinator for projects primarily relating to transportation issues that affect multiple levels of government. The Council had operating expenditures of $1.4 million.

The governing officials of the Council consist of an Executive Board and Full Council. The Executive Board meets on a monthly basis to carry out the responsibilities of the day-to-day Council activities. The Full 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 along with state, federal and local grants.

AUDIT HISTORY

We audit the Council annually. The past five audits have been free of findings.

ELECTED OFFICIALS

These officials served during the audit period:

Executive Board (2003):
- Bellingham City Council
- Mayor, Blaine
- Port of Bellingham
- Whatcom County Executive
- Mayor, Bellingham
- Whatcom County Council
- Mayor, Lynden
- Nooksack City Council

Bob Ryan, Chair
Dieter Schugt
Ginny Benton
Pete Kremen
Mark Asmundson
Sam Crawford
Jack Louws
Jess Reeves, Sr.

Full Council (2003):
- Everson City Council
- Sumas City Council
- Ferndale City Council
- Bellingham City Council
- Whatcom County Council
- Whatcom County Water District No. 10
- Birch Bay Water and Sewer District
- Everson City Council

Matt Lagerwey
Dennis Holmstrom
Mike Reilly
Barbara Ryan
Seth Fleetwood
Tom Hadd
Pat Alesse
Joy Monjure
Executive Board (2002):
  Bellingham City Council
  Mayor, Blaine
  Port of Bellingham
  Whatcom County Executive
  Mayor, Bellingham
  Whatcom County Council
  Mayor, Lynden
  Mayor, Ferndale

Bob Ryan
Dieter Schugt
Ginny Benton
Pete Kremen
Mark Asmundson
Sam Crawford
Jack Louws
Carolyn Jensen

Full Council (2002):
  Everson City Council
  Sumas City Council
  Nooksack City Council
  Bellingham City Council
  Whatcom County Council
  Whatcom County Water District No. 10
  Birch Bay Water and Sewer District

Matt Lagerwey
Dennis Holmstrom
Jess Reeves, Sr.
Barbara Ryan
Dan McShane
Tom Hadd
Pat Alesse

APPOINTED OFFICIALS

Executive Director
James Miller

ADDRESS

Council
314 East Champion
Bellingham, WA 98225
Audit Areas Examined

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In keeping with general auditing practices, we do not examine every portion of the Whatcom 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 FOR PUBLIC RESOURCES

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

- Cash receipting and revenues
- Fixed assets
- Purchase of goods and services

LEGAL COMPLIANCE

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

- Required financial schedules
- Risk management
- Ethics/conflict of interest laws
- Open Public Meetings Act
- Travel expenses
- State grants
- Allowable expenditures

FEDERAL PROGRAMS

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

FINANCIAL AREAS

Our opinion on the Council's financial statements is provided in a separate report. That report includes the Council's financial statements and other required financial information. We examined the financial activity and balances of the Council including:

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