



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Jefferson County Fire Protection

District No. 2

(Quilcene Fire Rescue)

For the period January 1, 2011 through December 31, 2013

Published February 5, 2015

Report No. 1013573





Washington State Auditor

Troy Kelley

February 5, 2015

Board of Commissioners
Quilcene Fire Rescue
Quilcene, 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,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

TABLE OF CONTENTS

Audit Summary.....	4
Status of Prior Audit Findings.....	5
Information About The District.....	6
About The State Auditor's Office.....	7

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 the Quilcene Fire Rescue from January 1, 2011 through December 31, 2013.

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:

- Payroll/personnel
- Foundations and associations
- Procurement (purchases)
- Procurement (professional services)
- Open public meeting minutes
- Safeguarding of small and attractive assets
- Department of Natural Resources timber sales revenue

STATUS OF PRIOR AUDIT FINDINGS

The status of findings contained in the prior years' audit reports of Quilcene Fire Rescue is provided below:

1. The District could not support the retirement service credits reported for its Chief Organizational Officer.

Report No. 1005799, dated March 22, 2011

Background

In January 2010, the District created a position of Chief Organizational Officer (COO) to review the former Chief's computer files to determine if public records were properly retained. No job description or contract was created to address deliverables, timesheet documentation or determine who would have oversight responsibilities for the work.

In February 2010, the Board approved a resolution enabling it to join the Washington Public Employees' Retirement System (PERS) with a retroactive start date of December 2009. The COO was the only District employee to join the system. The District reported to PERS that the COO spent 92 hours per month fulfilling the duties of the position. However, he did not document his hours worked as COO so it was unknown whether he worked the reported monthly hours to receive retirement service credits he earned during his eight months as COO.

Status

The condition reported during the 2010 audit has been resolved. Management worked with PERS, who in turn refunded all monies relating to this issue back to the District. The District kept those credits and decided not to refund the prior Commissioner. The District has also implemented stronger internal controls over contracted employees and tracking, recording and maintaining payroll records.

INFORMATION ABOUT THE DISTRICT

Jefferson County Fire Protection District No. 2 provides fire protection, suppression and emergency services to the citizens of Quilcene, Coyle and the surrounding areas in Jefferson County.

The District is governed by an elected, three-member Board of Commissioners. The Board appoints a Fire Chief to oversee the District's daily operations as well as its two employees and approximate 30 volunteers. Annual revenue for the District is approximately \$370,000.

Contact information related to this report

Address:	Quilcene Fire Rescue P.O. Box 433 Quilcene, WA 98376
Contact:	Jean Morris, Secretary
Telephone:	(360) 765-3333

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Quilcene Fire Rescue 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.

Contact information for the State Auditor's Office	
Deputy Director for Communications	Thomas Shapley Thomas.Shapley@sao.wa.gov (360) 902-0367
Public Records requests	(360) 725-5617
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov