

Washington State Auditor's Office
Accountability Audit Report

Washington Counties Risk Pool
Thurston County

Audit Period
October 1, 2001 through September 30, 2002

Report No. 64366

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Washington
State Auditor
Brian Sonntag

Audit Summary

Washington Counties Risk Pool Thurston County October 1, 2001 through September 30, 2002

ABOUT THE AUDIT

This report contains the results of our independent audit of the Washington Counties Risk Pool for the period October 1, 2001, through September 30, 2002.

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

RESULTS

The Risk Pool complied with state laws and regulations and its own policies and procedures. Internal controls were adequate to safeguard public assets.

RELATED REPORTS

Our opinion on the Risk Pool's financial statements is provided in a separate report, which includes the Risk Pool's financial statements.

CLOSING REMARKS

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

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Description of the Risk Pool

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ABOUT THE RISK POOL

The Washington Counties Risk Pool provides comprehensive and economical insurance coverage and risk management assistance to 25 member counties. An Executive Director, who reports to a nine-member Executive Committee, administers day-to-day operations. Executive Committee Members are elected to staggered three-year terms. The Risk Pool operates on a \$1,014,738 annual budget and has nine employees.

AUDIT HISTORY

We audit the Risk Pool annually. Management has been responsive to prior audit recommendations. Audit concerns are often discussed, addressed and resolved before completion of our audit. Because of its assertive style of problem solving, the Risk Pool has had no findings since its inception in 1988.

ELECTED OFFICIALS

These officials served during the audit period:

Executive Committee:

President

Secretary - Treasurer

David Goldsmith

Steve M. Lowe

Marilyn Breckel

Melina Wenner

Mike Shelton

Vyrle L. Hill

Ronald S. Zirkle

Rose Elway

Leon Long

Si A. Stephens

APPOINTED OFFICIALS

Executive Director

John Crawford

ADDRESS

Risk Pool

205 Clark Place Southeast

Tumwater, WA 98501

(360) 586-7447

Audit Areas Examined

Washington Counties Risk Pool Thurston County October 1, 2001 through September 30, 2002

In keeping with general auditing practices, we do not examine every portion of the Washington Counties Risk Pool's 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 Risk Pool were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the Risk Pool's accountability in the following areas:

- Assessment billing and receipting
- Claim and administrative expenditures
- Property and equipment
- Payroll

LEGAL COMPLIANCE

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

- Conflict of interest laws
- Open Public Meetings Act
- Budgeting requirements

FINANCIAL

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

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