

Washington State Auditor's Office
Accountability Audit Report

**Island County Fire Protection District
No. 5
(Central Whidbey Island Fire and
Rescue)**

Report Date
December 10, 2012

Report No. 1009511

Issue Date
April 22, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

April 22, 2013

Board of Commissioners
Central Whidbey Island Fire and Rescue
Coupeville, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your District to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on Central Whidbey Island Fire and Rescue's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

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

TROY KELLEY
STATE AUDITOR

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Island County
December 10, 2012**

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Audit Summary

Central Whidbey Island Fire and Rescue Island County December 10, 2012

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Central Whidbey Island Fire and Rescue from January 1, 2009 through December 31, 2011.

We evaluated internal controls and performed audit procedures on the activities of the District. We also determined whether the District complied with state laws and regulations and its own policies and procedures.

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 noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Safeguarding of assets
- Credit cards
- Bid law
- Open Public Meetings Act

RESULTS

In the areas we examined, the District's internal controls were adequate to safeguard public assets. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Description of the District

Central Whidbey Island Fire and Rescue Island County December 10, 2012

ABOUT THE DISTRICT

Island County Fire Protection District No. 5, doing business as Central Whidbey Island Fire and Rescue, serves a 50 square-mile area of Whidbey Island from Penn Cove to the north end of Freeland, with a population of 10,000 citizens. The District provides emergency services in the form of fire suppression, emergency medical service at the basic life support level, marine rescue and high angle rescue. The District operates three fire stations.

An elected, three-member Board of Commissioners governs the District. The Board appoints a Fire Chief to oversee the District's daily operations as well as its eight full-time and seven part-time employees and 20 volunteer firefighters and emergency medical technicians. For fiscal years 2009, 2010 and 2011, the District received annual revenue of approximately \$1.3 million, \$1.5 million and \$1.5 million, respectively.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Tom Smith, Chair
Paul Messner
Cheryl Engle

APPOINTED OFFICIALS

Fire Chief

Ed Hartin

DISTRICT CONTACT INFORMATION

Address: Central Whidbey Island Fire and Rescue
1164 Race Road
Coupeville, WA 98239-4013

Phone: (360) 678-3602

Website: www.cwfire.org

AUDIT HISTORY

We audit the District every three years. This audit marked the fourth consecutive audit no findings were reported for the District.



Island County Fire Protection District No. 5 Exit Conference April 8, 2013

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Meeting Agenda

The purpose of our exit conference is to share the results of our independent audit and to provide a forum for open discussion. We are pleased to review our draft report and discuss other topics as listed below with you.

- Accountability audit report
- Recommendations not included in our audit reports
- Status of prior audit recommendations
- Report publication
- Your next scheduled audit
- Customer service survey

Preliminary audit results and recommendations were shared in detail with District management and personnel as they were developed during the audit. We would like to thank staff for their cooperation and timely response to our requests during the audit.

We take seriously our responsibility of serving citizens by promoting accountability, fiscal integrity and openness in state and local government. We believe it is critical to citizens and the mission of the District that we work together as partners in accountability to prevent problems and constructively resolve issues. As such, we encourage your comments and questions.

Accountability Audit

Report

Our draft accountability report summarizes the results of our risk-based audit work related to safeguarding of public resources and legal compliance. The report does not include any findings.

Recommendations not included in the Audit Reports

Exit Items

We have provided the following exit recommendation for management's consideration. It is not referenced in the audit report.

Safeguarding of assets

We reviewed the District's internal controls and inventory policies and procedures for safeguarding of assets. We found that although the District does have an informal process in place and a draft inventory policy and procedures manual, the manual has not been approved by the Board of Commissioners. Because of this, the last comprehensive inventory at the District was taken in 2008. In addition, we found the District uses four different report types and were not consistent with how items were identified in the reports. Without consistent inventory policies and procedures, the District increases its risk of misappropriation of assets.

We recommend the District improve their internal controls over how they monitor assets. Specifically, we recommend the District approve inventory policies and procedures, complete a comprehensive inventory at least every two years, and use a standard report to identify all inventory items in order to reduce the risk of misappropriation.

Status of Prior Audit Recommendations

Prior Management Letter Items	Resolved	Unresolved
Procurement	X	
Prior Exit Items	Resolved	Unresolved
Restitution	X	
Safeguarding of assets		X

Concluding Comments

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: www.sao.wa.gov/EN/News/Subscriptions

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in the fall of 2015 and will cover the following general areas:

- Accountability for Public Resources

The estimated cost for the next audit based on the current billing rate is \$5016, plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

If expenditures of federal awards are \$500,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Customer Service Survey

An invitation to complete a customer service survey will be emailed to Ed Hartin, Fire Chief. Your feedback is important to our commitment to continually develop and improve our audit process.

Please don't hesitate to contact our Office throughout the year when you have questions. Our website also offers many resources, including a client HelpDesk for your auditing and accounting questions.

