

Washington State Auditor's Office
Accountability Audit Report

North Olympic Library System
Clallam County

Report Date
November 15, 2010

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Issue Date
January 18, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

January 18, 2011

Board of Trustees
North Olympic Library System
Port Angeles, 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 the North Olympic Library System'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,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Clallam County
November 15, 2010**

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Audit Summary

North Olympic Library System Clallam County November 15, 2010

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the North Olympic Library System from January 1, 2008 through December 31, 2009.

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:

- Cash receipting
- Contracts – foundations
- Procurement (bidding/prevaling wage)
- Payroll/personnel
- Conflict of interest/ethics laws
- Credit cards
- Petty cash/imprest funds

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.

Related Reports

**North Olympic Library System
Clallam County
November 15, 2010**

FINANCIAL

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

Description of the District

North Olympic Library System Clallam County November 15, 2010

ABOUT THE DISTRICT

The North Olympic Library System serves approximately 71,000 citizens in Clallam County. It provides services in libraries located in Port Angeles, Sequim, Forks and Clallam Bay.

An appointed, five-member Board of Trustees governs the District. Board Members are appointed by the Clallam County Commissioners. The Board appoints a Director to oversee the District's daily operations as well as its 60 employees. For the years under audit, the District operated on annual budgets of approximately \$3.2 million.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Trustees:

Don Zanon
Elaine Fredrickson
Nina Pitts
Jim Roberts
Meghan Tuttle
Paula Barnes

Director

DISTRICT CONTACT INFORMATION

Address: North Olympic Library System
2210 S. Peabody
Port Angeles, WA 98362

Phone: (360) 417-8500

Website: www.nols.org

AUDIT HISTORY

We audit the District once every two years. The District had no audit findings in past audits. Management has been very responsive to prior audit recommendations. We believe this reflects the District's assertive style in maintaining a strong financial system with adequate internal controls.



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.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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