

**Washington State Auditor's Office**  
**Accountability Audit Report**

---

**Washington Counties Risk Pool**  
**Thurston County**

Report Date  
**February 18, 2010**

**Report No. 1003227**

Issue Date  
**March 29, 2010**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

March 29, 2010

Board of Directors  
Washington Counties Risk Pool  
Tumwater, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with your Pool 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 Washington Counties Risk Pool'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

# **Table of Contents**

**Washington Counties Risk Pool  
Thurston County  
February 18, 2010**

Audit Summary .....	1
Related Reports .....	2
Description of the Pool.....	3

# Audit Summary

## Washington Counties Risk Pool Thurston County February 18, 2010

### **ABOUT THE AUDIT**

This report contains the results of our independent accountability audit of the Washington Counties Risk Pool for the period from October 1, 2008, through September 30, 2009.

We evaluated internal controls and performed audit procedures on the activities of the Pool. We also determined whether the Pool 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:

- Open Public Meetings Act
- Payroll
- Assessment revenue
- Solvency
- Disbursements
- Premium expense
- Premium receivable
- Claims administration

### **RESULTS**

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

## **Related Reports**

**Washington Counties Risk Pool  
Thurston County  
February 18, 2010**

### ***FINANCIAL***

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

### ***OTHER REPORTS***

During the current audit period, the State Auditor's Office issued a report in July 2009 regarding misappropriation of public funds at the Pool. That report is available on our Web site, [www.sao.wa.gov](http://www.sao.wa.gov).

# Description of the Pool

## Washington Counties Risk Pool Thurston County February 18, 2010

### **ABOUT THE POOL**

The Washington Counties Risk Pool was established to provide its member counties with joint programs and services including self insurance, purchasing of insurance and contracting for or hiring of personnel to provide administrative services, claims handling and risk management.

The Pool is governed by a Board of Directors consisting of one representative designated by each member county. Its day-to-day operations are administered by the Board-appointed Executive Director who reports to an 11-member Executive Committee and the Board. The Pool operates on an annual operating budget of approximately \$1.78 million and has nine employees.

### **OFFICERS/EXECUTIVE COMMITTEE**

These officials served during the audit period:

Executive Committee:  
President  
Secretary-Treasurer

Mark Abernathy, Kitsap County  
Jay Winter, Walla Walla County  
Keith Goehner, Chelan County  
Steven Clem, Douglas County  
Neva Corkrum, Franklin County  
(through December 31, 2008)  
Rose Elway, Grays Harbor County  
F. Lee Grose, Lewis County  
Andrew Lampe, Okanogan County  
(from March 27, 2009)  
Marilyn Butler, Skamania County  
Steve Bartel, Spokane County  
Tammy Devlin, Thurston County  
Randall Watts, Whatcom County

### **APPOINTED OFFICIALS**

Executive Director  
Auditing and Accounting Officer

Vyrle Hill  
Sue Colbo

## ***POOL CONTACT INFORMATION***

Address: Washington Counties Risk Pool  
2558 R.W. Johnson Road S.W., Suite 106  
Tumwater, WA 98512-6103

Phone: (360) 292-4500

Web site: [www.wcrp.info](http://www.wcrp.info)

## ***AUDIT HISTORY***

We audit the Pool on an annual basis. The Pool has not received a finding since its inception in 1988.



## **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.

**State Auditor**  
**Chief of Staff**  
**Deputy Chief of Staff**  
**Chief Policy Advisor**  
**Director of Audit**  
**Director of Special Investigations**  
**Director for Legal Affairs**  
**Director of Quality Assurance**  
**Local Government Liaison**  
**Communications Director**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Brian Sonntag, CGFM**  
**Ted Rutt**  
**Doug Cochran**  
**Jerry Pugnetti**  
**Chuck Pfeil, CPA**  
**Jim Brittain, CPA**  
**Jan Jutte, CPA, CGFM**  
**Ivan Dansereau**  
**Mike Murphy**  
**Mindy Chambers**  
**Mary Leider**  
**(360) 902-0370**  
**(866) 902-3900**

**Web Site**  
**Subscription Service**

[www.sao.wa.gov](http://www.sao.wa.gov)  
<https://www.sao.wa.gov/EN/News/Subscriptions/>