

Washington State Auditor's Office
Accountability Audit Report

Cascade Water Alliance
King County

Report Date
January 24, 2013

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March 11, 2013



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

March 11, 2013

Board of Directors
Cascade Water Alliance
Bellevue, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your Alliance 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 Cascade Water Alliance'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,

TROY KELLEY
STATE AUDITOR

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King County
January 24, 2013**

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Audit Summary

**Cascade Water Alliance
King County
January 24, 2013**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Cascade Water Alliance from January 1, 2011 through December 31, 2011.

We evaluated internal controls and performed audit procedures on the activities of the Alliance. We also determined whether the Alliance 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
- Credit cards
- Procurement - purchases

RESULTS

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

Related Reports

**Cascade Water Alliance
King County
January 24, 2013**

FINANCIAL

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available from the Alliance.

Description of the Alliance

Cascade Water Alliance King County January 24, 2013

ABOUT THE ALLIANCE

The Cascade Water Alliance, created in 1999, is a regional municipal corporation located in Bellevue. The Alliance's membership consists of municipalities and water districts, organized to coordinate and plan cooperatively with other regional water providers and local nonmember water utilities to maximize supply availability and to minimize system costs. The Alliance supplies over 350,000 King County residents and 22,000 businesses in Bellevue, Kirkland, Redmond, Issaquah, Sammamish, Tukwila, and Skyway, which is nearly 50 percent of retail water sales in King County outside of Seattle.

The Alliance is governed by a Board of Directors that consists of seven elected officials appointed from member entities. Operating expenditures for 2011 totaled \$28.5 million. The Alliance has 11 full-time employees.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Skyway Water and Sewer District	Jon Ault, President
Covington Water District	David Knight, Commissioner
Sammamish Plateau Water and Sewer District	Lloyd Warren, Commissioner
City of Bellevue	Grant Degginger, Council Member
City of Tukwila	Jim Haggerton, Mayor
City of Redmond	John Marchione, Mayor
City of Issaquah	John Traeger, Council Member
City of Kirkland	Penny Sweet, Council Member

APPOINTED OFFICIALS

Chief Executive Officer	Chuck Clarke
Director of Finance and Administration	Scott Hardin

ALLIANCE CONTACT INFORMATION

Address: Cascade Water Alliance
520 112th Avenue N.E., Suite 400
Bellevue, WA 98004

Phone: (425) 453-1524

Website: www.cascadewater.org

AUDIT HISTORY

We audit the Alliance annually. The 2005 audit covered a three-year period and was the first audit of the Alliance. The Alliance has been free of findings since its inception.



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 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 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 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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