

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

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**Jefferson County Public Transportation  
Benefit Area  
(Jefferson Transit)**

Report Date  
**May 16, 2013**

**Report No. 1009915**

Issue Date  
**June 10, 2013**



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



**Washington State Auditor  
Troy Kelley**

June 10, 2013

Board of Commissioners  
Jefferson Transit  
Port Townsend, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with your Authority 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 Jefferson Transit'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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Jefferson County  
May 16, 2013**

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# **Audit Summary**

**Jefferson Transit  
Jefferson County  
May 16, 2013**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Jefferson Transit from January 1, 2012 through December 31, 2012.

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

- Contracts/ interlocal agreements
- Payroll/personnel
- Credit cards and accounts
- Payments/expenditures travel
- Compliance with grant requirements

## ***RESULTS***

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

## **Related Reports**

**Jefferson Transit  
Jefferson County  
May 16, 2013**

### ***FINANCIAL***

Our opinion on the Authority's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Authority's financial statements.

### ***FEDERAL GRANT PROGRAMS***

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Authority's major federal program, which is listed in the Federal Summary section of the financial statement and single audit report.

# Description of the Authority

Jefferson Transit  
Jefferson County  
May 16, 2013

## **ABOUT THE AUTHORITY**

The Jefferson County Public Transportation Benefit Area, doing business as Jefferson Transit, is a public transit system that began service in May 1981. The Authority provides fixed route bus service along routes throughout Jefferson County including the west end of the county and the city of Port Townsend. In addition, the Authority provides the dial-a-ride program, for customers who are unable to use conventional bus route service, demand response service, and ride sharing in Jefferson County. For the past eight years, the Authority has offered bus service around the Olympic Peninsula loop. A five-member Board of Commissioners governs the Authority. The Board consists of two City Council Members from the City of Port Townsend and three Jefferson County Commissioners. The Board appoints a General Manager to oversee the Authority's daily operations as well as its 42 employees. The Authority is primarily supported through passenger and other transit charges, sales tax revenue and various local, state and federal contributions and grant programs. For fiscal year 2012, the Authority had operating expenses of approximately \$4.2 million. The JTA had 4.1 million in non-operating revenues in fiscal year 2012 (3.3 mil. in Sales Tax).

## **ELECTED OFFICIALS**

These officials served during the audit period:

County Commissioners:

Phil Johnson  
David Sullivan  
John Austin

City Council Members:

Catharine Robinson  
Robert Gray

## **APPOINTED OFFICIALS**

General Manager:  
Finance Manager:

Tammi Rubert  
Sara Crouch

## ***AUTHORITY CONTACT INFORMATION***

Address: Jefferson Transit  
1615 W. Sims Way  
Port Townsend, WA 98368-3090

Phone: (360) 385-3020 x120

Website: [www.jeffersontransit.com](http://www.jeffersontransit.com)

## ***AUDIT HISTORY***

We audit the Authority every two years. In the last 21 years, the Authority has been free of audit findings. Management has been responsive to prior audit recommendations. Audit concerns are often discussed, addressed and resolved before completion of our audit. We believe this reflects the Authority's assertive style in maintaining a strong financial system with adequate internal controls.



## **ABOUT THE STATE AUDITOR'S OFFICE**

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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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**Chuck Pfeil, CPA**  
**Larisa Benson**  
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