

Washington State Auditor's Office
Accountability Audit Report

**Cultural Development Authority of King
County
(4Culture)**

Report Date
October 17, 2011

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October 31, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

October 31, 2011

Board of Directors
4Culture
Seattle, 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 4Culture'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

**4Culture
King County
October 17, 2011**

Audit Summary 1

Related Reports 2

Description of the Authority 3

Audit Summary

4Culture
King County
October 17, 2011

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the 4Culture from January 1, 2010 through December 31, 2010.

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:

- General disbursements
- Safeguarding of public resources
- Conflict of interest/ethics laws

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

**4Culture
King County
October 17, 2011**

FINANCIAL

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

Description of the Authority

4Culture
King County
October 17, 2011

ABOUT THE AUTHORITY

The Cultural Development Authority of King County, doing business as 4Culture, was established January 1, 2003, by the King County Council. The Authority was established to further the goals and objectives of the King County Comprehensive Plan, to establish cultural resource policies and to operate in a manner that ensures King County citizens and visitors have access to high-quality cultural programs and experiences.

The Authority's Board of Directors is composed of 15 directors and five ex-officio members. The Director's are appointed by the King County Executive and subject to confirmation by the King County Council. The ex-officio members are three designated King County Council Members, one designated County Executive staff member and the Authority's Executive Director.

The Authority administers public art programs, cultural programs, and funding programs in arts and heritage, including cultural education, sustained support, cultural facilities and special projects, supported by a portion of King County's hotel/motel tax. The Authority is primarily funded by King County hotel/motel taxes and King County One Percent for Art money. For fiscal year 2010, the Authority operated on an annual budget of approximately \$9.6 million.

APPOINTED OFFICIALS

Board of Directors:

Paul Toliver
Dale Smith
Kenneth V. Noreen
Doug Thatcher
Brian Flaherty
Kevin Carl
Patricia Cosgrove
Bill Finkbeiner
Richardo Frazer
Ted Kutscher
Jennifer Meisner
Skip Rowley
Alan Cornell
Alka Badshah
Kristin Haugen

Ex-Officio Board Members:

Bob Ferguson (King County)
Jane Hague (King County)
Larry Phillips (King County)
Jim Kelly

Executive Director

AUTHORITY CONTACT INFORMATION

Address: 4Culture
101 Prefontaine Place S.
Seattle, WA 98104

Phone: (206) 296-7580

Website: www.4culture.org

AUDIT HISTORY

The Authority was established in January 2003 and we audit the Authority annually. The past five audits of the Authority have reported one area of concern. The 2009 audit contained an internal control finding over financial statement preparation. That finding has been resolved. No findings were reported in 2006, 2007, 2008 or the current 2010 audit.



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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