

## COMPLIANCE AND RISK MANAGEMENT

### Audits

The Trust is subject to audit by the Washington State auditor, and it is the policy of the Trustees to assist as necessary with the audit. The Trust is also audited annually by an independent auditor for purposes of compliance with the Internal Revenue Code. The Trust has decided to assume a risk of loss and will have available for inspection by the state auditor a written report indicating the class of risk or risks the Trustees have decided to assume.

Cross Reference:      Trust Procedure 200.1P      Financial Management

Legal References:      RCW 48.62.031(3)      Authority to self-insure—Options—Risk manager--(3) Every individual and joint self-insurance program is subject to audit by the state auditor.

                                 RCW 48.62.031(5)      Authority to self-insure—Options—Risk manager--(5) A local government entity that has decided to assume a risk of loss must have available for inspection by the state auditor a written report indicating the class of risk or risks the governing body of the entity has decided to assume.

                                 Internal Revenue Code 501(c)(9)

~~Proposed: August, 2005~~

~~Approved~~Adopted: August 29, 2005

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