



Washington State Auditor's Office

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Accountability Audit Report

Pangborn Memorial Airport

Douglas County

For the period January 1, 2014 through December 31, 2015

Published September 26, 2016

Report No. 1017535





Washington State Auditor's Office

September 26, 2016

Board of Commissioners
Pangborn Memorial Airport
East Wenatchee, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Airport operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the Airport's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

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AUDIT SUMMARY

Results in brief

In the areas we audited, Airport operations complied with applicable requirements and provided adequate safeguarding of public resources. The Airport also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of the Pangborn Memorial Airport from January 1, 2014 through December 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the Airport's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Payroll - leave accruals and use
- Self-insurance - unemployment compensation
- Procurement - purchased service contracts

RELATED REPORTS

Financial

Our opinion on the Airport's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Airport's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Airport's major federal program, which is listed in the Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE PORT

Pangborn Memorial Airport is located in Douglas County and offers air transportation service to Wenatchee, East Wenatchee and the surrounding area. A three-member Board of Commissioners, comprised of board members from the Port of Chelan County, governs the Pangborn Memorial Airport. The Board appoints a Director to oversee the Airport's daily operations as well as its 13 full-time and two part-time employees.

The Airport receives operating revenue through user fees and a Joint Operating Agreement with the Ports of Chelan and Douglas counties. For fiscal year 2014, the Airport operated on a budget of \$2,414,840 for Maintenance and Operations and \$7,934,631 for Capital Improvements. For fiscal year 2015, the Airport operated on a budget of \$2,213,273 for Maintenance and Operations and \$14,210,064 for Capital Improvements.

Contact information related to this report	
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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Pangborn Memorial Airport at <http://portal.sao.wa.gov/ReportSearch>.

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.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

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.

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 as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

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