



# Washington State Auditor's Office

Government that works for citizens

## Accountability Audit Report

# Port of Walla Walla

Walla Walla County

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

Published October 27, 2016

Report No. 1017732





## Washington State Auditor's Office

October 27, 2016

Board of Commissioners  
Port of Walla Walla  
Walla Walla, 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 Port 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 Port'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,

A handwritten signature in black ink that reads "Troy X. Kelley". The signature is written in a cursive style.

TROY KELLEY  
STATE AUDITOR  
OLYMPIA, WA

## TABLE OF CONTENTS

Audit Summary .....	4
Related Reports .....	5
Information About The Port.....	6
About The State Auditor’s Office .....	7

## AUDIT SUMMARY

### Results in brief

In the areas we audited, Port operations complied with applicable requirements and provided adequate safeguarding of public resources. The Port 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 Port of Walla Walla from January 1, 2015 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 Port'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:

- Leases
- Airport fuel
- Bond compliance
- Procurement/small works roster
- Vendor payments
- Credit cards
- Self-insurance

## RELATED REPORTS

### Financial

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

### Other reports

During the current audit period, the State Auditor's Office issued a report on agreed-upon procedures performed at the Port. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE PORT

The Port of Walla Walla was formed by voters in 1952 and has bonding authority and taxing powers. In 1989, the Port assumed ownership of the Walla Walla Regional Airport and in 1996 became the lead economic development agency in Walla Walla County. The Port is organized to operate an airport and provide services related to leasing industrial properties and farmland.

An elected, three-member Board of Commissioners governs the Port. Commissioners serve staggered, six year terms. The Board appoints management to oversee the Port's daily operations as well as its 20 full- and part-time employees. For fiscal year 2015, the Port received approximately \$8.3 million in revenue and had \$9.1 million in expenditures.

Contact information related to this report	
Address:	Port of Walla Walla 310 A Street Walla Walla, WA 99362
Contact:	Donna Watts, Auditor/Treasurer
Telephone:	(509) 525-3100
Website:	<a href="http://www.portwallawalla.com">www.portwallawalla.com</a>

*Information current as of report publish date.*

## Audit history

You can find current and past audit reports for the Port of Walla Walla 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.

Contact information for the State Auditor's Office	
Public Records requests	<a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a>
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	<a href="http://www.sao.wa.gov">www.sao.wa.gov</a>