



**Office of the Washington State Auditor  
Pat McCarthy**

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
AGREED UPON PROCEDURES**

Robin Priddy, Control Officer/Executive Director  
Benton Clean Air Agency  
526 S. Steptoe Street  
Kennewick, WA 99336

To the Board of Directors and Management of Benton Clean Air Agency:

We have performed the procedures enumerated below, which were agreed to by the management of Benton Clean Air Agency and the Washington State Department of Ecology, solely to assist the specified parties in evaluating the Agency's Air Operating Permit (AOP) program for the periods ended June 30, 2015 and 2016. The Agency's management is responsible for managing the AOP program and for the accuracy of its financial records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Agreed Upon Procedures**

In relation to the Benton Clean Air Agency's Air Operating Permit (AOP) program:

1. Determine how much AOP revenue was collected each fiscal year.
2. Determine whether AOP fees were computed correctly.

**Results of Procedures**

1. Based on the Agency's records, the following AOP revenue amounts were collected: \$108,251 for fiscal year 2015 and \$110,379 for fiscal year 2016.
2. We used the AOP Fee Allocation spreadsheet and traced amounts to supporting documents to determine

whether AOP fees were computed correctly for each fiscal year. For fiscal year 2015 we noted a variance of \$3,319 due to rounding issues in the calculations, which resulted in an overpayment to the Agency. For fiscal year 2016 there was a cell that was inadvertently added into the calculation, which resulted in a variance of \$14,814 in overpayment to the Agency. Total overpayment for fiscal years 2015 and 2016 amount to \$17,953. This has been communicated to management of the Authority in a separate letter dated February 14, 2017.

3. Determine whether invoices were sent out in a timely manner.
  4. Determine whether billed fees were actually collected.
  5. Determine how the local air authority accounted for AOP fee revenues.
  6. Determine how the local air authority accounted for AOP fee expenses.
  7. Determine whether AOP fee revenues were used only for authorized activities.
3. We reviewed all invoices for fiscal year 2015 and 2016. We noted the following: fiscal year 2015 and 2016 invoices were sent out the first of the following year for both years.
  4. We reviewed all billed fees for each fiscal year. We noted all billed fees were actually collected.
  5. AOP revenue fees are posted to fund #400, which is a unique fund, and were not commingled with any other Agency revenues during the fiscal years 2015 and 2016
  6. We determined AOP fee expenses are accounted for separately in fund 400 during the fiscal year 2015 and 2016 and were not commingled with any other Agency funds.
  7. Based on our review the use of AOP revenue, we determined the majority of the funds were used for payroll/benefits during fiscal year 2015 (80%) and fiscal year 2016 (82%). Travel and Training attributed to five percent for fiscal year 2015 and three percent for fiscal year 2016. Other allowable and authorized use of funds included

Professional services, communication, and overhead charges. We found no exceptions as a result of applying this procedure.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the financial information of the Agency's AOP program. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and Management of the Benton Clean Air Agency and the Department of Ecology and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

A handwritten signature in cursive script that reads "Ginny Waltman".

Ginny Waltman, Audit Manager  
Washington State Auditor's Office  
Kennewick, Washington

February 14, 2017