



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Columbia Irrigation District

For the period October 1, 2016 through September 30, 2017

Published November 5, 2018

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

November 5, 2018

Board of Directors
Columbia Irrigation District
Kennewick, 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 District 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 independent audit report on the District's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

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AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In those selected areas, District operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

About the audit

This report contains the results of our independent accountability audit of the Columbia Irrigation District from October 1, 2016 through September 30, 2017.

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.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. Our audit involved performing procedures to obtain evidence about the District'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, based on our risk assessment for the year ended September 30, 2017, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Procurement – purchases, professional services, public works
- General disbursements
- Vehicle and fuel usage
- Payroll – gross wage recalculation



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Columbia Irrigation District October 1, 2016 through September 30, 2017

This schedule presents the status of findings reported in prior audit periods.

| | | |
|---|------------------------------------|--------------------------------------|
| Audit Period: 10/1/2015 – 9/30/2016 | Report Ref. No.: 1019754 | Finding Ref. No.: 2016-001 |
| Finding Caption: The District did not have adequate controls in place to ensure compliance with state laws on procurement of professional services or public works projects. | | |
| Background: District management is responsible for designing, implementing and maintaining internal controls to ensure compliance with state laws. During the prior two audits, we identified deficiencies in internal control over compliance with state laws on procuring professional services. We provided the District our audit recommendations in a letter to management regarding noncompliance with State law (RCW 39.80.030-050) for engineering services and for not having contracts in place with professional service providers during the fiscal years 2011 and 2012 audit. We followed up on these issues in the fiscal years 2013 and 2014 audit and determined the control deficiencies persisted. We followed up on these issues again in the current audit for fiscal years 2015 and 2016 and determined the control deficiencies persist. | | |
| Status of Corrective Action: (check one) <input checked="" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid | | |
| Corrective Action Taken: <i>The District prepared and is utilizing evaluation forms in the selection of firms for professional service contracts. The District has entered into written contracts with the selected firms.</i> | | |

RELATED REPORTS

Financial

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Columbia Irrigation District was formed in 1917 by property owners in Benton County. The District provides maintenance and operation of irrigation systems within its jurisdiction. Service is provided to approximately 7,400 parcels of land. Property owners are assessed for the costs of operating the District.

An elected, five-member Board of Directors governs the District. Board Members serve staggered, three-year terms. The Board appoints a Secretary-Manager who oversees the District's daily operations as well as its 15 full-time employees. In fiscal year 2017, the District received operating revenue of approximately \$2,570,901.

| 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 Columbia Irrigation District 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 | |
|---|--|
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