



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

## **Accountability Audit Report**

# **Walla Walla Watershed Management Partnership**

**For the period January 1, 2015 through December 31, 2017**

**Published November 15, 2018**

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

November 15, 2018

Board of Directors  
Walla Walla Watershed Management Partnership  
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 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 Walla Walla Watershed Management Partnership from January 1, 2015 through December 31, 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 years ended December 31, 2017, 2016 and 2015, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Financial condition and fiscal sustainability
- Accounts payable – general disbursements
- Payroll – wage recalculation
- Compliance with state grant requirements

## INFORMATION ABOUT THE DISTRICT

Through cooperation and partnership among stakeholders over the past two decades, the Walla Walla Basin has demonstrated a collective commitment to enhance flows and improve water management practices for the benefit of fish, farms, and local communities. Building upon prior successes, the Walla Walla Watershed Management Partnership was legislatively authorized in 2009 as a unique, 10-year pilot local water management program for the State of Washington. The Partnership's innovative program was developed by local stakeholders in cooperation with the Washington State Department of Ecology. This effort builds on the belief that the key to augmenting stream flows for fish is for water users to employ greater local control and flexibility beyond what conventional water management options and regulation can deliver.

The Partnership took shape as a nine-member Board with two advisory committees—the Policy Advisory Group and the Water Resource Panel--and a lean professional staff. The Board and committees collectively provide a unique local governance structure including participation from diverse stakeholders: Water users, environmental interests, Tribes, citizens, governments (local, state and federal), conservation districts, bi-state (Oregon) entities, and higher education. Coordinating in shared governance of local water resources with the Department of Ecology, the Partnership works with water users to develop mutually beneficial outcomes for farms, fish, and communities in the Watershed. Walla Walla Watershed Management Partnership operated on around \$410,000 in revenues in 2015, \$540,000 in revenues in 2016, and \$530,000 in revenues in 2017.

### Contact information related to this report

Address:	Walla Walla Watershed Management Partnership 500 Tausick Way WWCC Water and Environmental Center Walla Walla, WA 99362
Contact:	Chris Hyland, Executive Director
Telephone:	509-524-5217
Website:	<a href="http://www.wallawallawatershed.org">www.wallawallawatershed.org</a>

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for the Walla Walla Watershed Management Partnership 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>