

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Port of Kennewick**  
**Benton County**

Report Date  
**November 15, 2013**

**Report No. 1010780**

Issue Date  
**December 2, 2013**



WASHINGTON  
**TROY KELLEY**  
STATE AUDITOR



**Washington State Auditor  
Troy Kelley**

December 2, 2013

Board of Commissioners  
Port of Kennewick  
Kennewick, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with your Port to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on the Port of Kennewick's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

**TROY KELLEY**  
STATE AUDITOR

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Benton County  
November 15, 2013**

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# Audit Summary

**Port of Kennewick  
Benton County  
November 15, 2013**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Port of Kennewick from January 1, 2010 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the Port. We also determined whether the Port complied with state laws and regulations and its own policies and procedures.

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 noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- General disbursements
- Payroll disbursements
- Travel
- Petty cash/imprest funds
- Procurement – public works
- Compensation of public officials
- Leases
- Conflict of interest
- Cost allocations

## ***RESULTS***

In the areas we examined, the Port's internal controls were adequate to safeguard public assets. The Port also complied with state laws and regulations and its own policies and procedures in the areas we examined.

## Related Reports

**Port of Kennewick  
Benton County  
November 15, 2013**

### ***FINANCIAL***

Our opinion on the Port's financial statements is provided in a separate report, which includes the Port's financial statements.

# Description of the Port

## **Port of Kennewick Benton County November 15, 2013**

### ***ABOUT THE PORT***

The Port of Kennewick was formed in 1915 with the primary mission being to foster economic development. The Port boundaries encompass the cities of Kennewick and West Richland, the portion of Richland located south of the Yakima River and the surrounding areas of Benton County.

The Port is governed by an elected, three-member Board of Commissioners. Commissioners serve staggered, six-year terms. The Port's assets include marina facilities, an airport and light and heavy industrial parks. For fiscal years 2010 through 2012, the Port had approximately \$6.5 million in annual revenue. The Port has 14 full-time employees.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Commissioners:	Skip Novakovich Don Barnes Gene Wager
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Note: David Hanson was replaced by Don Barnes in 2012

### ***APPOINTED OFFICIALS***

Executive Director	Tim Artzen
Director of Finance/Auditor	Tammy Fine

### ***PORT CONTACT INFORMATION***

Address:	Port of Kennewick 350 Clover Island Drive, Suite 200 Kennewick, WA 99336
Phone:	(509) 586-7978
Website:	<a href="http://www.portofkennewick.org">www.portofkennewick.org</a>

## ***AUDIT HISTORY***

We audit the Port every two years with the exception of this year's audit, which is a three-year audit. This marked the 15th consecutive audit in which no findings were reported.



## **ABOUT THE STATE AUDITOR'S OFFICE**

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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 as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

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

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**Deputy Director of Quality Assurance**  
**Deputy Director of Communications**  
**Local Government Liaison**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

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