

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

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**Port of Pasco**  
**Franklin County**

Report Date  
**October 8, 2009**

**Report No. 1002419**

Issue Date  
**November 2, 2009**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

November 2, 2009

Board of Commissioners  
Port of Pasco  
Pasco, Washington

***Report on Accountability***

We appreciate the opportunity to work in cooperation with the 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 Pasco'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,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

**Table of Contents**

**Port of Pasco  
Franklin County  
October 8, 2009**

Audit Summary ..... 1  
Related Reports ..... 2  
Description of the Port ..... 3

# **Audit Summary**

**Port of Pasco  
Franklin County  
October 8, 2009**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Port of Pasco for January 1, 2008, through December 31, 2008.

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:

- Accounts receivable
- Procurement (bidding/prevaling wage)
- Land sale
- Compensation of public officials
- Passenger facility charges

## ***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 Pasco  
Franklin County  
October 8, 2009**

### ***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.

### ***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 Federal Summary section of the financial statement and single audit report.

# Description of the Port

Port of Pasco  
Franklin County  
October 8, 2009

## **ABOUT THE PORT**

The Port of Pasco is regulated by state law with bonding authority and taxing powers. Formed in 1940 by the voters of the District, it is governed by three locally elected Commissioners. The Port operated on an annual budget of approximately \$10 million and has approximately 60 employees. The Port is organized to provide and operate marine terminals, airports and industrial properties. Major facilities owned and operated by the Port include:

- Big Pasco Industrial Park, which consists of 1.5 million square feet of industrial buildings, located on 600 acres of waterfront land for manufacturing, warehousing, distribution and assembly plant locations.
- A Marine Terminal located on 28 acres, which handles one of the largest bulk cargo barge tonnage on the Columbia River above the Portland/Vancouver districts.
- Tri-Cities Airport, which is the regional air carrier airport. Its 1,800 acres of land is available for industrial development. Building space is available for industrial and business rental or leasing.
- Pasco Processing Center, land located on Highway 395 in Pasco, is owned and developed by the Port of Pasco. There are currently 85 acres available for purchase. Typical buyers include food processing companies.

## **ELECTED OFFICIALS**

These officials served during the audit period:

Board of Commissioners:

Ernie Boston  
Jim Klindworth  
Bill Clark

## **APPOINTED OFFICIALS**

Executive Director  
Director of Airports  
Director of Finance and Administration  
Attorney

Jim Toomey  
Jim Morasch  
Linda O'Brien  
Dan Hultgren

## ***PORT CONTACT INFORMATION***

Address: Port of Pasco  
904 Ainsworth Street  
P.O. Box 87  
Pasco, WA 99301

Phone: (509) 547-3378

Web site: [www.portofpasco.org](http://www.portofpasco.org)

## ***AUDIT HISTORY***

We audit the Port annually. We have reported no audit findings for the Port in the past 14 years.



## **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.

Our mission is to work in cooperation 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 our 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 continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

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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**Chief Policy Advisor**  
**Director of Audit**  
**Director of Special Investigations**  
**Director for Legal Affairs**  
**Director of Quality Assurance**  
**Local Government Liaison**  
**Communications Director**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

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**Ted Rutt**  
**Doug Cochran**  
**Jerry Pugnetti**  
**Chuck Pfeil, CPA**  
**Jim Brittain, CPA**  
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