



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Port of Vancouver

For the period January 1, 2019 through December 31, 2019

Published April 2, 2020

Report No. 1026019





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

April 2, 2020

Board of Commissioners
Port of Vancouver
Vancouver, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor 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 Port operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the Port'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

TABLE OF CONTENTS

Audit Results.....	4
Related Reports.....	5
Information about the Port.....	6
About the State Auditor's Office.....	7

AUDIT RESULTS

Results in brief

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

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of the Port of Vancouver from January 1, 2019 through December 31, 2019.

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 obtaining evidence about the Port's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2019, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Marine terminal revenues – billings, adjustments and collections
- Property leases – compliance with contract terms, billings, adjustments and collections
- Accounts payable – general disbursements and promotional hosting
- Procurement – professional services

RELATED REPORTS

Financial

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

INFORMATION ABOUT THE PORT

The Port of Vancouver was established in 1912. The Port's mission is to provide economic benefit to the community through leadership, stewardship and partnership in marine and industrial development. Located at the transportation hub of the Pacific Northwest on the Columbia/Snake River system, the Port is a transfer point for cargo moving to and from the Pacific Rim and the world. Annually, the Port handles over 397 ocean-going vessels, including river barges, with a total cargo volume exceeding 8.2 million metric tons.

An elected, three-member Board of Commissioners governs the Port. Commissioners serve staggered, six-year terms. The Board appoints an Executive Director to oversee the Port's daily operations as well as its approximately 125 employees. For fiscal year 2019, the Port had a budget of approximately \$31 million in operating expenditures.

Contact information related to this report

Address:	Port of Vancouver 3103 N.W. Lower River Road Vancouver, WA 98660
Contact:	Scott Goodrich, Director of Finance & Accounting
Telephone:	(360) 823-5301
Website:	www.portvanusa.com

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Port of Vancouver 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	PublicRecords@sao.wa.gov
Main telephone	(564) 999-0950
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov