

Washington State Auditor's Office
Accountability Audit Report

Southwest Clean Air Agency
Clark County

Report Date
December 1, 2005

Report No. 70094

Issue Date
February 3, 2006



Washington _____
State Auditor
_____ Brian Sonntag



**Washington State Auditor
Brian Sonntag**

February 3, 2006

Board of Directors
Southwest Clean Air Agency
Vancouver, Washington

Report on Accountability for Public Resources

Please find attached our report on the Southwest Clean Air Agency's accountability for public resources and compliance with state laws and regulations and its own policies and procedures.

In addition to this work, we also audit the Agency's financial statements and compliance with federal laws and regulations. The results of that audit will be included in a separately issued audit report.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Audit Summary

**Southwest Clean Air Agency
Clark County
December 1, 2005**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Southwest Clean Air Agency.

We performed audit procedures to determine whether the Agency complied with state laws and regulations and its own policies and procedures. We also examined Agency management's accountability for public resources. Our work focused on specific areas that have potential for abuse and misuse of public resources.

Areas examined during the audit were selected using financial transactions from July 1, 2003, through June 30, 2005.

RESULTS

The Agency complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets. We noted an issue we communicated directly to management.

RELATED REPORTS

Our opinion on the Agency's financial statements and compliance with federal program requirements is provided in a separate report, which includes the Agency's financial statements.

CLOSING REMARKS

We thank Agency officials and personnel for their assistance and cooperation during the audit.

Description of the Agency

Southwest Clean Air Agency Clark County December 1, 2005

ABOUT THE AGENCY

The Southwest Clean Air Agency was formed after passage of the 1967 Clean Air Act of Washington. The Agency's mission is to preserve and enhance air quality in southwest Washington. The Agency's 17 employees enforce air quality regulations, monitor emissions of air contaminants from various private industries and municipal agencies, and contract with specialists for studies and reports on pollution sources. The Agency covers Clark, Cowlitz, Lewis, Wahkiakum and Skamania counties.

The Agency is governed by an 11-member Board of Directors and an Executive Director appointed by the Board. The Board is appointed by the participating municipal agencies and one member-at-large from the private sector. The Agency operates on a \$2.7 million annual budget.

AUDIT HISTORY

We audit the Agency every two years. The past three audits, spanning seven years, have resulted in no reportable conditions.

APPOINTED OFFICIALS

These officials served during the audit period:

Board of Directors:

City of Cathlamet	Karen Bertroch (replaced by David Goodroe in 2005)
Lewis County Commissioners Office	Dennis Hadaller
City of Vancouver	Pat Jollota
City of Centralia	Ray Denman (replaced by Carol Lee Rickard in 2005)
Cowlitz County Commissioners Office	Jeff Rasmussen (replaced by George Raiter in 2005)
Skamania County Commissioners Office	Bud Quinn (replaced by Jim Richardson in 2005)
City of Stevenson	Mary Ann Duncan-Cole
Member-at-large	Milton Cox
Clark County Commissioners Office	Judie Stanton (replaced by Kelly Sills in 2005)
Wahkiakum County Commissioners Office	Dan Cothren (replaced by George Trott in 2005)
City of Longview	Don Jensen
Executive Director	Robert D. Elliott

ADDRESS

Agency

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Audit Areas Examined

Southwest Clean Air Agency Clark County December 1, 2005

In keeping with general auditing practices, we do not examine every portion of the Southwest Clean Air Agency's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Agency were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the Agency's accountability in the following areas:

- Cash receipting and revenues
- Payroll
- Cash disbursements
- Air operating permit program

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Ethics/conflict of interest laws
- Open Public Meetings Act
- State grants

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal program requirements, as applicable, for the Agency's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

FINANCIAL AREAS

Our opinion on the Agency's financial statements is provided in a separate report. That report includes the Agency's financial statements and other required financial information. We examined the financial activity and balances of the Agency including:

- Cash and investments
- Revenues
- Expenditures
- Overall presentation of the financial statements