Accountability Audit Report

Walla Walla Community College

For the period July 1, 2015 through June 30, 2019

Published March 29, 2021
Report No. 1027994

Find out what’s new at SAO by scanning this code with your smartphone’s camera
Office of the Washington State Auditor  
Pat McCarthy

March 29, 2021

Board of Trustees  
Walla Walla Community College  
Walla Walla, 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 College 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 College’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 value your cooperation during the audit.

Sincerely,

[Signature]

Pat McCarthy  
State Auditor  
Olympia, WA

**Americans with Disabilities**

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.*
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Results</td>
<td>4</td>
</tr>
<tr>
<td>Related Reports</td>
<td>5</td>
</tr>
<tr>
<td>Information about the College</td>
<td>6</td>
</tr>
<tr>
<td>About the State Auditor's Office</td>
<td>7</td>
</tr>
</tbody>
</table>
AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, College 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.

However, as noted under the Related Reports – Special Investigations section of this report, certain matters were examined and reported as part of a separate engagement.

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 Walla Walla Community College from July 1, 2015 through June 30, 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 43.09.310, which requires the Office of the Washington State Auditor to examine the financial affairs of all state agencies. Our audit involved obtaining evidence about the College’s use 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 years ended June 30, 2019, 2018, 2017 and 2016, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Payroll – gross wages and leave cash outs
- Accounts payable – general disbursements, credit cards, and electronic funds transfers
- Compliance with the Walla Walla Community College Foundation agreement terms
- Cash-receipting – timeliness and completeness of deposits, voids and adjustments at the café
Related Reports

Financial

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

We also perform a statewide audit of the basic financial statements, as required by state law (RCW 43.09.310). Our opinion on these financial statements is included in the Comprehensive Annual Financial Report (CAFR) prepared by and available from the Office of Financial Management.

The CAFR reflects the financial activities of all funds, organizations, institutions, agencies, departments and offices that are part of the state’s reporting entity. That report is issued by the Office of Financial Management in December of each year and can be found at www.ofm.wa.gov.

A summary of the audit for the period ending June 30, 2019, can be found at https://www.sao.wa.gov/about-audits/about-state-government-audits/.

Federal Programs

In accordance with the Single Audit Act, we annually audit major federal programs administered by the state of Washington. Rather than perform a single audit of each agency, we audit the state as a whole. The results of that audit are published in a report issued by the Office of Financial Management in March of each year.

Special Investigations

INFORMATION ABOUT THE COLLEGE

Walla Walla Community College is a state-supported school that was founded in 1967 and currently serves about 7,500 students each year. The College is one of 34 community and technical colleges in the state. The College serves Walla Walla, Garfield, Asotin and Columbia counties and includes a branch campus in the City of Clarkston. The College operates on an annual budget of about $30 million and has about 435 employees.

A five-member Board of Trustees, appointed by the Governor, is responsible for oversight of College operations. Derek R. Brandes served as the Community College’s President since July 2016 through March 2020. Chad E. Hickox has served as the Community College’s President since May 2020.

Contact information related to this report

| Address: | Walla Walla Community College  
|          | 500 Tausick Way  
|          | Walla Walla, WA 99362-9267 |
| Contact: | Peggy Lauerman, Vice President of Finance |
| Telephone: | (509) 394-6408 |
| Website: | www.wwcc.edu |

Information current as of report publish date.

Audit history

ABOUT THE STATE AUDITOR’S OFFICE

The State Auditor’s Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor’s Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

Stay connected at sao.wa.gov

- Find your audit team
- Request public records
- Search BARS manuals (GAAP and cash), and find reporting templates
- Learn about our training workshops and on-demand videos
- Discover which governments serve you — enter an address on our map
- Explore public financial data with the Financial Intelligence Tool

Other ways to stay in touch

- Main telephone: (564) 999-0950
- Toll-free Citizen Hotline: (866) 902-3900
- Email: webmaster@sao.wa.gov