



**Washington State Auditor
Troy Kelley**

Isenhart Irrigation District

April 2, 2015

Board of Commissioners
P.O. Box 428
Chelan, WA 98816-0428

Dear Board of Commissioners:

We are pleased to present the results of our accountability audit. The attached report is a public record and will be posted to our website, www.sao.wa.gov.

Recommendations are presented on a separate page for your consideration. Although our recommendations are not posted to our website, they are considered a public record and are subject to public disclosure.

We want to emphasize that if conditions change, an onsite audit may be required in future years. For example, if the District spends \$500,000 or more in federal funds in any fiscal year beginning prior to January 1, 2015, or \$750,000 or more in any fiscal year beginning thereafter, federal rules require the District to receive a financial statement and single audit for that year. Also, if annual revenue is expected to consistently exceed \$300,000, an onsite audit could be performed based on a pre-determined schedule. If you have exceeded or anticipate exceeding these thresholds, we ask that you contact our Office so we can help you meet your audit requirements.

If you have any questions or concerns, please do not hesitate to contact Brandt Orme, Special Purpose District Coordinator, at (360) 725-5580 or orneb@sao.wa.gov.

Sincerely,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

AUDIT RECOMMENDATION FOR THE ISENHART IRRIGATION DISTRICT

This attachment summarizes a specific matter identified by the audit that we would like to bring to the attention of management and the governing body. We believe the following recommendation represents an opportunity for the District's internal controls or compliance to be improved.

While we do not consider this matter significant enough at this time to be considered a finding in our published audit report dated March 17, 2015, this attachment is considered a public record and is subject to public disclosure. We plan to review the status of this matter during our next audit.

- The District did not advertise a public works project for bids, as required by state law (RCW 87.03.435).

We recommend the District develop a written procurement policy, which complies with state purchasing and public work laws.



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Isenhart Irrigation District

Chelan County

For the period January 1, 2012 through December 31, 2013

Published April 2, 2015

Report No. 1013881





Washington State Auditor

Troy Kelley

April 2, 2015

Board of Commissioners
Isenhart Irrigation District
Chelan, Washington

Report on Accountability

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

The attached comprises our report on the District's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

AUDIT SUMMARY

Results in brief

In the areas we audited, District operations complied with applicable requirements and provided adequate safeguarding of public resources. The District also complied with state laws and regulations and its own policies in the areas we examined.

However, we noted certain matters that we communicated to the District. We appreciate the District's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of the Isenhart Irrigation District from January 1, 2012 through December 31, 2013.

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.

Our audit involved performing procedures to obtain evidence about the District's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

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 fraud, loss, abuse, or noncompliance.

INFORMATION ABOUT THE DISTRICT

The Isenhart Irrigation District operates and maintains an irrigation system in the Lake Chelan Valley. An elected, three-member Board of Commissioners governs the District. The District is funded by member assessments and operates on a budget of approximately \$50,000.

Contact information related to this report

Address:	Isenhart Irrigation District P.O. Box 428 Chelan, WA 98816-0428
Contact:	Diane Di Prete, Secretary
Telephone:	(509) 682-4028

Information current as of report publish date.

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.

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