

Washington State Auditor's Office
Accountability Audit Report

City of Pullman
Whitman County

Report Date
October 26, 2010

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December 20, 2010



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

December 20, 2010

Mayor and City Council
City of Pullman
Pullman, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your City 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 City of Pullman'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

**City of Pullman
Whitman County
October 26, 2010**

Audit Summary	1
Related Reports	2
Description of the City	3

Audit Summary

**City of Pullman
Whitman County
October 26, 2010**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the City of Pullman from January 1, 2009 through December 31, 2009.

We evaluated internal controls and performed audit procedures on the activities of the City. We also determined whether the City 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 period:

- Gifts of public funds
- Open public meetings/records laws
- Procurement (bidding/change orders)
- Payroll/personnel
- Cost allocation
- Budget compliance

RESULTS

In the areas we examined, the City's internal controls were adequate to safeguard public assets. The City also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**City of Pullman
Whitman County
October 26, 2010**

FINANCIAL

Our opinion on the City's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the City's financial statements. That report contains a finding regarding weaknesses in the internal controls over financial reporting

FEDERAL GRANT PROGRAMS

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

Description of the City

**City of Pullman
Whitman County
October 26, 2010**

ABOUT THE CITY

The City of Pullman was incorporated on April 11, 1888, and currently serves approximately 27,150 Whitman County residents. It provides an array of services including police, fire, ambulance, water supply treatment and distribution, sewage treatment and collection, street maintenance, transit, planning and zoning and public facilities such as a library, parks and recreation and cemeteries.

An elected, seven-member Council with a separately elected Mayor governs the City. The Council appoints management to oversee the City's daily operations as well as its 300 employees. For fiscal year 2009, the City operated on an annual budget of approximately \$43 million.

ELECTED OFFICIALS

These officials served during the audit period:

Mayor
City Council:

Glenn Johnson
Francis Benjamin
Keith Bloom
Ann Heath
Bill Paul
Barney Waldrop
Nathan Weller
Patricia Wright

Note: Council Member Ann Heath's term ended in December 2009. In January 2010, Jeff Hawbaker was elected to her position.

APPOINTED OFFICIALS

City Supervisor
Finance Director

John Sherman
Troy Woo

Note: Jeff Babbit acted as interim Finance Director from July to September 2009. In September 2009 William Mulholland was hired as the City's permanent Finance Director.

CITY CONTACT INFORMATION

Address: City of Pullman
325 S.E. Paradise St.
Pullman, WA 99163

Phone: (509) 338-3206

Website: www.pullman-wa.gov

AUDIT HISTORY

We audit the City every year. The past 10 audits have reported no audit findings. However, the current audit includes a finding regarding weaknesses in the internal controls over financial reporting which is described in a separately issued report.



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.

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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