



## STATE OF WASHINGTON

October 1, 2014

The Honorable Troy Kelley  
Washington State Auditor  
P.O. Box 40021  
Olympia, WA 98504-0021

Dear Auditor Kelley:

Thank you for the opportunity to review and respond to the State Auditor's Office (SAO) performance audit report on "*Performance Measures in Economic Development Programs: Opportunities to enhance transparency and improve processes.*"

The Department of Commerce (Commerce) appreciates the SAO's balanced and thorough review of a complex issue. The report acknowledges Commerce's efforts to follow the Legislature's intent in providing assistance to the Associate Development Organizations (ADOs). Commerce concurs with the conclusions and recommendations in the report, and we value the input offered.

We appreciate that SAO auditors recognized the difficulty of isolating ADO program impacts. Business owners consider many factors when making business decisions and few of those are controlled by Commerce. While the statute contains vague but prescriptive language, Commerce continues to seek ways to implement and measure the program. We look forward to working with the Legislature to provide clarity and measures that demonstrate the effectiveness of ADO program activities.

Sincerely,

Brian Bonlender, Director  
Department of Commerce

David Schumacher, Director  
Office of Financial Management

cc: Joby Shimomura, Chief of Staff, Office of the Governor  
Kelly Wicker, Deputy Chief of Staff, Office of the Governor  
Miguel Pérez-Gibson, Executive Director of Legislative Affairs, Office of the Governor  
Kelly Ogilvie, Senior Policy Advisor, Executive Policy Office  
Tracy Guerin, Deputy Director, Office of Financial Management  
Jay Balasbas, Senior Budget Assistant, Office of Financial Management  
Wendy Korthuis-Smith, Director, Results Washington, Office of the Governor  
Tammy Firkins, Performance Audit Liaison, Results Washington, Office of the Governor  
Dan McConnon, Deputy Director, Department of Commerce  
Mary Trimarco, Assistant Director, Department of Commerce

