

Peninsula College

Agency 665

Audit Report	Finding Number	Finding and Corrective Action Status	
1032200	2022-001	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The College did not establish adequate internal controls over payroll disbursements to effectively safeguard public resources.</p> <p>The College concurs with the finding.</p> <p>The College was materially affected by the ctcLink system implementation in May 2020 and the COVID-19 pandemic. The College continues to work on strengthening internal controls over payroll disbursements to ensure accuracy and compliance with state laws and College policies.</p> <p>To address the audit recommendations, the College is:</p> <ul style="list-style-type: none"> • Revisiting and making changes to the file management system, including for the Payroll and Human Resource departments, to ensure supporting documents are retained and easily accessible. • Developing procedures to include requiring supporting documentation for payroll transactions. • Developing a workflow to route and approve employment and stipend contracts to help mitigate overpayments. • Participating in various State Board workgroups and training sessions to learn best practices in payroll administration. • Reviewing key payroll areas that are prone to errors to identify and address overpayments and underpayments. The review is planned for the period from May 2020 (when ctcLink was implemented) to the current period. • Providing training to affected employees. <p>The College has also taken steps to address the employee underpayment and overpayment exceptions identified in the audit for retro payments and leave accruals.</p> <p>Corrective action is expected to be complete by May 2024</p> <p>Roy Lirio Director of Fiscal Operations/Comptroller 1502 E Lauridsen Blvd Port Angeles, WA 98362-6660 (360) 417-6202 rlirio@pencol.edu</p>