

State of Washington  
 Status of Audit Resolution  
 December 2016

Seattle Community College – District 6

Agency 670

Audit Report	Finding Number	Finding and Resolution	
1016393	001	<p>Finding:</p> <p>Fraud Amount:</p> <p>Amount to be recovered:</p> <p>Recovery to date:</p> <p>Resolution/Status:</p> <p>Personnel Action Taken:</p> <p>Criminal Action Taken:</p> <p>Agency Contact:</p>	<p>An investigation completed at the Seattle Community College determined that there was a procurement card misappropriation totaling \$50,712 by the former Director of Distance Learning between July 1, 2009, and January 31, 2015.</p> <p>\$50,712</p> <p>\$70,953 (including \$20,241 audit cost)</p> <p>\$0</p> <p>The College’s Procurement Department has put into place additional controls to prevent similar type of fraudulent activities from occurring in the future. These include:</p> <ul style="list-style-type: none"> <li>• Assigning an additional staff position devoted to credit card program monitoring, training, auditing, and management.</li> <li>• Placing additional restrictions with the credit card processor specific to the category or type of businesses the colleges conduct.</li> <li>• Conducting regular review of the credit card program to ensure compliance with state rules and regulations.</li> <li>• Performing regular audits of credit card activities and improving processes to ensure card statements are reconciled on a regular basis. Non-compliance by card user may lead to revocation of Department card privileges.</li> <li>• Implementing regular trainings to cardholders and administrators by the Purchasing Department in credit card use and compliance with internal purchase card policies.</li> </ul> <p>The Director was terminated shortly after the discovery of questionable activities by the Seattle Colleges procurement staff member who was conducting an internal audit.</p> <p>The report has been sent to the County Prosecutors Office. They are working with the Seattle Police Department to conduct an investigation.</p> <p>John Bray          Executive Director of Finance          1500 Harvard Avenue          Seattle, WA 98053          (206) 934-2026  <a href="mailto:john.bray@seattlecolleges.edu">john.bray@seattlecolleges.edu</a></p>