

---

---

**Wenatchee Valley College (WVC)**

---

---

**Agency: 686**

**Audit Report:** 6649

**Finding Number:** 001

**Finding:** Wenatchee Valley College had inadequate controls over purchase card expenditures, which resulted in unallowable and questionable expenditures.

**Resolution:** The College has implemented the following changes to procedures:

- In January 2007, the College purchasing card program administrator began periodic reviews of department records to ensure compliance. As of July 2007, six departments had been audited. Since then, procedures were changed to require proof of compliance with each reconciled purchasing card statement.
- Detailed receipts are now required to be submitted with reconciled statements for payment. The receipts and purchase logs are audited by the fiscal services staff to ensure that separation of duties is documented, specifically, that a different person in each instance made and approved the purchase and that itemized receipts are presented.
- Mandatory training for card custodians was held on February 15 and 22, 2007. The training covered all aspects of purchasing card procedures and emphasized compliance with policy and internal control procedures.
- Purchasing card custodians are required to attend annual training to review their responsibilities and state and College purchasing policies.

**Agency Contact:** Suzie Benson  
Wenatchee Valley College  
1300 Fifth Street  
Wenatchee WA 98801  
(509) 682-6505  
sbenson@wvc.edu

---

---

**Wenatchee Valley College (WVC)**

---

---

**Agency: 686**

**Audit Report:** 6649

**Finding Number:** 002

**Finding:** The Wenatchee Valley College bookstore does not have sufficient internal controls over its inventory and financial operations.

**Resolution:** The point-of-sale system is now utilized for better documenting of inventory adjustments and will eventually produce a report of adjustments to be reviewed quarterly. The bookstore manager will review, sign, and forward the report to the vice president of Administrative Services, who will sign and return it to the bookstore. The development of the report is currently underway.

The physical inventory procedures are being reviewed. Better documentation from the inventory service was requested and will be available. The detailed inventory from the physical count will be reconciled to the point-of-sale system inventory report and adjustments posted if necessary.

The discount policy was reviewed and procedures were updated to be more specific. Revised procedures will be reported to the board of trustees in February 2008.

Duties have been segregated in accounts receivable so the person who invoices does not receipt payments.

More detailed procedures for recording cash custody have been adopted and staff have been trained. The procedures establish responsibility for cash in each situation, such as cash in vault, cash in cashier tills, and cash used to pay for books purchased at end-of-quarter book buyback.

Cashiers sign on and off the registers or are restricted to a single register.

**Agency Contact:** Suzie Benson  
Wenatchee Valley College  
1300 Fifth Street  
Wenatchee WA 98801  
(509) 682-6505  
sbenson@wvc.edu

---

---

**Wenatchee Valley College (WVC)**

**Agency: 686**

---

---

**Audit Report:** 6649

**Finding Number:** 003

**Finding:** Wenatchee Valley College had inadequate controls over library inventory.

**Resolution:** The College implemented the following procedures:

- Orders are not placed, approved, received and inventoried by the same person. Generally four individuals are involved – one to order, one to approve, one to receive (in the Central Services department), and one to inventory.
- Circulation staff open and record receipt of all packages, reconciling the packing slips to the orders placed.
- Books and videos are added to the college catalog within a week, unless there are unusual circumstances. The additions are made by a library specialist and monitored by the librarian.
- Purchases made with the library's purchasing card require a second signature, and the monthly statement is reconciled to the receipts and packing slips by both the card custodian and the college purchasing manager.
- The library has established a process for approving purchases for the library collection made by College employees in other departments. Purchases by library personnel are approved by the librarian or library director. Per College policy, all purchases require an approval by a second person.

**Agency Contact:** Suzie Benson  
Wenatchee Valley College  
1300 Fifth Street  
Wenatchee WA 98801  
(509) 682-6505  
sbenson@wvc.edu