

2012 Internal Audit Report Out to the Board of Directors

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PCC Internal Auditor

Overview of Internal Audit at PCC

- ▶ Internal Audit reports functionally up to the Board Audit Committee and also administratively to the Vice President of Administrative Services;
- ▶ Conducts an Annual Risk Assessment and Internal Audit Plan to Comply with Institute of Internal Auditors Professional Standards;
- ▶ Conducts Audit Work Based on Internal Audit Plan, Guidance From the Board Audit Committee, and Input from PCC Management.

Members of the Board Audit Committee

- ▶ Dr. Pulliams – Ex-Officio Member
- ▶ Director Gene Pitts – Board Audit Committee Chair and Board Member
- ▶ Director Dave Squire – Board Member
- ▶ Kristine Adams-Wannberg – Public Member
- ▶ Craig Irwin – Public Member

Internal Audits Conducted During 2012

1) Financial Aid

2) Grants Management – Corrections
Education

3) Grants Management – Aviation Science &
Contracted Flight Instruction

4) Grants Management – Adult Basic Education
and Title II Grant Funds

Management's Response to the Audit Recommendations

- ▶ Management generally agrees with the recommendations made,
- ▶ Management has developed a corrective action plan to help address the audit recommendations made, and
- ▶ Some issues have been resolved to date.

Financial Aid Audit

Financial Aid – Audit Findings and Recommendations

- Tillamook Bay Community College Contract Management Needs to be Enhanced;
- Control Processes Needed to be Reviewed to Help Ensure PCC Charged Correct Tuition Rate for Students that Moved “Out of State”;
- Federal Waivers Granted by the US Department of Education Were Not Utilized and Need to be Reviewed by Management for Future Financial Aid Award Years.

Corrections Education Audit

Corrections Education– Overview of Audit Recommendations

- ▶ Unallowable Costs Identified That Fell Outside of the Objectives and Scope of the Intergovernmental Agreement (IGA) With the Oregon Department of Corrections (ODOC).

Note – Unallowable Costs Resolved by End of Audit and New IGA Established Between PCC and ODOC.

- ▶ Internal Control Processes Over Gift Cards Needs to be Improved; and
- ▶ Opportunity for Program to Reduce Costs Existed.

Aviation Science and Contracted Flight Training Audit

Aviation Science – Audit Findings and Recommendations

- ▶ Management Needs to Address the Compliance Findings that the US Department of Veterans Affairs Issued to PCC.

Adult Basic Education and Title II Grant Funds Audit

Adult Basic Education and Title II – Audit Findings and Recommendations

- ▶ Tighter Controls on Travel Expenditures Needed;
- ▶ Controls Over GED Tuition Waivers Need to be Improved to Ensure Compliance With Federal Financial Aid Compliance Requirements;
- ▶ Controls Over ABE Class Fee Waivers Need to be Enhanced.

Questions or Comments?