Bates Technical College   **Agency 695**

Audit Report	Finding Number	Finding and Corrective Action Plan	
1029117	2019-001	Finding:	The College lacked adequate internal controls for ensuring accurate preparation and review of financial statements
		Corrective Action:	The circumstances leading to the finding include staff turnover in the accounting positions and a lack of sufficient peer level review of draft statements and reports.
			The College is taking the following steps to establish necessary internal controls to ensure financial statements are accurately prepared and adequately reviewed:
			• Transition to a new enterprise accounting system (ctcLink) which enables extensive documentation of journal entries, from review and approval to the submission of documentation to a single point of depository.
			• By January 2022, through re-organization, delegate some of the Controller's routine responsibilities to develop capacity for:
			o Increased and focused oversight, review and approval of journal entries posted to the accounting system and assessing their effects on the financial statements.
			o Increased focus on ensuring the annual financial reporting is accurate and is in compliance with Generally Accepted Accounting Principles.
			• Establish a Budget/Business Operations Director position to:
			o Assume daily business activities and responsibilities.
			o Perform peer review of draft statements and reports during the preparation of the College's annual financial report.
			• The Vice President of Finance and Administrative Services will perform secondary review and approval of all journal entries and continue to participate in the review of draft financial reports.
		Completion Date:	Corrective action is expected to be complete by June 2022
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