



Exit Recommendations  
Energy Northwest  
Audit Period Ending: 6/30/2019

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We are providing the following exit recommendations for management's consideration. They are not referenced in the audit report. We may review the status of the following exit items in our next audit.

**Payroll Disbursements**

On April 3, 2020, the Chief Accounting Officer notified our Office regarding a potential loss of public funds as required by state law.

The entity initiated an investigation and determined a payroll loss had occurred. Based on the entity's investigation, 10 hours charged were not work by the subject and 175 hours were hours the entity was unable to determine if the subject was working or not. The subject's hourly rate was \$29.37; as a result, the investigation identified misappropriation totaling \$293.7 and questionable expenditures totaling \$5,139.75 regarding the employee's time reporting between June 2019 to February 2020.

Based on our review, there was insufficient of reported hours to determine if reported hours reflected actual hours worked and if leave was accurately documented.

We recommend the entity ensure its policies and procedures are followed to ensure payroll hours reported represent actual hours worked and paid time off requested is accurately reported.