



Exit Recommendations  
Central Puget Sound Regional Transit Authority  
Audit Period Ending: 12/31/2018

---

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/Retroactive Pay**

Article 2, section 25 of the Washington Constitution prohibits granting extra compensation to public employees after the services for which the extra compensation is paid have been rendered. To ensure compliance, the Authority is required to demonstrate that employees have an expectation of earning additional compensation before they perform that work.

In 2018, the Authority retroactively paid a total of \$7,879 to one employee for the increased duties and responsibilities assigned to him during 2016. However, the Authority was unable to provide documentation demonstrating that the employee had an expectation of receiving this extra compensation before performing the additional work.

In 2018, prior to our audit, the Authority began providing additional training to management and supervisors related to compensation procedures.

We recommend that the Authority:

- Strengthen its controls to ensure compliance with state law
- Continue to provide training to management and supervisors related to extra compensation procedures
- Communicate, document and retain documentation regarding compensation for additional duties, responsibilities and work performed, before the time that work is performed.