



# Oregon

John A. Kitzhaber, MD, Governor

## Department of Administrative Services

Office of the Chief Operating Officer

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December 23, 2014

Senator Richard Devlin, Co-Chair  
Representative Jessica Vega Pederson, Co-Chair  
Joint Committee on Legislative Audits, Information Management and Technology  
900 Court St. NE, Rm 453  
Salem, Oregon 97301

Re: Annual Report on Statewide Internal Audit Activities for the fiscal year ended June 30, 2014

Dear Senator Devlin and Representative Vega Pederson:

It is an honor to present the Department of Administrative Services' (DAS) tenth annual report on statewide internal auditing activities as required by Oregon Revised Statute (ORS) 184.360 (4).

This year's report includes:

- Information about governance of internal auditing in the state;
- An overview of statewide internal audit functions between July 1, 2013 and June 30, 2014; and
- Tables which delineate specific activities by agency including audit reports issued and other value-added work performed by internal audit functions.

If you have questions, or would like to obtain additional information, please contact Renee A. Klein at (503) 378-3076.

Sincerely,

Barry Pack  
Deputy State Chief Operating Officer

Cc: Chief Audit Executives and Leadership of Agencies with an Internal Audit Function  
Kevin Hayden, Legislative Administration  
Ken Rocco, Legislative Fiscal Office



# **Annual Report on Statewide Internal Audit Activities**

## **Covering Fiscal Year 2014**

December 23, 2014

Compiled by the Department of Administrative Services Internal Audit Section  
Renee A. Klein, Statewide Initiatives Project Manager  
<http://oregon.gov/DAS/IA/>

## CONTENTS

STATEWIDE INTERNAL AUDIT GOVERNANCE OVERVIEW .....	3
AGENCY INTERNAL AUDIT FUNCTION GOVERNANCE.....	4
Agency Functions .....	4
Audit Committees .....	4
SUMMARY OF INTERNAL AUDIT FUNCTIONS FOR FY 2014 .....	5
INTERNAL AUDIT FUNCTION STAFF.....	7
Professional Certifications and Advanced Degrees.....	7
Professional Organizations .....	7
EXTERNAL REVIEWS.....	8
SUMMARY OF WORK PERFORMED IN FY 2014 .....	9
SPOTS Review .....	9
Audit Reports Issued.....	10
Other Value-Added Activities .....	14

## STATEWIDE INTERNAL AUDIT GOVERNANCE OVERVIEW

Oregon Revised Statute (ORS) 184.360 dictates internal audit activities within state government be coordinated to promote effectiveness. DAS was directed to adopt rules setting standards and policies for internal audit functions within state government, which were established as Oregon Administrative Rule (OAR) 125-700 Internal Auditing. Additionally, ORS 184.360 requires DAS to annually submit a report to the Joint Legislative Audit Committee describing internal audit activities that have occurred in state government during the year; this report serves to meet that requirement by providing information on agency internal audit functions during fiscal year (FY) 2014. In the absence of the Joint Legislative Audit Committee, the report shall be submitted to the Joint Committee on Ways and Means or the Emergency Board.

The Institute of Internal Auditors (IIA), a globally recognized organization, defines internal auditing as an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.<sup>1</sup>

### **2014 Update**

In August of 2013, the Statewide Audit Advisory Committee (SAAC), a high-level committee, tasked with advising the DAS Director on internal auditing issues was dissolved. In prior versions of OAR 125-700 coordination duties as required in ORS 184.360, relied in part on the SAAC. The dissolution of SAAC was done in part due to the loss of the DAS Statewide Internal Audit Coordinator position during the 2013 Legislative Session.

To ensure the requirements set forth in ORS 184.360 were met it was determined some of the coordinating duties would be maintained within DAS and others could be transferred in part to the Chief Audit Executive Council (Council). At the time of the change, the DAS CAE was a contributing member to the Council, but there was no formal charter establishing the group. In January 2014, a formal charter was approved by the Council to document its purpose, including language to coordinate internal audit activities on the statewide level and look for ways to promote effectiveness. (see Attachment A for charter)

To reflect the changes in structure for statewide internal audit activities, OAR 125-700 was updated to remove references to SAAC. The rules were also streamlined to provide better guidance and reduce unnecessary requirements to internal audit functions in state agencies. The rules were reviewed and updated by a committee of audit professionals from across several agencies and approved by the Council.

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<sup>1</sup> International Professional Practices Framework issued January 2013

# AGENCY INTERNAL AUDIT FUNCTION GOVERNANCE

OAR 125-700-0020, 125-700-0135, 125-700-0150

## Agency Functions

Thirty-two agencies reported meeting the criteria in OAR 125-700-0020 requiring an internal audit function or contract equivalent (biennial expenditures exceed \$100,000,000; number of Full Time Equivalent (FTE) employees exceeds 400; or dollar value of cash items processed annually exceeds \$10,000,000).

Of the agencies required to have an internal audit function, twenty-two have an established internal audit function with formal internal audit duties assigned to audit staff. There are three internal audit functions that are shared by more than one agency; each agency involved in the shared service model meets the requirement to have an internal auditor. The shared functions cover the following agencies:

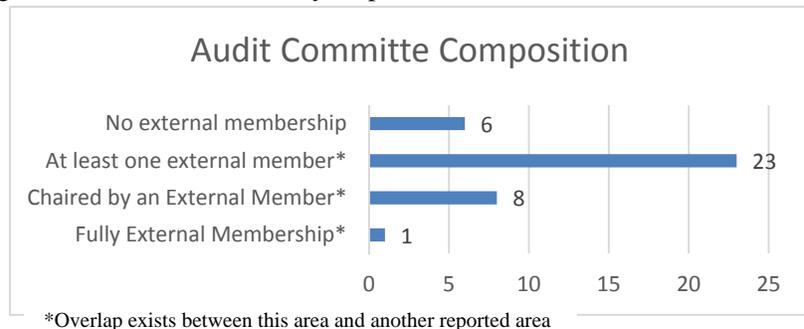
- Department of Human Services and Oregon Health Authority
- Oregon Department of Education and Community Colleges and Workforce Development
- Department of Forestry, Department of Fish and Wildlife and Department of Agriculture

In addition to the shared functions listed above there is also a collaborative effort underway between the Department of Administrative Services, the Department of Consumer and Business Services, and the Department of Revenue. This collaborative effort allows each agency to individually maintain its internal audit function while sharing resources to audit risks that are similar across all three agencies. This creates efficiencies in the audit planning process and also allows agencies to access auditors with specialized auditing skills.

## Audit Committees

Each agency required to establish and support an internal audit function or contract equivalent is also required by OAR 125-700-0135 to establish and maintain an audit committee to provide oversight of auditing for the agency and to help ensure the independence of the internal audit function. Agencies are encouraged to include qualified external members of governing boards, commissions, individuals from outside their agency, or senior management officials not directly responsible for the internal audit function to enhance public accountability and transparency.

The three internal audit functions that are shared across more than one agency report to a single audit committee with members from all participating agencies.



## SUMMARY OF INTERNAL AUDIT FUNCTIONS FOR FY 2014

ORS 184.360, OAR 125-700-0125

Information on audit functions contained in the table as of June 30, 2014

Agency	Total IA Staff	Number of Staff Vacancies	Annual Risk Assessment *	Risk Based Audit During the Year ORS 184.360 (4)	Governance and Risk Management Process Audit**	Next External Review
Administrative Services	1		Yes	Yes	Yes	2016
Consumer and Business Services	1		Yes	Yes	Yes	2015
Department of Corrections	3		Yes	Yes	Yes	2015
Department of Education / Community Colleges and Workforce Development	1	1	No	Yes	Yes	2016
Department of Forestry	.5 <sup>1</sup>		Yes	Yes	Yes	2018
Department of Fish and Wildlife	.25 <sup>1</sup>		Yes	Yes	Yes	2018
Agriculture	.25 <sup>1</sup>		Yes	No	No	2018
Department of Justice	1 <sup>3</sup>	1	No	No	No	2016
Department of Revenue	2		Yes	Yes	Yes	2015
Department of State Lands	1	1	No	No	No	2017
Department of Transportation	5 <sup>2</sup>	1	Yes	Yes	Yes	2014 <sup>4</sup>
Dept. of Human Services / Oregon Health Authority	8		Yes	Yes	Yes	2016
Employment Department	1		Yes	No	No	2017
Judicial Department	1		Yes	Yes	Yes	2016
Oregon Department of Energy	1 <sup>3</sup>		Yes	Yes	No	2015
Oregon Lottery	4	1	Yes	Yes	Yes	2015
Oregon State Treasury	2		Yes	Yes	Yes	2017
Oregon University System	10	7	Yes	Yes	Yes	2016
Oregon Youth Authority	1		Yes	Yes	Yes	2016
Oregon Department of Parks and Recreation	1 <sup>2</sup>		Yes	Yes	Yes	2014 <sup>4</sup>
Public Employees Retirement System	3		Yes	Yes	Yes	2015
State Police	1		Yes	Yes	Yes	2018
<b>Total</b>	49					

<sup>1</sup> Sharing one position

<sup>2</sup> In addition to regular FTE reported above, had a developmental, limited duration, temporary employee or intern position for at least part of the fiscal year.

<sup>3</sup> Position(s) vacant for all or most of the fiscal year.

<sup>4</sup> External review scheduled for late 2014

\*Risk assessments may have been completed after June 30, 2014, but before the reporting deadline of September 30, 2014.

\*\*Per ORS184.360 (5) an audit of governance and risk management functions must only occur once every five years. This requirement has only been in effect since January 1, 2010; five years has not elapsed since the effective date.

The remaining eight agencies are currently attempting to fulfill OAR requirements through alternate methods as denoted in the following table (Note: these agencies do not have to fulfill the external review requirement):

Agency	Method	Annual Risk Assessment	Risk Based Audit During the Year	Governance and Risk Management Process Audit*
Oregon Business Development Department	Internal Audit Services are contracted out.	Yes	Yes	Yes
Department of Environmental Quality (DEQ)	A contractor and other staff within DEQ were utilized for internal audit services (.25 FTE).	No	No	No
Oregon Housing and Community Services	Agency currently going through reorganization and is currently subject to audits from several other sources (SOS, Federal, etc). SAAC approval granted to wait to hire until agency reorganizational changes are complete.	n/a	n/a	n/a
Oregon Liquor Control Commission	Audit services are accessed by either contracting or employing qualified individuals on a part-time basis. (.25 FTE)	No	No	No
Oregon Military Department	Internal Audit Services are contracted out.	Yes	Yes	No
Public Utility Commission of Oregon	Utilizing other staff (.2 FTE).	No	No	No
Oregon Student Access Commission	Internal Audit Services are contracted out.	Yes	No	No
Oregon Department of Veterans' Affairs	Planning to outsource.	No	No	No

\*Per ORS184.360 (5) an audit of governance and risk management functions must only occur once every five years. This requirement has only been in effect since January 1, 2010; five years has not elapsed since the effective date.

## INTERNAL AUDIT FUNCTION STAFF

### ***Professional Certifications and Advanced Degrees***

Of the twenty-four agencies who reported having some staff or staff time dedicated to the internal audit function during FY 2014, twenty-one (87.5 percent) reported having at least 1 staff member who held a professional designation or advanced degree (some staff members hold more than 1). The following percentages of employees hold these designated professional certifications:

	<u>FY 2013</u>	<u>FY 2014</u>
Certified Public Accountant (CPA)	39 percent	35 percent
Certified Internal Auditor (CIA)	34 percent	39 percent
Certified Information Systems Auditor (CISA)	18 percent	20 percent
Certified Government Audit Professional (CGAP)	7 percent	12 percent
Certified Fraud Examiners (CFE)	16 percent	18 percent
Certified in Risk Management Assurance (CRMA)	2 percent	6 percent

Several members of the auditing community also hold advanced degrees including: Masters of Business Administration, Masters of Public Administration, Masters of Public Policy, Masters of Management, and Masters of Arts.

### ***Professional Organizations***

Nearly all agencies reported that internal audit staff are members of the Institute of Internal Auditors (IIA). Auditors (or staff who perform audit services) from the Judicial Department, Department of Forestry, Oregon Lottery, Department of Human Services/Oregon Health Authority, Department of Corrections, and the Oregon Department of Transportation served on the Salem Chapter Board of the IIA during FY 2014.

Other professional organizations that internal auditors in Oregon state government participate in include: Oregon Society of Certified Public Accountants, and American Institute of Certified Public Accountants, Association of Certified Fraud Examiners, Government Finance Officers Association, Information Systems Audit and Control Association, and Association of College and University Auditors.

## EXTERNAL REVIEWS

125-700-0145

State internal audit functions are required to have an external peer review in accordance with the professional standards they follow. The IIA's *International Professional Practices Framework* requires an external quality assurance review every five years and the requirement under the United States Government Accountability Office's *Generally Accepted Government Auditing Standards* is for an external review to be performed every three years.

For those agencies that follow the IIA's issued standards, the Quality Assurance framework provides a system for rating conformity to those standards which consists of three categories: generally conforms, partially conforms, and does not conform.

- **Generally conforms** means that an internal audit activity has a charter, policies, and processes that are judged to be in accordance with the *Standards* in all material respects, but some opportunities for improvement may exist.
- **Partially conforms** means that practices were noted that are judged to deviate from the *Standards*, but they did not preclude the internal audit activity from performing its responsibilities in an acceptable manner.
- **Does not conform** means that deficiencies in practices were judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

During FY14 no agencies were required to have a review.

## SUMMARY OF WORK PERFORMED IN FY 2014

125-700-0130

### ***SPOTS Review***

In FY 2010, the state's internal audit community formed a partnership with the Atkinson Graduate School of Management at Willamette University to allow students taking a Fraud and Controls course to perform Small Purchase Order Transaction System (SPOTS) review work at agencies. The project provides students professional experience and introduces them to career opportunities in internal audit. It also provides required compliance review work at a low cost to state agencies and some audit capacity for agencies without an internal audit function; as well as the opportunity for networking and for internal auditors to gain supervisory experience.

In FY 2014, the following agencies participated and received a completed SPOTS review project from a student in the class:

- Department of Administrative Services
- Department of Agriculture
- Oregon Business Development Department
- Oregon Department of Corrections
- Department of Consumer and Business Services
- Oregon Department of Education
- Oregon Department of Housing and Community Services
- Oregon Military Department
- Oregon Department of Parks and Recreation
- Department of Revenue
- Department of State Lands
- Oregon Public Utility Commission

In addition to the work completed as part of the course, the following agencies hosted Willamette University student internships over the summer to complete the SPOTS audit work:

- Oregon Department of Fish and Wildlife
- Oregon Department of Forestry

Additionally, auditors at the Oregon Departments of Administrative Services, State Lands, Forestry and Parks and Recreation provided oversight and supervision to students performing the review at an agency without an internal auditor.

Other agencies also performed a SPOTS review or audit but did not participate in the partnership with Willamette University; those audits are listed in the Audit Reports Issued table beginning on page 10 of this report.

## ***Audit Reports Issued***

This listing consists of work performed in accordance with standards that resulted in a report or letter to management.

### Legend for Audit Report Risk Rankings Column:

*Low:* Overall materiality and/or impact of reported audit findings to operations are low. Management appears to be exercising reasonable oversight of the function or program.

*Medium:* Overall materiality and/or impact of reported audit findings to operations are moderate. Management has opportunities to improve its oversight.

*High:* Overall materiality and/or impact of reported audit findings to operations are high. Management should take action.

*Note: Auditors are not required by standards or OAR to provide risk rankings for audit reports.*

<b>Agency Name</b>	<b>Audit Report Name</b>	<b>Date Issued</b>	<b>Audit Report Risk</b>
Administrative Services	Data Classification Policy Audit	7/9/2013	Medium
	Office of the Chief Information Officer Policy Review - Internal & External Policies	7/9/2013	Low
	Risk Management Policy Review	7/9/2013	Low
	Recruitment & Selection Audit	4/29/2014	Medium
	FY15 Risk Assessment	6/27/2014	Low
	Quarterly Follow Up	6/30/2014	Low
Agriculture	Small Purchase Order Transaction System (SPOTS) Review	5/9/2014	Low
	Annual Risk Assessment	6/27/2014	Low
Department of Consumer and Business Services	Preferred Worker Program	1/29/2014	Low
	Payment Acceptance Process	2/4/2014	Low
	SPOTS	4/30/2014	Low
	Annual Risk Assessment	7/22/2014	Low
	Health Ins Premium Rate Review Federal Expenditure Review	8/25/2014	Low
Department of Corrections	Employee License Verification	9/23/2013	Medium
	Consult - Canteen Storefront	2/24/2014	High
Department of Environmental Quality	Laboratory Organic Section Audit	11/13/2013	Medium
	Laboratory Quality System Audit	2/12/2014	Low
Department of Fish and Wildlife	Annual Risk Assessment and Summary	6/30/2014	Low
	Small Purchase Order Transaction System (SPOTS) Review	7/31/2014	Low
Department of Forestry	Annual Risk Assessment	6/30/2014	Low
Department of Justice	Criminal Justice Division - Preliminary Audit - Grant Process	3/13/2014	Medium
	SPOTS Review	5/30/2014	Low
Department of Revenue	Clean Desk Audit	3/11/2014	Medium

	Miscellaneous Cash Review	6/30/2014	High
	FY 15 Risk Assessment	7/9/2014	Low
Department of Transportation	Region 3 A&E Contract Administration	7/18/2013	Medium
	Region 4 A&E Contract Administration	8/13/2013	Medium
	HR/Region 2 A&E Contract Administration	8/19/2013	Medium
	Facilities A&E Contract Administration	9/9/2013	Medium
	Rail Division A&E Contract Administration	9/16/2013	Medium
	Transportation Development Division A&E Contract Administration	9/20/2013	Medium
	Region 5 A&E Contract Administration	10/3/2013	Medium
	Technical Services Branch A&E Contract Administration	10/3/2013	Medium
	Maintenance A&E Contract Administration	11/8/2013	Medium
	Contract Change Orders Follow-up	11/8/2013	Low
	SPOTS Card Review FY 2012	11/12/2013	Low
	A&E Contract Administration Agency-wide	2/3/2014	Medium
	Sno-Park Program	2/5/2014	Low
	Tracking System at OPO	7/8/2014	Medium
Dept. of Human Services / Oregon Health Authority	Contracting: Delegated Authority 306-08 and 649-11	7/22/2013	Low
	SPD Internal Control Environment	11/12/2013	Low
	IT Security Controls Consult	3/13/2014	Low
	Elder Abuse Prevention	4/7/2014	Medium
	Targeted Case Management	5/15/2014	High
Employment Department	Automated Check Writing Controls	8/2/2013	Medium
	KPM Review	9/9/2013	Low
	SPOTS Card Review	11/14/2013	Low
Office of Student Access and Completion	OSAC Scholarship Margin Analysis	6/25/2014	Medium
	OSAC Risk Assessment	6/25/2014	Medium
Oregon Business Development Department	Risk Assessment	12/20/2013	Medium
	Documented Procedures Review	6/25/2014	Medium
Oregon Judicial Department	Change of Trial Court Administrator - Malheur Circuit Court	8/23/2013	Low
	Central Services Review	9/16/2013	Medium
	OJD System Access Review - Odyssey	11/21/2013	High
	OJD System Access Review - Active Directory	11/21/2013	High
	OJD System Access Review - Appellate Case Management System	11/21/2013	Medium
	Management Letter - Check Printing	12/9/2013	Medium
	Accounting & Cash Handling Review - Douglas Circuit Court	1/13/2014	Low
	Change of Trial Court Administrator - Klamath & Lake Circuit Courts	2/13/2014	Low

	Accounting & Cash Handling Review - Josephine Circuit Court	3/3/2014	Low
	Accounting & Cash Handling Review - Deschutes Circuit Court	3/3/2014	Low
	Accounting & Cash Handling - Clatsop Circuit Court	5/2/2014	Medium
	Accounting & Cash Handling - Columbia Circuit Court	5/6/2014	Low
Oregon Lottery	Visa Card Program	9/5/2013	Low
	IA Participation in 2013 Halloween Raffle Draw	11/15/2013	Low
	Non-Travel Meals and Refreshments	1/29/2014	Low
	Internal Quality Assurance Review	1/31/2014	Low
	Information Classification	3/14/2014	Medium
	IA Participation in 2014 St. Patrick's Day Raffle Draw	3/18/2014	Low
	Annual Follow-Up	6/4/2014	Low
Oregon Military Department	FY14 Risk Assessment and Audit Plan	9/24/2013	Medium
	Follow Up (Camp Rilea and Camp Biak Billeting Operations Audit, Food Service Audit)	6/27/2014	Medium
	FY15 Comprehensive Risk Assessment and Audit Plan	7/15/2014	Medium
Oregon State Treasury	Investment Tax Reclaim	10/28/2013	Medium
	Travel Expense Reports	3/10/2014	Low
	Contracting Practices Audit	6/23/2014	Medium
	IT COBIT Phase 1	6/23/2014	High
	Internal Audit Risk Assessment	6/23/2014	Medium
	Internal Audit Risk Assessment - IT FY 2013	10/28/2014	Medium
Oregon University System (OUS)	Follow Ups	1/28/2014	N/A
	IT Risk Analysis	2/11/2014	N/A
OUS - CO	Internal Bank Agreed Upon Procedures	5/29/2014	Medium
OUS - PSU	NCAA Compliance	10/3/2013	Medium
	Departmental Fiscal Review	10/3/2013	Medium
	NCAA Agreed Upon Procedures	1/10/2014	N/A
	Athletics Travel Review	3/6/2014	Medium
	Research Compliance	5/29/2014	Medium
OUS - OSU	NCAA Agreed Upon Procedures	1/10/2014	N/A
	Athletics Facilities	1/29/2014	High
	Athletics Cell Phone Program	1/29/2014	High
	NOAA Grant	1/31/2014	High
	NCAA Ticket Count	2/10/2014	N/A
	5th Site IT Funding	3/24/2014	N/A
	Extension Travel	4/18/2014	High
	Student Payroll Complaint	5/20/2014	High
	Research Compliance	5/29/2014	Medium

	Recreational Sports	6/11/2014	Medium
OUS - SOU	Student Incidental Fund	12/19/2013	Low
OUS - UO	Research Effort Reporting	7/23/2013	High
	Campus Operations Lock Shop	9/13/2013	High
	Department Travel Review	12/17/2013	Medium
	NCAA Agreed Upon Procedures	1/13/2014	N/A
	NCAA Ticket Count	1/31/2014	N/A
Oregon Youth Authority	Advisory committee member-vendor relationships	9/12/2013	Medium
	Juvenile Parole and Probation Officer pre-employment psychological testing	10/10/2013	Medium
	Oregon Youth Authority employee mental health certification	1/10/2014	Medium
	Oregon Youth Authority audit committee governance	1/14/2014	Medium
	Cash handling review	6/30/2014	Medium
	Small Purchase Order Transaction System 2014	9/30/2014	Low
Oregon Department of Parks and Recreation	State Fair Review	11/19/2013	Medium
	Land and Water Conservation Fund Grant Program Audit Report	6/17/2014	High
Public Employees Retirement System	SPOTS Audit	7/12/2013	Low
	Benefit Calculation Audit	10/22/2013	Low
	Initial Eligibility Review Audit	1/28/2014	High
	Cost of Living Adjustment Review	2/11/2014	Low
State Police	Payroll Audit	10/1/2013	High

### **Other Value-Added Activities**

This listing includes activities provided by auditors within and external to their agency. Including professional activities, audit related value-added activities not directly related to an audit or formal consulting engagement. For example this may include involvement on committees, participation in statewide activities, and liaison work with external auditors.

<b>Agency</b>	<b>Other Value Added Activity</b>
Administrative Services	Liaison for external audit activities including work with, the Secretary of State Audits Division and other state and federal auditors.
	Participated on policy and process review teams as requested by management.
	Provided research and consulting services as needed for management.
Agriculture	Conduct Payment Card Industry (PCI) Self-Assessment Questionnaire (SAQ) to self-evaluate and attest agency compliance to the PCI Data Security Standard.
	Worked with Portland State University Fellow on cost accounting project to determine prices for providing laboratory services to internal agency programs.
	Worked with Portland State University Hatfield Fellow on feasibility study of shifting the Shipping Point Inspection program out from ODA to a quasi governmental program.
	Worked with Portland State University Fellow to determine an adequate motor fuel meter license fee for cost recovery.
	Implemented an online license renewal system in coordination with US Bank and Oregon State Treasury, improving efficiency and security in processing license renewal fee payments.
Department of Consumer and Business Services	Participated on the Risk Assessment Subcommittee of the CAE Council
	Conducted a review of the financial records of the Willamette Valley Information Systems Audit and Control Association (ISACA).
	Participated in the Contract Process Improvement Project at DCBS.
Department of Corrections	Performance Measures/Mass Ingenuity (C.O.R.E)
	Assisted in investigations
	Conducted Cost of Care investigations
	Provided guidance on application of the Oregon Ethics Law on a number of occasions
	Acted as liaison with external auditors
	Participated in the public safety shared services model committee
	Provided consulting services needed for management
	Conducted follow up procedures to ensure prior recommendations were implemented
	Organized annual risk assessment and communicated results
	Served on the local chapter of the IIA
Department of Fish and Wildlife	Completed Payment Card Industry (PCI) Self-Assessment
	Completed Automatic Clearing House Risk Assessment
	Completed Information Security Business Risk Assessment
	Completed Security Incident Response Team and Response Plans
	Conducted deposit process review
	Hosted Treasury efficiency presentations on check scanning and ACH
	Conducted Director's financial review
	Served on Department of Administrative Services Audit Committee

	Participated on Statewide Audit Committee
	Coordinated agency-wide follow-up efforts on prior audits
	Conducted agency risk-related discussion of agency priorities
	Coordinated Lean review processes for Wildlife Damage Complaint Process, Suction Dredging, Administrative Rules notices as well as mapping processes for Accounting Services and Fish Administrative processes
	Worked with Mass Ingenuity on agency priorities, developing structured plans which resulted in agency-wide efficiencies and savings, timely adherence to goals, and regular monitoring and reporting to the Executive Leadership Team
	Developed new billing system and process which improved the timeliness of reimbursements for federal and other grants and contracts
	Provided research and consulting to managers upon request related to areas of risk and financial concerns
Department of Forestry	ODF CAE served on the Judges Committee for the 2013 State CIO Awards
	ODF CAE served as the President of the Salem Chapter of the Institute of Internal Auditors for FY 2014.
	ODF CAE assisted in Department of Justice and State Police fraud investigation
	ODF CAE provided presentations on risk assessment, risk analysis and risk management to ODF Leadership team
	ODF CAE served on ODF IT Governance Committee.
	ODF CAE served on ODF Facilities Governance Committee
	ODF CAE participated in State CAE Council meetings
	ODF CAE provided internal audit assistance to Oregon Department of Fish and Wildlife and Oregon Department of Agriculture
	ODF CAE established Shared (ODF, ODFW, ODA) Audit Committee. Provided orientation for shared audit committee members
	ODF CAE completed various consulting services during the year
Department of Revenue	DOR Ethics Committee
	Core Systems Replacement Team
	Secretary of State Audit Liaison
	IIA Volunteering - Campus Outreach
	CPA Program Development
	Nonvoting Member of Information Security Policies Committee
	Nonvoting Member of Business Continuity Committee
	Nonvoting Member of Security Team Committee
	Nonvoting Member of Joint Field Banking Committee
	Nonvoting Member of CPA Liaison Committee
Department of Transportation	CAE served as a Board Officer on American Association of State and Highway Transportation Officials (AASHTO) Administrative Subcommittee on Internal/External Audits
	Planned AASHTO Audit Conference
	Facilitated Enterprise Risk Management for the department
	Consulted on Bicycle/Pedestrian Program
	Staff served on Board of Salem Chapter of the Institute of Internal Auditors
	Conducted regular follow-up on completed audits
	Participated in peer review process for other state DOTs

	Conducted reviews of SPOTS Card Program and grant closeout process for Department of Aviation
Dept. of Human Services / Oregon Health Authority	Coordinated department risk assessment activities
	Helped facilitate nine separate Secretary of State, Audits Division external reviews (including the Statewide Financial and Compliance reviews of eight major programs)
	Helped facilitate 16 federal reviews
	Provided support on a contracted IT review
	Provided metric information for Quarterly Business Reviews
	Coordinated follow up efforts on prior audit findings
	Presented as part of department management training efforts
	Participated in Shared Services Information Services Committee
Oregon Business Development Department	CAE participated in the statewide RFP process for a Price Agreement.
Oregon Judicial Department	Provided advice as requested on internal control and segregation of duties activities in several circuit courts and divisions
	Liaison for external audit activities
	Provided feedback on various draft policies
	Served as the Vice-President of the Salem Chapter of the Institute of Internal Auditors
Oregon Lottery	IA worked with the Video Lottery Technology Modernization Program to review and provide input on risks identified and assessed for departments and individual projects. IA also worked with the Agency's Project Management Office on developing a criteria list to assist programs and management in the decision making process across the organization.
	IA worked with the Assistant Director for Security to provide review and feedback to the Chief Financial Officer on the re-alignment of Procurement, Facilities and Distribution programs to fall within Finance and Accounting. CAE researched segregation of duties and best practices prior to the conversation.
	One member of IA served as the Membership Chair of the Salem Chapter of the Institute of Internal Auditors and has served on Salem's IIA Board since 2012.
	IA researched approval authority for Director's time and travel for the CFO and the Director's Office.
	IA researched and provided a memo to the Director and Deputy Director analyzing both internal and statewide policies around providing refreshments at OSL meetings.
	IA reviewed and provided input to a manager in the Procurement Department on the draft "Contract Administration Program Development and Implementation Plan."
	One member of IA served as the Secretary of the Salem Chapter of the Institute of Internal Auditors.
	IA provided an independent review of IT Governance's Managerial Review of User Access Draft Procedures. These procedures are part of an agency-wide effort requiring Lottery management to review and attest to their staff's access to critical Lottery software systems, which is in response to a number of internal and external audit findings and recommendations related to user access review and approval.
	IA participated in two separate interview panels for positions within the IT and Security Departments.
	IA provided consulting advice to other state agency internal audit departments regarding contract administration best practices employed by the Lottery.

	IA provided informal advice to Lottery management regarding situations requiring interpretation of the Lottery's Ethics Policy.
	IA provided feedback to IT Governance regarding the Lottery's Business Continuity Plan Project Scope Document. The Lottery is currently in the process of improving the overall maturity of their Business Continuity Management Program to ensure adequate and timely restoration of critical business functions and its supporting technology infrastructure in the event of a disaster.
Oregon Military Department	Reviewing OEM Key Performance Measure procedures; advising on Camp Rilea Billeting Operations for adequate segregation of duties; consulting on configuration of new Billeting reservation and payment system at Camp Rilea.
Oregon State Treasury	Serve as a liaison for the external Oregon Short Term Fund Opinion Audit, Oregon Intermediate Term Pool Opinion Audit, and the Public Employees Retirement System Opinion Audits
	Acted as Project Manager for the Investment Solutions Project
	Contract Consulting
	Business Continuity Consulting
	Tax Filing Assistance
	Provided consulting services Treasury management using their detailed understanding of Treasury program controls and processes
	Provide insight into the interface between senior management decision making and the operational/social impacts across Treasury
	Participate in Board Portal project team
	Assisted in risk based strategic prioritization of agency projects
	Assisted in breaking down technical issues for use in meetings and documentation for the legislature and their staff
Oregon University System	Serving as external audit liaison with federal and state agencies to provide synergy
	Administering the Fraud, Waste, and Abuse hotline and reviewed numerous complaints throughout the year to determine if allegations were substantiated and to prevent future occurrences
	Consulting with system and campus personnel on various system design and policy issues
	Consulting and following up on campus data security breaches
	Presenting internal control and fraud awareness sessions to campuses
	Providing orientations to new finance committee members and key personnel
Oregon Youth Authority	Participated as an active member of Public Safety Audit Collaborative
	Participated as an active member of Institute of Internal Auditors Salem Chapter
	Participated in State of Oregon Audit RFP process design workgroup
	Participated as an active member of State of Oregon Chief Audit Executive Council
	Conducted a risk management and assessment presentation for the Oregon Department of Safety Standards and Training
	Participated in annual Oregon Diversity Conference
	Participated in Enterprise Governance Project designed at identifying opportunities and efficiencies
	Achieved Certification in Risk Management Assurance (CRMA)
	Established audit collaborative within the Council of Juvenile Correctional Administrators (CJCA) audit community to enhance value of internal audit function at both state and national levels

Oregon Department of Parks and Recreation	Consulting at the Oregon State Fair through December of 2014
	Risk Assessments were completed at all 35 Park Management Units that reviewed cash handling practices and internal control implementation.
Public Employees Retirement System	CAE serves as the CAE Council Coordinator (Statewide Council)
	CAE serves on the METRO financial audit committee.
	CAE serves as the Information Security Officer and coordinates Information Security Board Meetings.
	Both Principal Internal Auditors serve on problem solving and breakthrough team committees.
State Police	DAS Subcommittee on OAR 125-700 Rule Revision
	DAS Subcommittee on Internal Audit RFP Price Agreement
	Public Safety Audit Collaborative
	Agency Enterprise Risk Assessment Committee
	Agency Payroll Consulting non-reporting