

HOUSE AMENDMENTS TO HOUSE BILL 3613

By COMMITTEE ON GOVERNMENT ACCOUNTABILITY AND INFORMATION
TECHNOLOGY

February 11

1 On page 1 of the printed bill, line 2, after the semicolon insert “creating new provisions;
2 amending ORS 297.050 and 297.070;”.

3 In line 13, delete “seven” and insert “nine”.

4 In line 18, delete “and”.

5 In line 20, delete the period and insert “; and

6 “(e) The Governor shall appoint:

7 “(A) One member from the largest employee representative unit; and

8 “(B) One member from representable employees not represented by the employee representative
9 unit described in subparagraph (A) of this paragraph.”.

10 On page 2, line 37, delete “shall” and insert “may”.

11 On page 3, after line 7, insert:

12 “**SECTION 3. (1) Each state agency that is audited by the Secretary of State under ORS**
13 **297.070 or 297.210 shall review the audit report issued by the secretary and identify any audit**
14 **recommendations made for the agency.**

15 “**(2) Not later than three months after the date the secretary issues the audit report, the**
16 **state agency shall report in writing to the Committee on Performance Excellence. The report**
17 **shall describe the recommendations and opportunities for improvement identified by the au-**
18 **dit and a plan for addressing those opportunities.**

19 “**(3) The committee may request in writing that the state agency provide additional in-**
20 **formation or clarification of the agency’s report. The agency shall respond within a reason-**
21 **able time, not to exceed three months following receipt of a written request from the**
22 **committee.”.**

23 In line 8, delete “3” and insert “4”.

24 In line 14, delete the first “4” and insert “5” and delete “1 to 4” and insert “1 to 5”.

25 In line 24, delete “5” and insert “6”.

26 In line 26, after “member” insert “, the member from the largest employee representative
27 unit”.

28 In line 28, before “Senate” insert “the” and after the third “member” insert “, the member from
29 representable employees not represented by the largest employee representative unit”.

30 After line 31, insert:

31 “**SECTION 7. ORS 297.050 is amended to read:**

32 “297.050. The Division of Audits of the office of the Secretary of State shall supply the Joint
33 Legislative Audit Committee, **the Committee on Performance Excellence established in section**
34 **1 of this 2008 Act** and the Legislative Fiscal Officer with a copy of each audit report made by or
35 for the Division of Audits.

1 “**SECTION 8.** ORS 297.070 is amended to read:

2 “297.070. (1) Performance and program audits of all state departments, boards, commissions, in-
3 stitutions and state-aided institutions and agencies shall be conducted on the basis of risk assess-
4 ment and on standards established by national recognized entities including, but not limited to, the
5 United States General Accounting Office and the National Association of State Auditors. The Sec-
6 retary of State shall adopt and the Joint Legislative Audit Committee shall approve rules specifying
7 all criteria to be considered for conducting a performance or program audit under this section. The
8 Secretary of State shall schedule the performance and program audits as directed by the Joint
9 Legislative Audit Committee.

10 “(2) The Secretary of State may subpoena witnesses, may require the production of books and
11 papers and rendering of reports in such manner and form as the Secretary of State requires and
12 may do all things necessary to secure a full and thorough audit. The Secretary of State shall report,
13 in writing, to the Legislative Assembly as provided in ORS 192.245 **and to the Committee on**
14 **Performance Excellence established in section 1 of this 2008 Act.** The report shall include a
15 copy of the report on each performance and program audit.

16 “(3) The Secretary of State, as State Auditor, shall contract with qualified private sector audi-
17 tors to conduct audits required by this section, unless the Secretary of State determines that it is
18 not practical or in the public interest to do so. If the Secretary of State determines that it is not
19 practical or in the public interest to contract with qualified private sector auditors, after notifying
20 the Joint Legislative Audit Committee, the Secretary of State shall employ auditors for such purpose
21 and shall include in the written audit report the circumstances that rendered it impractical or not
22 in the public interest to contract with qualified private sector auditors. All contracts for conducting
23 performance and program audits under this section shall be in a form prescribed or approved by the
24 Secretary of State. A copy of each completed contract shall be furnished to the Secretary of State
25 and the Joint Legislative Audit Committee. The Secretary of State shall employ or contract with
26 auditors upon terms and for compensation as the Secretary of State determines are advantageous
27 and advisable.

28 “(4) An audit conducted under contract as provided in subsection (3) of this section shall be
29 considered to be conducted by the Division of Audits for purposes of ORS 297.020, 297.050 and
30 297.535.

31 “(5) If a person fails to comply with any subpoena issued under subsection (2) of this section, a
32 judge of the circuit court of any county, on application of the Secretary of State, shall compel obe-
33 dience by proceedings for contempt as in the case of disobedience of the requirements of a subpoena
34 issued from the circuit court.

35 “(6) The Secretary of State may enter into an agreement with the department, board, commis-
36 sion, institution, state-aided institution or agency that is the subject of a performance or program
37 audit for payment of the expenses incurred by the Secretary of State in conducting the audit. The
38 Emergency Board may also make funds available to the Division of Audits to reimburse it for ex-
39 penses incurred under this section.

40 “(7) As used in this section:

41 “(a) ‘Performance audit’ includes determining:

42 “(A) Whether an entity described in subsection (1) of this section that is the subject of the audit
43 is acquiring, protecting and using its resources economically and efficiently;

44 “(B) The causes of inefficiencies or uneconomical practices; and

45 “(C) Whether the entity has complied with laws and regulations concerning matters of economy

1 and efficiency.

2 “(b) ‘Program audit’ includes determining:

3 “(A) The extent to which the desired results or benefits of a program established by the Legis-
4 lative Assembly or other authorizing body are being achieved;

5 “(B) The extent to which the need for or objectives of an ongoing program are necessary or
6 relevant;

7 “(C) Whether the program complements, duplicates, overlaps or conflicts with other related
8 programs;

9 “(D) The effectiveness of organizations, programs, activities or functions; and

10 “(E) Whether the entity described in subsection (1) of this section that is the subject of the audit
11 has complied with laws and regulations applicable to the program.”.

12 In line 32, delete “6” and insert “9”.

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