

HOUSE AMENDMENTS TO HOUSE BILL 3139

By COMMITTEE ON RULES

May 19

1 In line 2 of the printed bill, after “ORS” insert “184.360 and”.

2 Delete lines 4 through 21 and insert:

3 “**SECTION 1.** ORS 184.360 is amended to read:

4 “184.360. (1) As used in this section[,];

5 “(a) ‘**Executive department**’ has the meaning given that term in ORS 174.112.

6 “(b) ‘State government’ has the meaning given that term in ORS 174.111.

7 “(2) It is the policy of this state that internal audit activities within state government be coor-
8 dinated to promote effectiveness.

9 “(3) The Oregon Department of Administrative Services shall adopt rules setting standards and
10 policies for internal audit functions within state government. The rules shall include, but are not
11 limited to:

12 “(a) Standards for internal audits that are consistent with and incorporate commonly recognized
13 industry standards and practices; and

14 “(b) Policies and procedures that ensure the integrity of the internal audit process.

15 “(4) **Each agency of the executive department required to have an internal audit function**
16 **shall produce a risk assessment of the entire agency that conforms to audit standards es-**
17 **ablished by nationally recognized entities such as the United States Government Account-**
18 **ability Office or the Institute of Internal Auditors. The agency shall use its risk assessment**
19 **as the basis for the selection and performance of at least one internal audit per calendar**
20 **year.**

21 “(5) **Each agency of the executive department required to have an internal audit function**
22 **shall audit a component of its governance and risk management processes at least once ev-**
23 **ery five years and file a report with the Oregon Department of Administrative Services.**

24 “[4] (6) Not later than December 31 of each calendar year, the **Oregon Department of Ad-**
25 **ministrative Services** shall prepare and submit a report to the Joint Legislative Audit Committee.
26 In the absence of the Joint Legislative Audit Committee, the department shall submit the report to
27 the Joint Committee on Ways and Means or the Emergency Board. The report shall describe inter-
28 nal audit activities that have occurred in state government during the calendar year in which the
29 report is prepared.

30 “**SECTION 2.** (1) **An agency of the executive department that completes a risk assess-**
31 **ment or internal audit under ORS 184.360, or that prepares an independent audit under ORS**
32 **353.160, shall file the completed risk assessment or internal audit with the Division of Audits**
33 **of the Office of the Secretary of State.**

34 “(2) **Nothing in this section affects the constitutional duties and authority of the Secre-**
35 **tary of State to audit public accounts.**

1 “**SECTION 3.** ORS 353.160 is amended to read:

2 “353.160. Nothing in this chapter [*shall affect*] **affects** the constitutional duties and authority
3 of the Secretary of State to audit public accounts. However, the Oregon Health and Science Uni-
4 versity shall conduct independent audits if [*such*] **the** audits are considered advisable by the uni-
5 versity. [*Such*] **Subject to section 2 of this 2009 Act, the** audits [*shall be*] **are** subject to the
6 exclusive discretion and control of the university. **The audits are** [*and shall be*] subject to disclo-
7 sure pursuant to ORS 192.410 to 192.505.”.

8
