



# 2019-20 Audit Plan Status Briefing

Joint Legislative Audit Committee  
September 16, 2019



Secretary of State  
Oregon Audits Division

# Audit Plan: Performance/IT audits

Audit topic	Agency	Status	Scope and Objectives	Estimated Release
Child Protective Services	Department of Human Services	Planning	How can Oregon more effectively and economically use prevention services for families to keep children out of the Child Welfare system and keep more children in the system at home?	1Q 2020
Employee discrimination and harassment prevention controls	Department of Administrative Services	Planning	Review current controls and practices for receiving, investigating, and resolving complaints while also protecting employees. May assess intergovernmental communications and interactions to prevent and address instances of discrimination and harassment.	Scoping – TBD
General Counsel: Business Transactions Section	Department of Justice	Planning	How can DOJ's General Counsel Division optimize its contract review services? Has DOJ taken the necessary and appropriate actions to prepare for a potential shift to a new funding model?	1Q 2020



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Mental health treatment services	Oregon Health Authority	Fieldwork	<p>To determine whether the Behavioral Health Division has an effective governance structure to provide reasonable assurance that the mental health treatment services program is meeting its objectives.</p> <p>To determine whether the Health Systems Division adequately meets the mental health treatment needs of the adolescent and youth population as covered by Oregon.</p>	1Q 2020
Regional solutions program (JLAC request)	Statewide	Management letter issued	Assess the efficacy and effectiveness of Governor's Oregon Solutions Network; review grant, loan, and incentive programs; examine regional centers and advisory committees; and review program governance and administrative costs	Issued August 2019
Safe drinking water program	Oregon Health Authority	Planning	Assess state programs that protect drinking water and respond to public health issues affecting the safety of drinking water. May include a review of intergovernmental efforts, using the Salem drinking water issue as a case study	Scoping - TBD

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State property management	Department of Administrative Services	Fieldwork	Determine if DAS's statewide facility planning process allows agencies to acquire and maintain facilities in a manner that maximizes and protects public investments	1Q 2020
Child care investigations	Oregon Health Authority, Oregon Department of Education	Fieldwork	To report on state efforts to meet enhanced background check requirements for child care providers; identify barriers to performing required checks; test existing registries for ineligible individuals; and identify any cost savings	1Q 2020
State worker health care costs (JLAC request)	Public Employees' Benefit Board, Oregon Educators Benefit Board	Scoping	How can the state better manage health care benefit costs for PEBB and OEGB members and their dependents?	1Q 2020
Students with special needs programs	Department of Education, selected school district(s)	Planning	Determine how ODE can better support students experiencing disabilities when they transition between early childhood education and school-age programs	4Q 2019

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Transportation Safety Division (JLAC Request)	Oregon Department of Transportation	Planning	How can ODOT better evaluate construction work zone strategy and planning decisions to enhance worker and driver safety?	1Q 2020
Integrated eligibility	Department of Human Services, Oregon Health Authority	Fieldwork	Determine if the IE project team has appropriate controls in place to help ensure data from five existing systems is converted accurately and completely for use in the new IE system. An additional objective, to be reported separately, is to determine the cost and benefits of using the U.S. Treasury Department's Do Not Pay Business Center to help identify improper payments.	3Q 2019 (next in queue)
OR-Kids	Department of Human Services	Fieldwork	Determine whether DHS has designed and implemented controls to ensure case management data in OR-Kids is complete, accurate, and reliable, and that the system is usable to help ensure the safety and well-being of children and families; determine whether DHS has controls in place for preliminary planning of its transition to a federally compliant Comprehensive Child Welfare Information System	1Q 2020

# Audit Plan: Performance/IT audits

Audit topic	Agency	Status	Scope and Objectives	Estimated Release
State Ethics Program	Ethics Commission	Planning	Determine whether the state adheres to an optimal ethics framework and approach for elected officials and the state workforce?	Scoping - TBD
High School Graduation and College and Career Readiness Act (Measure 98)	Oregon Department of Education	Initiate 4Q 2019	ORS 327.895 requires a program audit of the uses and effectiveness of the High School Graduation and College Readiness Fund. The initial audit will focus on governance and controls and is intended as a "real-time" audit owing to the early status of the program's implementation. Subsequent audits will examine the Act's program areas.	TBD
IT modernization	Oregon Employment Department	Initiate 4Q 2019	This audit will assess the Department's on-going efforts to modernize key information technology systems. The audit is intended as a "real-time" audit.	TBD
Personally identifiable information protection and privacy breach response	Office of the Chief Information Officer	Initiate 4Q 2019	Assess OSCIO governance, processes, and controls for ensuring agencies protect employee and customer personally identifiable information and respond to privacy breaches.	TBD

# Audit Plan: Additional OAD programs

Audit topic	Agency	Potential Scope and Objectives
Data analytics program	Statewide	<ul style="list-style-type: none"><li>• Use data to identify potential areas of risk or abuse, enhance audits underway, and identify future topics or projects</li><li>• Use ACL (Audit Command Language) and GIS (Geographic Information Systems) and other applications, as appropriate to achieve these goals</li></ul>
IT security controls audits	Statewide	<ul style="list-style-type: none"><li>• Evaluate IT security risks and provide a high-level view of an agency's current state.</li><li>• Completed two reviews to date (DOR and DAS), one more (ODE) will be issued during the 4Q 2019 (ODE) and one more scheduled to commence in the 4Q 2019 (OHA/DHS)</li></ul>
Recommendation follow-up program	Statewide	<ul style="list-style-type: none"><li>• Continue to conduct audit recommendation follow-up engagements</li></ul>
Special projects	TBD	<ul style="list-style-type: none"><li>• Bank of hours allocated for emergent and special projects, including advisory reports, throughout the year</li></ul>

# Audit Plan: Financial audits

Audit topic	Agency	Potential scope and objectives	Estimated Release
Statewide Single Audit	Statewide	<ul style="list-style-type: none"> <li>• Single audit required by federal government to receive federal financial assistance</li> <li>• First component audits financial statements and reporting on schedule of expenditures of federal awards</li> <li>• Second component is a compliance audit of major federal awards</li> </ul>	1Q 2020
Medical Board processes	Oregon Medical Board	<ul style="list-style-type: none"> <li>• Licensing, complaint, investigations, and appeals processes</li> </ul>	4Q 2019
Veterinary Board	Oregon Veterinary Medical Examiners Board	<ul style="list-style-type: none"> <li>• Investigations and background checks</li> </ul>	4Q 2019
PERS financial condition	Oregon Public Employee Retirement System	<ul style="list-style-type: none"> <li>• HB4163 (2018 ) required the SOS to contract for an actuary review. The final report will be released in the 3Q 2019.</li> </ul>	
Travel Oregon	Oregon Tourism Commission	<ul style="list-style-type: none"> <li>• Administrative expenses, procurement, contract administration practices</li> </ul>	4Q 2019



# Audit Plan: Financial audits

Audit topic	Agency	Estimated Release
FY19 Financial statement and compliance audits	Various agencies and programs	4Q 2019 – 2Q 2020
Keeping the State of Oregon Accountable	Summary report on the results of the FY19 Statewide Single Audit	2Q 2020
Municipal audit program	Local governments	Ongoing
Risk assessments and fiscal resource reviews	Various	Ongoing



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