

SECRETARY OF STATE

Keeping Oregon Accountable



Fiscal Year 2022

AUDIT OVERVIEW – FISCAL YEAR 2021

- 12 months of audit work
- 25 state agencies
- 17 federal programs
- Results published in Statewide Single Audit Report
 - Current financial and federal findings
 - Status of findings from two preceding years
 - Agency management's responses to findings
 - Schedule of Expenditures of Federal Awards (SEFA)

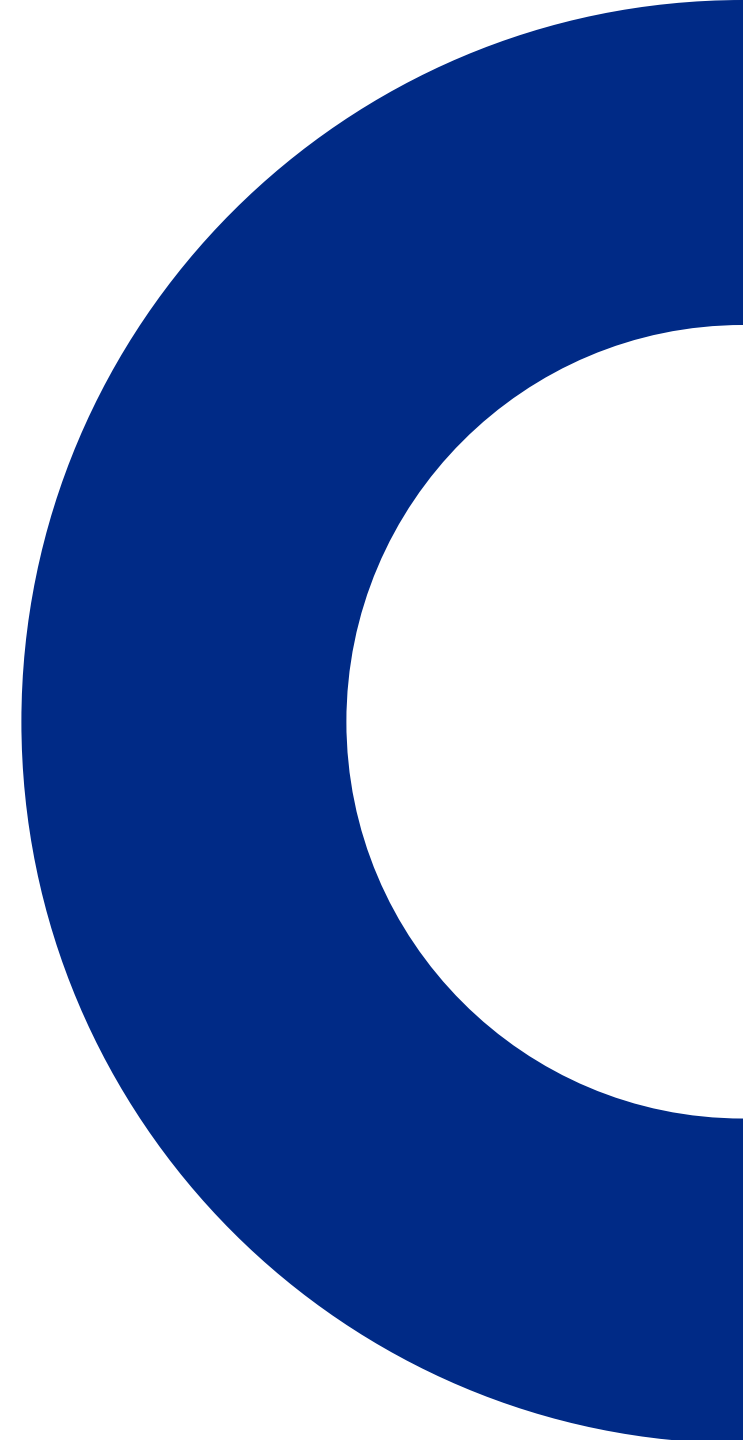


FIGURE 1

5-year history of findings issued

Figure 1: The number of material weaknesses identified varies from year to year

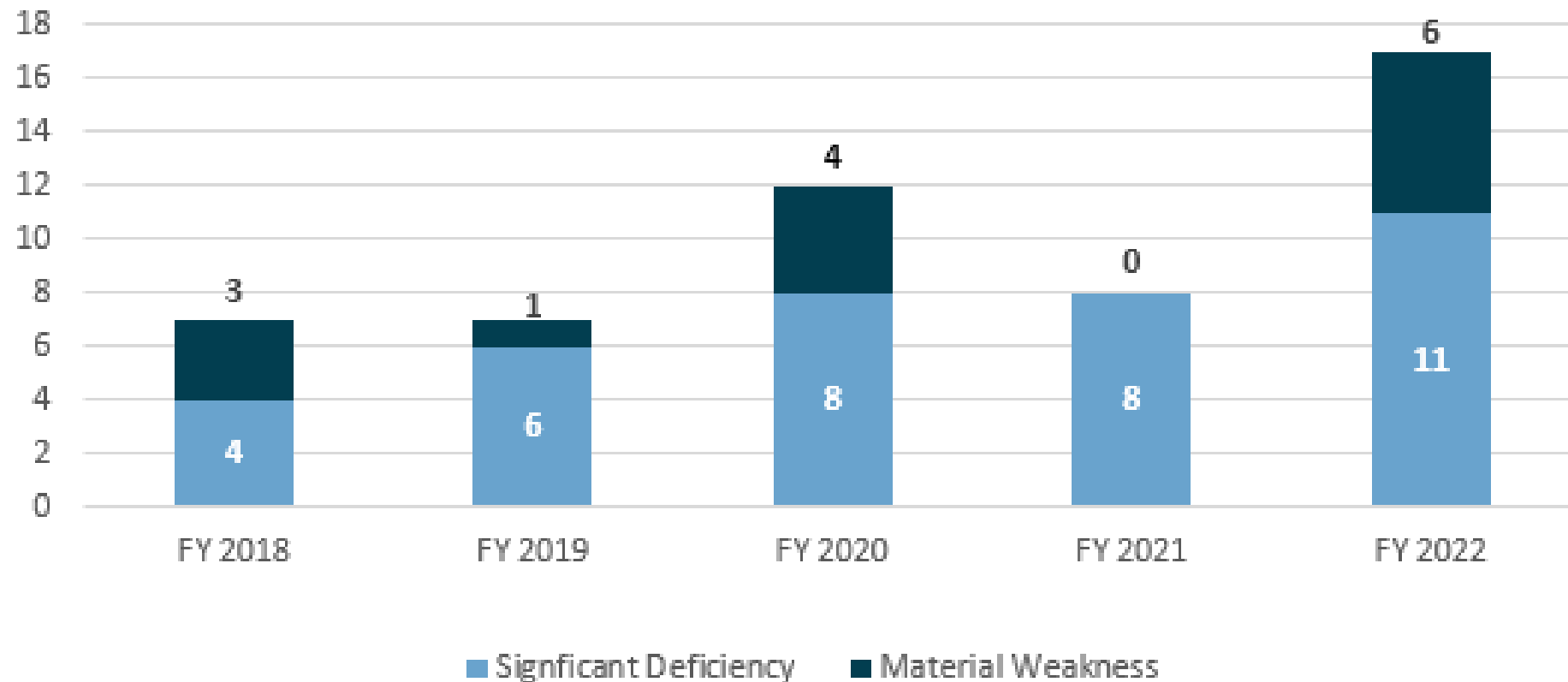
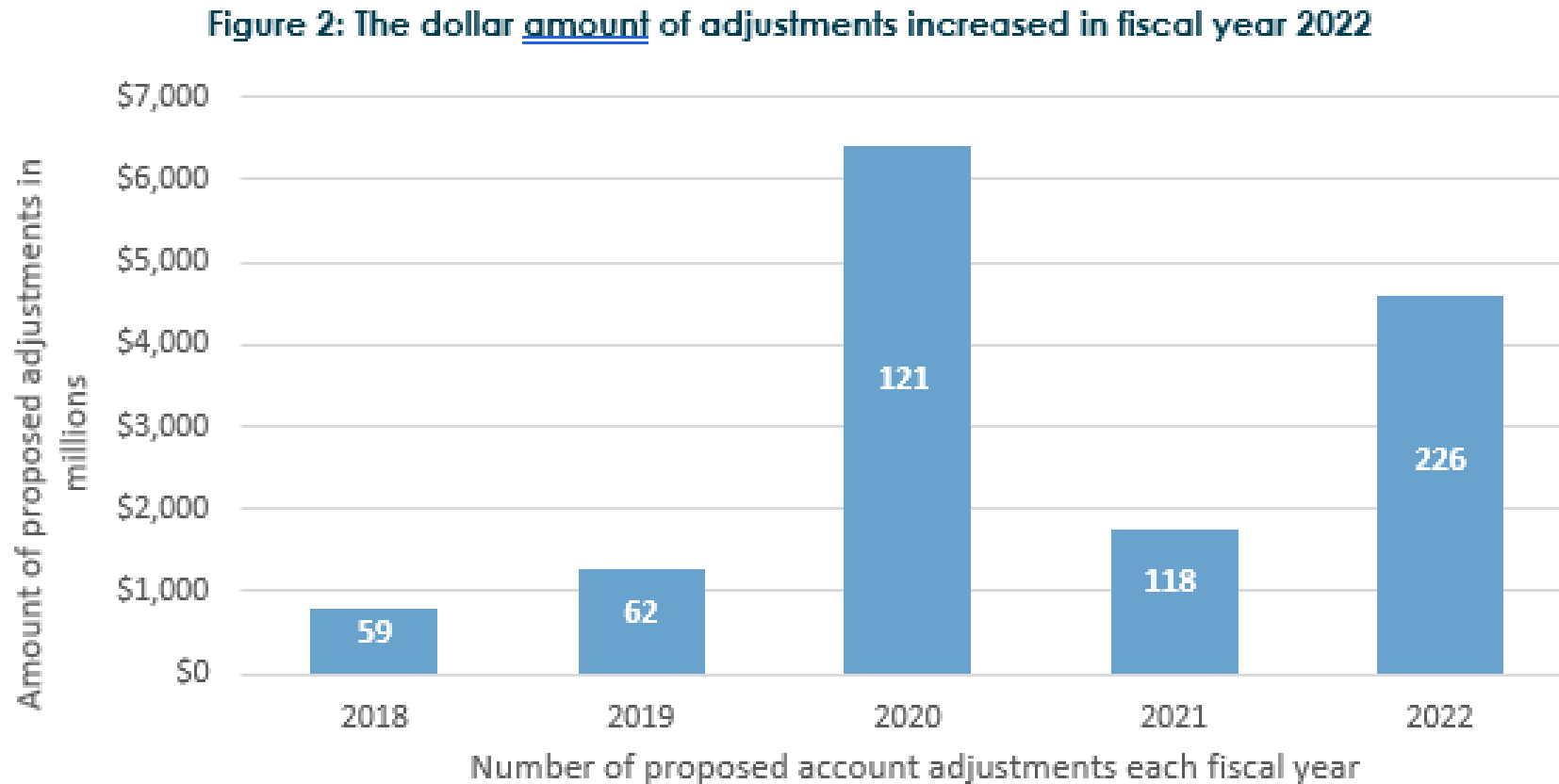


FIGURE 2

5-year history of audit adjustments



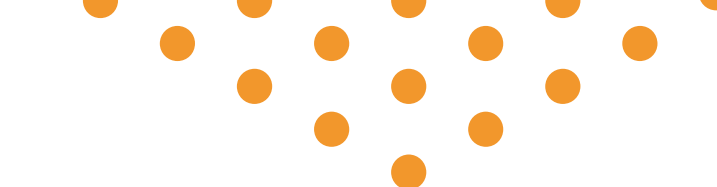


Figure 3: Proposed financial audit adjustments totaled \$4.6 billion for fiscal year 2022

State agency	Accounts affected	Amount
Oregon Department of Human Services / Oregon Health Authority	47	\$2,030,682,661
Department of Corrections	2	492,047,828
Oregon Business Development Department	34	437,124,861
Department of Revenue	4	353,598,124
Department of Consumer and Business Services	6	299,889,320
Oregon Department of Transportation	16	293,545,574
Oregon Judicial Department	4	208,050,380
Department of Environmental Quality	21	190,624,510
Department of Justice	34	91,012,991
Multiple agencies*	18	69,664,804
Oregon Military Department	2	47,800,119
Oregon State Police	22	29,275,178
Higher Education Coordinating Commission	5	28,460,700
Oregon Department of Forestry	5	16,062,781
Oregon Employment Department	4	10,177,099
Oregon Housing and Community Services	2	3,333,569
Total	226	\$4,601,350,499

FIGURE 3

Proposed audit adjustments

*Note: In fiscal year 2022, adjustments were proposed to identify and track activity related to smaller agencies (e.g. Oregon Film & Video, Travel Information Council, and Commodity Commissions) that are part of the reporting entity, but optionally excluded from the financial statements.

FIGURE 4

Progress in correcting financial statement findings

Figure 4: Fiscal year 2022 saw a much higher rate of corrections compared to previous years

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Total prior year findings reviewed	19	20	16	17	15
Prior year findings, not resolved	14	13	7	7	5
Prior year findings, corrected	5	7	9	10	10
Rate of corrections	26%	35%	56%	59%	67%



Figure 5: Seven programs expended over 83% of fiscal year 2022 COVID-19 funding

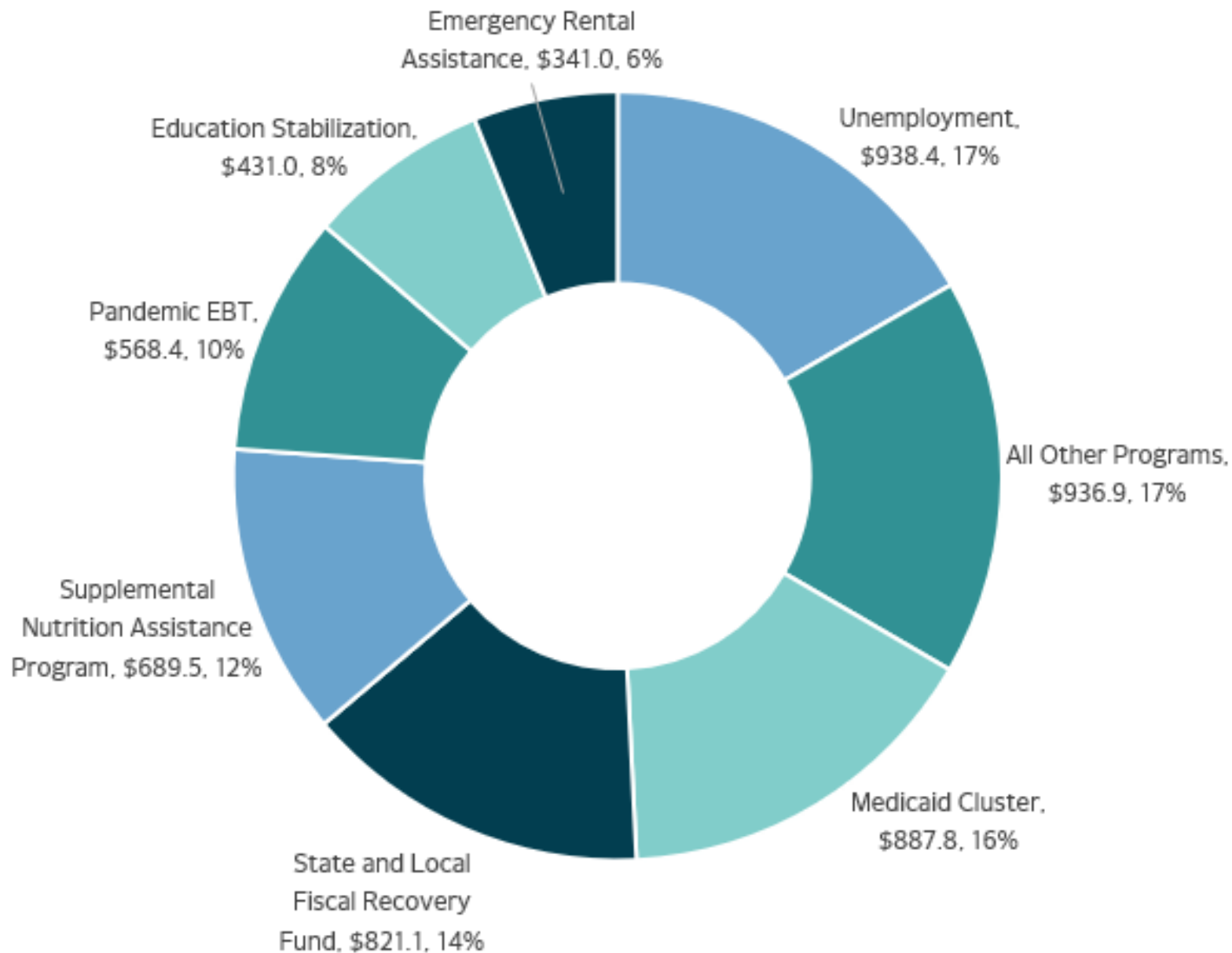


FIGURE 5

COVID-19 funding

FIGURE 6

Fiscal year 2022 federal expenditures and audit coverage

Figure 6: We audited 68% of fiscal year 2022 single audit expenditures (in billions)

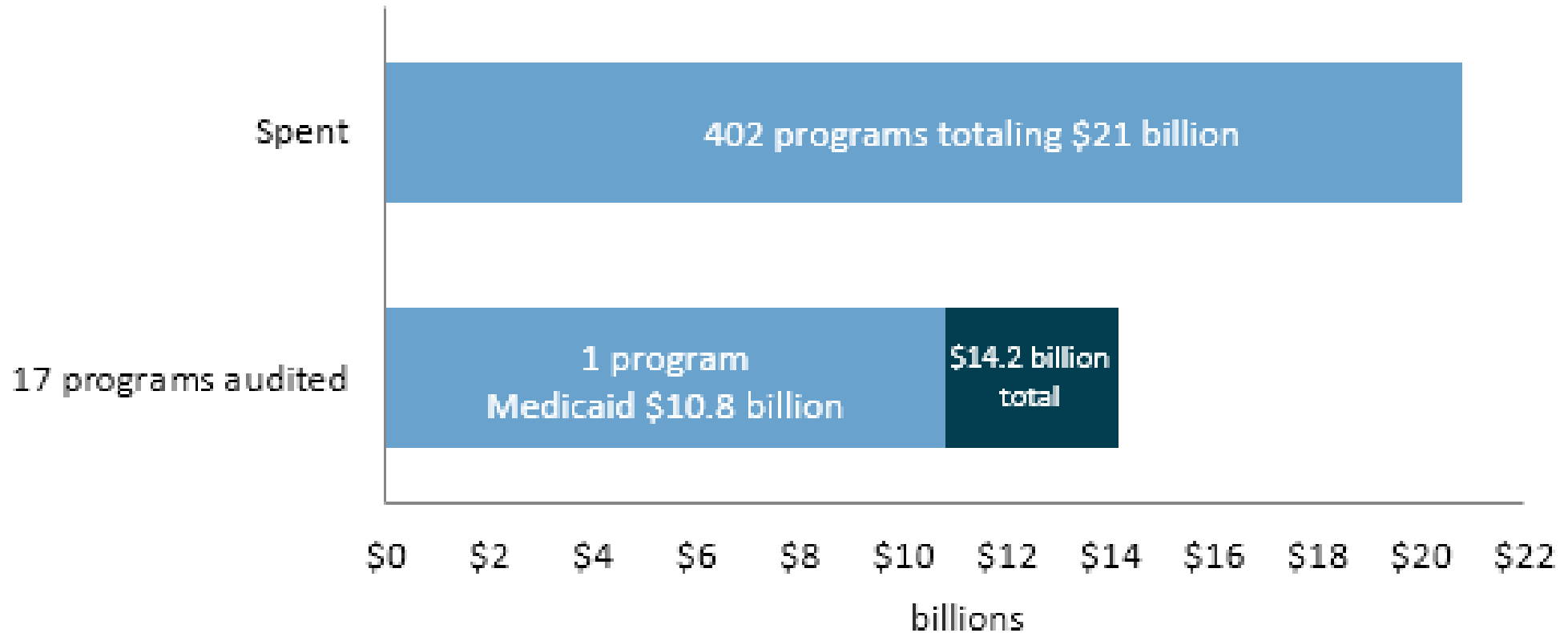


FIGURE 7

Fiscal year 2022 state agency federal expenditures

Figure 7: ODHS and OHA account for nearly 75% of federal expenditures by state agencies, fiscal year 2022

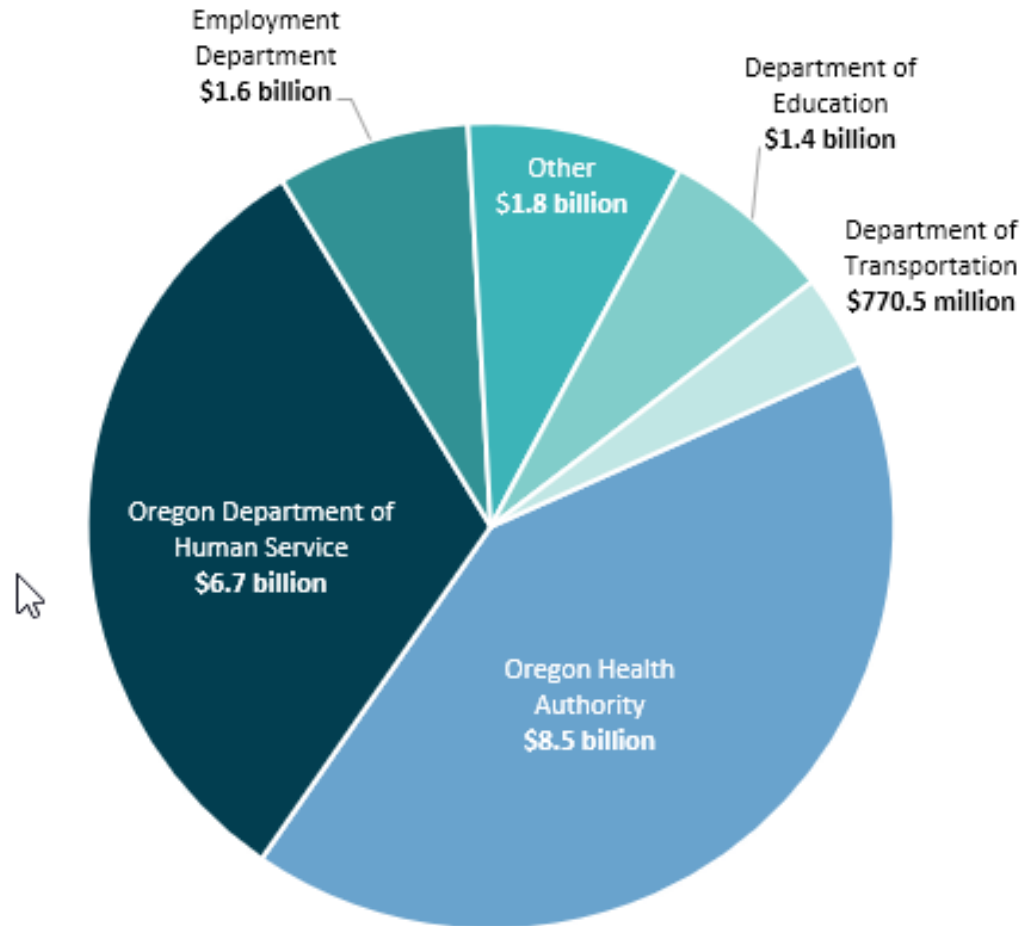


FIGURE 9

History of Medicaid expenditures

Figure 9: Total Medicaid expenditures increase each year

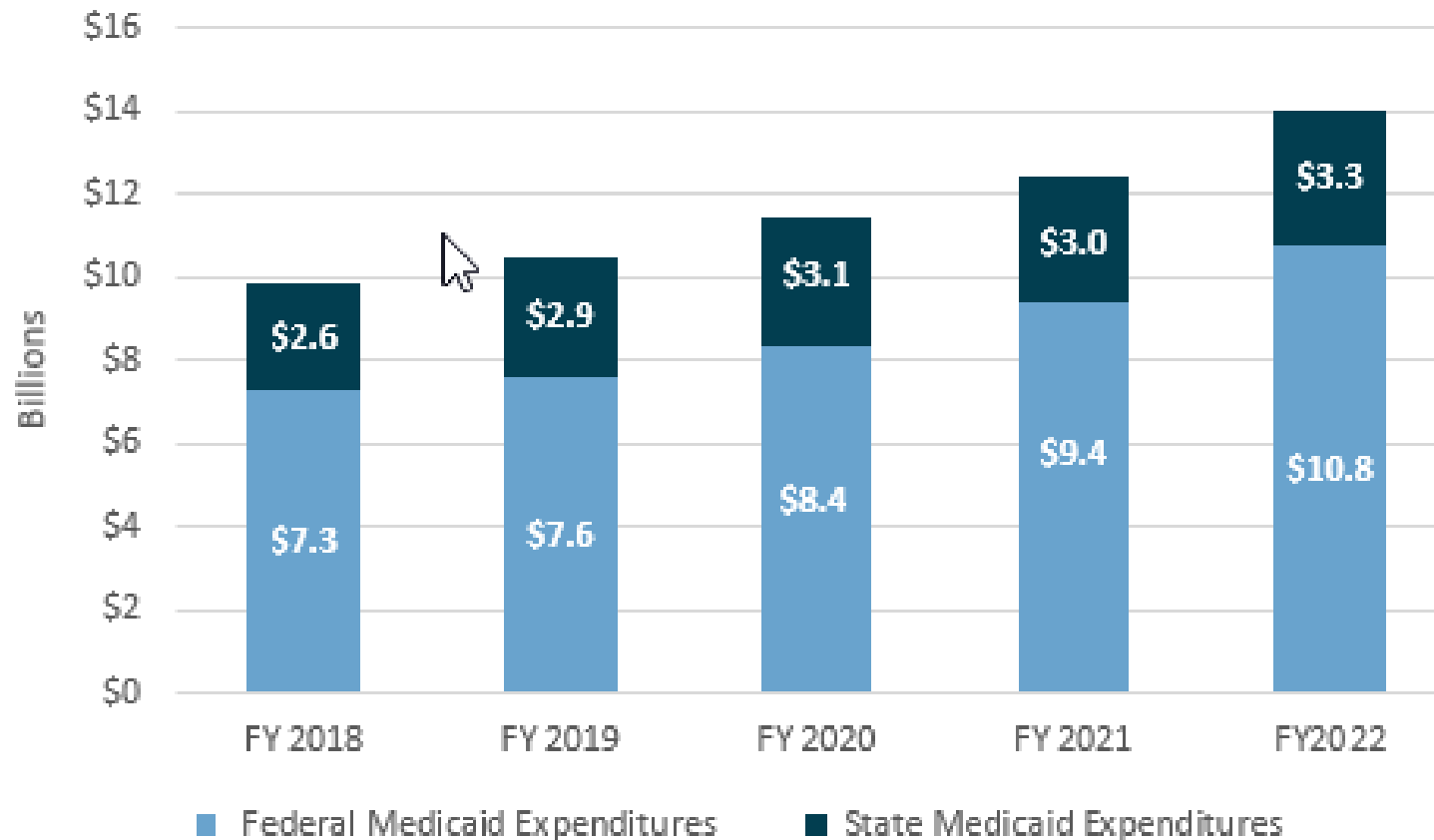


FIGURE 10

Oregon Housing and Community Services skyrocketed from fiscal 2020 to 2022

Figure 10: Oregon Housing and Community Services experienced a surge of pandemic funding, fiscal years 2020 to 2022 (in millions)

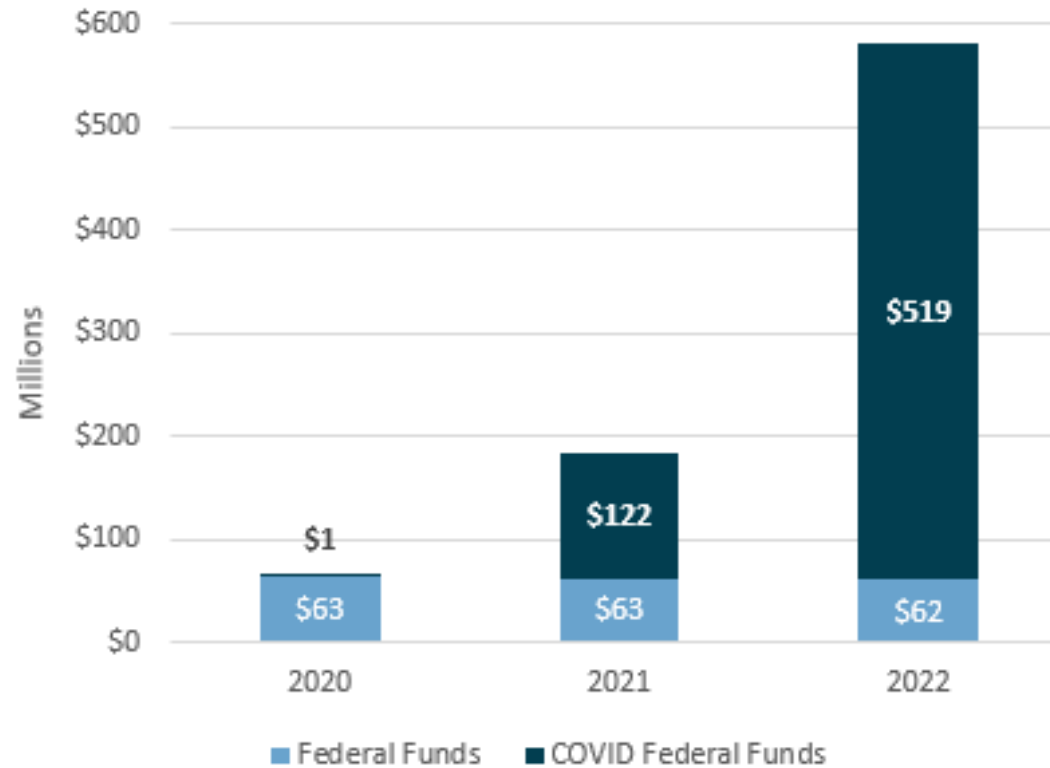


Figure 11: We audited 17 programs expending \$14.2 billion in federal funds for fiscal year 2022

Federal Program	2022 Findings	Federal Program Expenditures
Medicaid Cluster	4	\$ 10,791,893,892
Coronavirus State and Local Fiscal Recovery Funds (SLFRF)	1	821,066,498
Highway Planning and Construction Cluster	2	634,606,478
Pandemic EBT Food Benefits (P-EBT)	1	568,371,920
Education Stabilization Fund (ESF)	3	430,993,443
Emergency Rental Assistance (ERA)	6	341,001,099
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	5	120,518,861
Temporary Assistance for Needy Families	6	94,030,779
Immunization Cooperative Agreements	3	85,832,059
Low-Income Home Energy Assistance (LIHEAP)	3	69,516,809
Adoption Assistance	0	54,868,805
Emergency Solutions Grant (ESG)	7	36,758,183
Workforce Innovation and Opportunity Act Cluster (WIA/WIOA)	3	35,496,616
Disability Insurance/SSI Cluster	0	30,049,681
Social Services Block Grant	1	25,631,944
Block Grants for Treatment of Substance Abuse (SABG)	5	27,469,090
Block Grants for Community Mental Health Services (MHBG)	5	15,290,215
	55	\$ 14,183,396

Two findings for non-major program (Opioid STR [State Targeted Response]) are not included in this chart. One ELC finding is shared with Immunization and counted twice. Three SABG findings are shared with MHBG and were counted twice. One other SABG finding is shared with MHBG, ELC, and Immunization and is counted four times.

FIGURE 11

Details of fiscal year 2022 audited federal programs

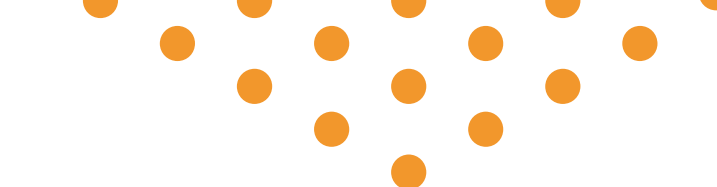


FIGURE 12

Questioned costs in fiscal year 2022 audited federal programs

State Agency	Federal Program Expenditures	Questioned Costs
Oregon Department of Human Services		
Pandemic EBT	\$ 568,371,920	\$ 17,246,881
Social Services Block Grant (SSBG)	25,631,944	1,308,457
Temporary Assistance for Needy Families (TANF)	94,030,779	933,616
Oregon Housing and Community Services		
Emergency Rental Assistance (ERA)	341,001,099	11,210,437
Emergency Solutions Grant	36,758,183	245,362
Oregon Health Authority		
Epidemiology and Laboratory Capacity	120,518,861	1,017,603
Immunization Cooperative Agreements	85,832,059	36,783
Block Grants for the Prevention and Treatment of Substance Abuse	15,481,475	2,793,693
Oregon Health Authority/ Oregon Department of Human Services		
Medicaid Cluster	10,791,893,892	396,022
Higher Education Coordinating Commission		
Workforce Innovation and Opportunity Act Cluster (WIOA)	35,496,616	47,523
Total	\$ 12,115,016,828	\$ 35,236,377

FIGURE 15

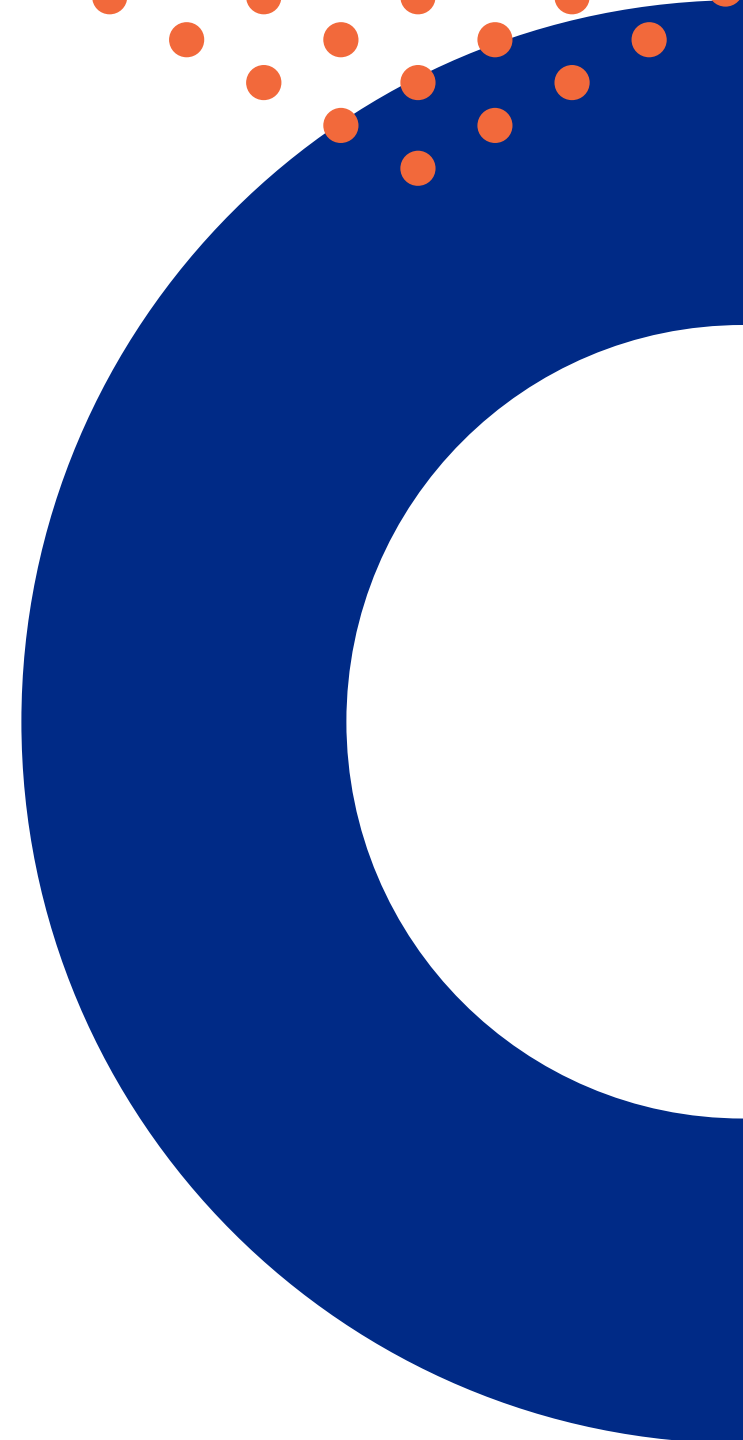
Ongoing federal program findings history

Figure 14: History of ongoing findings

Agency	Program	Finding Summary	Origination Year	Years Ongoing
ODHS	Temporary Assistance for Needy Families	Accurate reports	2010	13
ODHS/OHA	Medicaid	Provider eligibility	2012	11
ODHS	Child Care and Development Fund	Incorrect copays	2014	9
ODFW	Fish & Wildlife Cluster	Monitoring real property	2017	6
ODHS	Temporary Assistance for Needy Families	Accurate report calculations	2019	4
OHA	Opioid STR	Subrecipient monitoring	2019	4
OHA	Opioid STR	Report review	2019	4
ODHS/OHA	Medicaid	Return questioned costs	2019	4

ODHS – Oregon Department of Human Services; OHA – Oregon Health Authority; ODFW – Oregon Department of Fish & Wildlife

QUESTIONS?





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