



Oregon Secretary of State

Audits Division Overview & Policy Update

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Agency-Wide Goals

1

Integrity

Nonpartisan operations, prioritizing Oregonians' needs

2

Accountability

Honesty, identifying and fixing shortfalls

3

Competence

Improving implementation, attention to detail

Audits Division Overview

We **build trust** by providing objective assurance that state government is fulfilling its responsibilities for Oregonians.

We **make a difference** by performing nonpartisan work to:

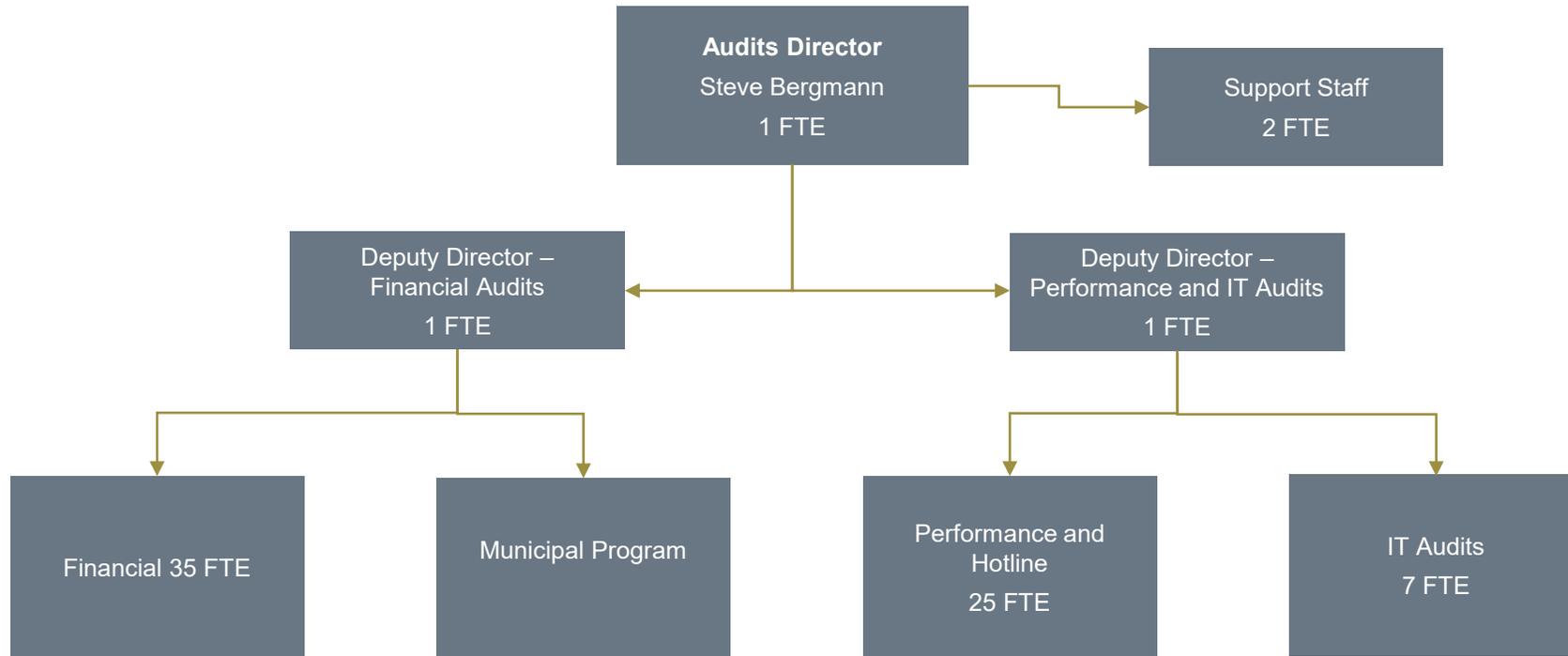
- Improve state government performance and operations
- Reduce costs
- Facilitate decision making
- Contribute to public accountability

2025-27 Legislatively Adopted Budget

- \$32,935,189 (Other Funds)
- 72 FTE
- 90% funded through assessments to state entities
- 10% funded through direct bill agencies

Staffing Allocation

Current service level: 72 FTE



Work Portfolio

Building Trust and Making a Difference through:

- Financial Audits
- Federal Compliance Audits
- Comfort Letters for public financing
- Performance Audits
- Information Technology Audits
- IT Security Control Assessments
- Municipal Audit Program Administration
- Government Waste Hotline Administration
- Audit Recommendation Follow-up Reports

Highlight – State of Oregon Financial Statement (ACFR) Audit

FY25 Highlights

- 27 separate state agencies engaged
- 271 total accounts audited and certified
- 40 audit adjustments totaling \$2.4B
- 31 financial auditors working full-time from May through December

Recent Changes in Audits Division

- Performance Audits
- Culture Change
- Resource Utilization
- Strategy Changes
- Policy Refinement



Policy Update: Audit Recommendation Follow Up

Effective 7/1/2025

Engagement Type	Frequency of Follow-up	Reporting to Legislature and Public
State of Oregon Financial Statement Audit	Annually	Annual Single Audit Report & Annual Keeping Oregon Accountable Report
Discretely Presented Financial Statement Audits, Excluding State of Oregon ACFR	Annually	Discretely published on SOS website; publication announced via GovDelivery
Compliance Audits	Annually	Annual Single Audit Report & Annual Keeping Oregon Accountable Report
Performance & IT Audits	6 months after last due date for recommendation implementation or 18 months after report publication (whichever is sooner); every 12 months thereafter (if still outstanding)	Annual Keeping Oregon Accountable Report or standalone report





Audit Recommendation Follow Up Policy

For Performance and IT Audits:

- Notice to LFO (ORS 297.070(10))
- Follow up objectives (ORS 171.585(2))
 1. Whether an audited entity has appropriately acted upon audit findings; and
 2. Whether implementation of the audit recommendation achieved the anticipated benefits identified in the audit report or in the audited entity's response to the audit report.



Questions?

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