

# AUDIT REPORT

## Department of Land Conservation and Development: Change of Director Audit



Bill Bradbury, Secretary of State  
Cathy Pollino, Director, Audits Division

### Summary

#### PURPOSE

The Secretary of State is required by Oregon Revised Statute 297.210 to perform an audit or review when the executive head of a state agency leaves that position for any reason.

Paul Curcio was appointed Director of the Department of Land Conservation and Development (department) on February 1, 2002, and resigned from that position effective February 21, 2003.

#### RESULTS IN BRIEF

The department took appropriate actions to protect the department's assets upon the former director's resignation. We identified issues of lesser significance that did not warrant reporting in an audit report. We reported these issues to the department in Management Letter No. 660-2003-07-01.

#### Background

The 1973 Legislative Assembly created the Department of Land Conservation and Development (department) and its policy making body, the Land Conservation and Development Commission (commission). The commission appoints the department's director who has oversight for department functions. The department is the administrative arm of the commission and administers Oregon's statewide land-use planning program. Objectives of the program are to conserve farm land, forest land, coastal resources, and other important natural resources; encourage efficient development; coordinate the planning activities of local governments and state and federal agencies; enhance the state's economy; and reduce the public costs that result from poorly planned development.

#### Audit Results

The department took appropriate actions to protect the department's assets upon the former director's resignation. We identified no

significant instances of noncompliance with laws, rules, or regulations to be included in the audit report. We did identify issues of lesser significance that warranted the attention of the department's management. We communicated these issues to the department in Management Letter No. 660-2003-07-01.

#### Objectives, Scope and Methodology

This audit was conducted in compliance with Oregon Revised Statute 297.210, which requires the Audits Division to perform an audit or review when the executive head of a state agency leaves that position for any reason. Our audit objective was to ensure that the department took appropriate actions to protect department assets upon the former director's separation. Specifically, we:

- Reviewed relevant laws, rules and regulations;
- Determined whether the former director's access to the department and its computer systems was revoked;

- Determined whether assets assigned to the former director were returned to the department upon separation;
- Reviewed phone records for the former director, during his last four months of employment, to determine whether calls appeared to be for a business purpose;
- Reviewed all travel and payroll transactions payable to the former director to determine if payments were reasonable and in accordance with laws and regulations; and
- Reviewed contracts authorized by the former director, during his employment, to determine whether the former director entered into any related party contracts. We also determined whether the department ensured that the Attorney General performed a legal sufficiency review, if required.

We conducted this audit in accordance with generally accepted government auditing standards. We conducted our audit from April 2003 through June 2003. We limited our audit to the areas specified above.

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*This report, which is a public record, is intended to promote the best possible management of public resources. Copies may be obtained by mail at Oregon Audits Division, Public Service Building, Salem, Oregon 97310, by phone at 503-986-2255 and 800-336-8218 (hotline), or internet at [Audits.Hotline@state.or.us](mailto:Audits.Hotline@state.or.us) and <http://www.sos.state.or.us/audits/audithp.htm>.*

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*The courtesies and cooperation extended by the officials and staff of the Department of Land Conservation and Development were commendable and much appreciated.*

***Auditing to Protect the Public Interest and Improve Oregon Government***

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