



Auditing for a Better Oregon

February 6, 2003

Ron Bersin, Interim Director
Oregon State Board of Tax Practitioners
3218 Pringle Road SE, No. 120
Salem, Oregon 97302

Dear Mr. Bersin:

We have completed a change of director review of the Oregon State Board of Tax Practitioners' (board) former director, Pamela Konstantopoulos, who resigned from the director position effective August 30, 2002. The review 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 objective was to ensure that appropriate actions were taken to protect state assets when the former director separated from the board. We determined whether assets assigned to her were returned; her access to state and automated systems was terminated; travel and other reimbursements submitted or approved by her during her last six months of employment were appropriate and in compliance with applicable laws and regulations; her recent payroll disbursements and leave accruals were appropriate and accurate; and recent personal service contracts signed by her were in compliance with applicable laws and regulations.

During our review we noted certain issues that we believe deserve your attention. The issues are summarized below along with our recommended actions.

Controls Over Assets

We found that the board does not maintain a record of assets assigned to employees as required by state policy (Oregon Accounting Manual, policy number 10.55.00.PO). Adequate controls should be in place to lower the risk of loss of state assets.

We recommend that the board develop procedures for tracking assets assigned to employees to assure all property is returned to the board upon employee separations.

Management Letter No. 119-2003-02-01

Travel Claims Reimbursement

During the review of travel claims, we found that the former director sometimes used her personal vehicle when it was more cost efficient to use a state motor pool car. State policy requires that a state-owned vehicle be used unless a private vehicle is more practical because of cost, efficiency or work requirements.¹

We recommend that the board ensure that employees responsible for reviewing and approving travel reimbursement claims clearly understand and consistently apply state policy.

Should you have any questions concerning these issues, feel free to contact Gary Fredricks, or me at (503) 986-2255.

Sincerely,
OREGON AUDITS DIVISION

James D. Pitts
Audit Administrator

JDP:brk

cc: Gary Weeks, Director, Department of Administrative Services
Jean Gabriel, SARS, State Controller's Division, Department of Administrative Services
John Radford, Administrator, State Controller's Division,
Department of Administrative Services

¹ *Oregon Accounting Manual*, policy number 40.10.00.PO.112