

OFFICE OF THE
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AUDITS DIVISION
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Auditing for a Better Oregon

April 1, 2003

Stephen S. Walters, Chair
Oregon Racing Commission
800 NE Oregon St., Suite 310, No. 11
Portland, Oregon 97232

Dear Mr. Walters:

We have completed a change of director review of the Oregon Racing Commission's (commission) former director, Steve Barham, who resigned from the director position effective November 1, 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 resigned from his position. We reviewed representations from management and determined that assets assigned to the former director were returned and whether his access to state and automated systems was terminated. Additionally, we reviewed travel and other reimbursements submitted by the former director during his last three months of employment and determined that these claims complied with applicable laws and regulations. We also examined the former director's recent payroll disbursements and leave accruals, which appear to be appropriate and accurate.

Based on our limited review, we found that the Oregon Racing Commission took appropriate action to protect state assets upon the former director's change in position.

We also followed up on the Oregon Audits Division Report No. 97-15 findings and recommendations. These findings regarded collection of race meet license fees, timely deposits of receipts, retention of unclaimed winnings documentation, and review and approval of employee timesheets. We found that the commission has taken steps to address all of the issues raised in these findings.

Management Letter No. 862-2003-04-01

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

Sincerely,
OREGON AUDITS DIVISION

Jason M. Stanley, CPA
Audit Administrator

JMS:jas
cc: Gary Weeks, Director, Department of Administrative Services