



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

December 5, 2003

Board of Directors
State Landscape Architect Board
1193 Royvonne Avenue SE, #19
Salem, Oregon 97302

During the course of our audit field work for the three years ended June 30, 2003, certain opportunities for improving internal controls and record keeping were noted. This letter contains recommendations for strengthening those areas. They are not necessarily as complete or comprehensive as that which might result from a special systems and procedure review.

Internal accounting control refers to accounting and related procedures designed to assist officials to better control and safeguard the assets that have been entrusted to them and to provide the greatest practical assurance that accounting records are properly and accurately maintained. Also, internal accounting controls are important to auditors in that poor or weak controls require added procedures and extension in the scope of the audit work done.

Review for areas of possible improvement is a normal part of the audit and we wish to emphasize that the recommendations contained herein are presented solely to assist the Board officials in achieving more sound internal controls and record keeping. The following recommendations are in no way intended to be a reflection on the capability or integrity of any official or employee.

We also wish to express our appreciation for the cooperation and courtesy extended to us by the Board during our audit.

This report is intended for the information of the Board of Directors and management of State Landscape Architect Board, and the State of Oregon Division of Audits and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.


CERTIFIED PUBLIC ACCOUNTANTS

Management Letter No. 922-2003-12-01

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PRIOR COMMENTS

MISSING SOURCE DOCUMENTATION

Situation:

During the review of the cash disbursements system, several checks selected did not have supporting documentation available for review.

Recommendation:

We recommended implementing procedures to ensure all cancelled invoices are filed by vendor.

Current Year Update:

This recommendation has not been complied with as of June 30, 2003.

REGULAR UPDATE OF ANTI VIRUS PROGRAM

Situation.

Computer viruses are program code residing within computer files. They are very prevalent in today's business world and are spread through all types of media infecting and destroying programs and data. New computer viruses are continually being created so the virus programs must regularly be updated.

Recommendation.

We recommended implementing procedures to ensure the virus scanning program used is updated at regular intervals.

Current Year Update:

This recommendation has not been complied with as of June 30, 2003.

CURRENT COMMENTS

BANK RECONCILIATIONS

Situation.

Bank reconciliations not completed timely.

Recommendation:

Reconciliation procedures are an important part of a good system of internal control. We recommend bank reconciliations be completed and agreed to the general ledger before the financial statements are issued.

PAYROLL DRAWS

Situation:

As a standard practice, mid-month payroll draws are allowed. The IRS has determined that a policy of monthly draws is the equivalent of a monthly payroll and that all associated payroll taxes are due at the time. The only exemption from this determination is a policy where payroll draws are for emergency purposes only.

Recommendation:

We recommend that you review the procedure to determine if payroll taxes are due at the time of the draws.