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*Auditing for a Better Oregon*

January 15, 2004

Jim Willis, Director  
Department of Veterans' Affairs  
700 Summer Street NE  
Salem, Oregon 97301-1285

Dear Mr. Willis:

We have completed a change of director review of the Department of Veterans' Affairs (department) former director, Jon Mangis, who separated from the department on September 12, 2003. 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 that his access to state and automated systems was terminated. In addition, we reviewed travel and other reimbursements submitted by him 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 for the months of February, July, August and September 2003, which appear to be appropriate. We found, however, that one of the Leave/Overtime Authorization forms did not contain evidence of supervisory review and that another form was not available for review. We recommend that department management ensure that all leave approvals are documented and that a copy of the form is retained.

Based on our limited review, we found that the department took appropriate action to protect state assets upon the former director's separation from the agency.

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

Sincerely,  
OREGON AUDITS DIVISION

Kelly L. Olson, CPA  
Audit Administrator

KLO: :bk

cc: Bruce Shriver, Chief Financial Officer  
Gary Weeks, Director, Department of Administrative Services