

OFFICE OF THE
SECRETARY OF STATE
Bill Bradbury
Secretary of State



AUDITS DIVISION
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State Auditor

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Auditing for a Better Oregon

February 14, 2005

George Pernsteiner, Acting Chancellor
Oregon University System
PO Box 3175
Corvallis, Oregon 97403-0175

Dear Mr. Pernsteiner:

During a limited review of procurement card activity from selected offices for the months of April, May, and June 2004, we noted two retirement gifts totaling \$137 were purchased using state funds. State policy prohibits the use of state funds for such purposes. However, university policy allows such use of state funds.

We recommend OUS management align its policy with the state's policy and prohibit the use of state funds to purchase retirement gifts.

Should you have any questions concerning this issue, feel free to contact Margaret Wert or me at (503) 986-2255.

Sincerely,
OREGON AUDITS DIVISION

Nancy L. Young, CPA, CISA, CFE
Audit Manager

NLY:bk

cc: Patricia A. Snopkowski, Director of Internal Audit Division
Michael Green, Controller
Laurie Warner, Acting Director, Department of Administrative Services

Management Letter No. 580-2005-02-02