



Auditing for a Better Oregon

April 12, 2005

Tom Byler, Director
Oregon Watershed Enhancement Board
775 Summer St. NE, Suite 360
Salem, OR 97301-1290

Dear Mr. Byler:

We have completed a change of director review of the Oregon Watershed Enhancement Board's (agency) former director, Geoff Huntington, who resigned effective June 21, 2004. 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 examined documentation and found that apart from the exceptions discussed below, the agency took appropriate action to protect state assets upon the former director's separation from the agency. Specifically:

- The state assets assigned to the former director were returned. However, his access to the agency's network was not terminated until two months after he ceased activities on the agency's behalf.
- Travel and other reimbursement claims submitted by the former director during his last three months of employment generally complied with applicable laws and regulations, with the exception of one reimbursement claim in the amount of \$100 for the purchase of a gift for a retiring agency board member that was not in accordance with state policy.
- The former director's recent payroll disbursements and leave accruals were appropriate and accurate.
- Contracts signed by the former director in the last three months of employment appeared to be for a valid business purpose.

We recommend that the agency:

- Implement a policy or process related to access to information systems to ensure an employee's access is terminated in a timely manner.

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- Follow state policy related to the use of state funds for retirement gifts.

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

Sincerely,
OREGON AUDITS DIVISION

Kelly L. Olson, CPA
Audit Manager

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cc: Cindy Kraai, Fiscal Manager
Dan Heagarty, Oregon Watershed Enhancement Board Co-Chair
Jane O'Keefe, Oregon Watershed Enhancement Board Co-Chair
Laurie Warner, Acting Director, Department of Administrative Services