



Auditing for a Better Oregon

January 26, 2006

Dennis Johnson, Executive Director
Oregon Student Assistance Commission
1500 Valley River Drive, Suite 100
Eugene, Oregon 97401

Dear Mr. Johnson:

We have completed a change of director review of the Oregon Student Assistance Commission's (commission) former executive director, Margie Lowe, who resigned effective January 1, 2006. 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 executive director resigned from her position. We reviewed representations from management and examined supporting documentation and determined the commission took appropriate action to protect state assets upon the former executive director's separation from the commission except as noted. Specifically:

- Assets assigned to the former executive director were returned and her access to state and automated systems was terminated in a timely manner.
- Expenses related to the former executive director's salary were appropriate per the job rotation agreement.
- Contracts and agreements signed by the former executive director during her last three months of employment appeared to be in compliance with selected laws and regulations.
- Travel and other reimbursement claims submitted by the former executive director during her last three months of employment complied with applicable laws and regulations with one exception. Justification for exceeding lodging per diem was not documented as required by state policy.¹

We recommend the commission ensure staff assigned to purchase and/or reimburse travel expenses are familiar with state travel policies to ensure compliance.

Should you have any questions concerning this review, please contact me at (503) 986-2263.

Sincerely,
OREGON AUDITS DIVISION

Ryan K. Dempster, CPA, CFE
Audit Manager

cc: Lindsay Ball, Director, Department of Administrative Services

¹ Oregon Accounting Manual 40.10.00 PO .110(c)

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