

**Office of the Secretary of State**

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**Audits Division**

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April 18, 2008

Randy Evers, Director  
Oregon Racing Commission  
800 NE Oregon, Suite 310  
Portland, OR 97232

Dear Mr. Evers:

We have completed a change of director review of the Oregon Racing Commission's (commission) former director, Jodi Hanson, and interim director, Gordon Tallman, who resigned as director and interim director effective February 16, 2007, and August 31, 2007, respectively. 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 and interim directors resigned from their positions. We reviewed representations from management and examined supporting documentation and determined that the commission took appropriate action to protect state assets upon the former and interim directors' separation from the commission. Specifically:

- Assets assigned to the former director were returned and her access to state and automated systems was terminated in a timely manner. The interim director retained his assets and access as he continued employment with the commission in another position.
- Travel and other reimbursement claims submitted by the former and interim directors during their last three months in their positions complied with applicable laws and regulations.
- The former and interim directors' payroll disbursements and leave accruals, during the last three months in the position, were appropriate and accurate.

Should you have any questions concerning these issues, please contact me at (503) 986-2349.

Sincerely,  
OREGON AUDITS DIVISION

Kelly L. Olson, CPA  
Audit Manager

KLO:brk

cc: Gene Berger, Shared Client Services Manager, Department of Administrative Services  
Scott Harra, Director, Department of Administrative Services