

Office of the Secretary of State

Kate Brown
Secretary of State

Barry Pack
Deputy Secretary of State



Audits Division

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Director

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January 7, 2010

Timothy McLain, Superintendent
Oregon State Police
255 Capitol St. NE, 4th Floor
Salem, Oregon 97310

Dear Mr. McLain:

We have completed audit work of selected financial accounts at Oregon State Police (department) for the year ended June 30, 2009.

This audit work was not a comprehensive audit of the department. Instead, the audit work performed allowed us, in part, to achieve the following objectives: (1) express an opinion on whether the financial statements contained in the State of Oregon's Comprehensive Annual Financial Report were fairly presented, in all material respects, in conformity with generally accepted accounting principles; (2) determine whether the state's internal controls provided reasonable assurance of proper accounting, financial reporting, and legal compliance of transactions; and (3) determine whether the state has complied with applicable legal requirements that may have a direct and material effect on the state's financial statements.

In planning and performing our audit of the selected financial accounts at the department as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the department's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements of the State of Oregon, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. Accordingly, we do not express an opinion on the effectiveness of the department's internal control.

We audited the following accounts at the department and determined their fair presentation in accordance with generally accepted accounting principles in relation to the statewide financial statements.

<u>SFMA Account</u>	<u>Description</u>	<u>Audit Amount</u>
<u>General Fund (GAAP Fund 0001)</u>		
3111	Regular Employees	\$49,509,211
3210	Public Employees Retirement Contribution	6,604,670
3212	Pension Bond Assessment	3,077,233
3221	Social Security Taxes	4,151,541
3263	Medical, Dental, Life Insurance	11,382,948
4xxx	Various Services and Supplies	24,010,878
<u>Community Protection Fund (GAAP Fund 1103)</u>		
3111	Regular Employees	\$16,376,149
3210	Public Employees Retirement Contribution	2,478,724
3212	Pension Bond Assessment	1,126,434
3221	Social Security Taxes	1,553,228
3263	Medical, Dental, Life Insurance	4,293,771

This communication is intended solely for the information and use of management, others within the organization and is not intended to be and should not be used by anyone other than the specified parties.

We appreciate your staff's assistance and cooperation during the audit. Should you have any questions, please contact Michelle Searfus or me at (503) 986-2255.

Sincerely,
OREGON AUDITS DIVISION

V. Dale Bond, CPA, CISA, CFE
Audit Manager

VDB:sms

cc: Robert Miller, Internal Auditor
Ramona Rodamaker, Administrative Services Director
Roberta Watson, Business Services Manager
Stacey Chase, Accounting Manager
Scott Harra, Director, Department of Administrative Services