

Office of the Secretary of State

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Audits Division

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March 10, 2010

Linda Mock, Administrator
Oregon Commission for the Blind
535 SE 12th Ave
Portland, Oregon 97214-2488

Dear Ms. Mock:

We have completed the statewide single audit that included a selected federal program at the Oregon Commission for the Blind (commission) for the year ended June 30, 2009.

We audited the following federal program at the commission to determine whether the commission substantially complied with the federal requirements relevant to the federal program. Our audit does not provide a legal determination of the commission's compliance with those requirements.

CFDA Number	Program Name	Audit Amount
84.126	Rehabilitation Services-Vocational Rehabilitation Grants to States	\$4,828,636
84.390	Rehabilitation Services-Vocational Rehabilitation Grants to States, Recovery Act	\$ 49,712

This audit work is not a comprehensive audit of your federal program. Instead, the audit work performed allowed us, in part, to achieve the following objectives: (1) determine whether the state has complied with laws, regulations, contracts or grants that could have a direct and material effect on the major federal program and (2) determine whether the state has effective internal controls over compliance with the laws, regulations, contracts and grants applicable to the federal program.

In planning and performing our audit, we considered the commission's internal control over compliance with requirements that could have a direct and material effect on the federal program in order to determine our auditing procedures for the purpose of expressing our opinion on the commission's compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the commission's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of

compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Based on audit procedures performed, we did not identify any new findings. In fiscal year 2007, four material weaknesses and three significant deficiencies were reported to you in a letter dated March 10, 2008, related to the commission's Vocational Rehabilitation Program. These findings can also be found in the Statewide Single Audit Report for the Fiscal Year Ended June 30, 2007; see report number 2008-03, finding numbers 07-28 to 07-34. During fiscal year 2008, the department corrected two of the findings (07-28 and 07-32), and made progress in correcting the remaining five findings. We followed up on the partially corrective status of the findings and noted that the commission has corrected four of the outstanding findings and made progress in correcting the one remaining finding. These findings will be reported in the Statewide Single Audit for the Fiscal Year Ended June 30, 2009, with a status of "corrective action taken" for 07-29, 07-30, 07-33, and 07-34 and "partial corrective action taken" for 07-31.

This communication is intended solely for the information and use of management, the Oregon Commission for the Blind, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

Sincerely,
OREGON AUDITS DIVISION

Kelly L. Olson, CPA
Audit Manager

KLO:sms

cc: Don Dartt, OCB Commission
Dacia Johnson, Rehabilitation Services Director
Leslie Jones, Administrative Services Director
Scott Harra, Director, Department of Administrative Services