

**Office of the Secretary of State**

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**Audits Division**

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September 10, 2015

Brad Avakian, Labor Commissioner  
Bureau of Labor and Industries  
800 NE Oregon Street, Suite 1045  
Portland, Oregon 97232

Dear Mr. Avakian:

We have completed our risk assessment of controls over the receipting, handling, and disbursement of cash at the Bureau of Labor and Industries (Bureau). The purpose of the risk assessment was to determine whether controls over cash have been established and are working properly. In performing the risk assessment, we interviewed employees, reviewed policies and procedures, and examined supporting documentation.

During our risk assessment, we identified the following opportunities for the Bureau to improve controls: (1) maintain adequate documentation to reconcile credit card receipts recorded in the state's accounting system to supporting documentation and (2) ensure current contracts are maintained for ongoing vendors providing a service to the Bureau.

The purpose of this letter is solely to describe the scope of our review and the results of the procedures performed, and not to provide an opinion on the effectiveness of the bureau's internal controls.

We appreciate your staff's assistance and cooperation during this review. Should you have any questions, please contact me at (503) 986-2349.

Sincerely,  
OREGON AUDITS DIVISION

Kelly L. Olson, CPA  
Audit Manager

cc: Christie Hammond, Deputy Labor Commissioner  
Terry Bonebrake, Fiscal Services Manager