

HB 2336 STAFF MEASURE SUMMARY

Joint Committee On Legislative Audits

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Meeting Dates: 2/24

WHAT THE MEASURE DOES:

Clarifies the timing of required internal audits performed by state agencies and issuance of the annual report of these activities by the Department of Administrative Services.

Detailed Summary

Under current law the required annual internal audit report by the Department of Administrative Services (DAS) is due within the same calendar year as the internal audit activities being reported. DAS has addressed this through rule by making the reporting period align with fiscal years. Changes the statutory reporting period to every 12 month which will allow reporting by fiscal year and change the DAS report from no later than December 31, to annually in the fiscal year following the reporting period.

Fiscal impact: No fiscal impact

Revenue impact: No revenue impact.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Under ORS 184.360 the Department of Administrative Services (DAS) is responsible for coordinating internal auditing in state agencies. The goal of this work is to promote effective use of resources, comply with audit standards, and complete statutorily required internal audit activities. DAS is also required to publish an annual report on statewide internal audit activities. In 2018, the Secretary of State Audits Division released their third report evaluating DAS coordination of statewide internal audit activities. In that report (2018-25) auditors recommended that DAS address the misalignment of reporting periods.