Department of Administrative Services



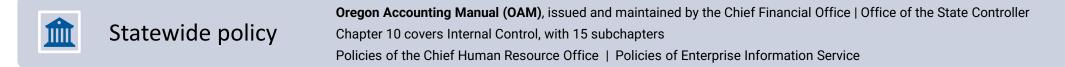




DAS and the Internal Control Environment



DAS establishes and maintains sound internal controls through:





Administration of statewide financial systems



Physical and electronic access



No internal control environment can guarantee the prevention and detection of all fraud or errors

Segregation of Duties



Serves as a prevention and detection of fraud and errors.

Separate authorization for the executing of transactions, recording of transactions, custody of assets and periodic reconciliation of existing assets to recorded assets.

Accounting system (R*STARS)

Over 50 user classes – assigns specific roles to the user class as part of transaction life cycle Unique identifier for person and position has one or multiple user classes

Manual and automated controls for:

Granting and revoking access
Ensuring conflicting user classes are not given to same individual System Security Office within the Office of the State Controller

Semi-annual review of users with agencies

System Controls



R*STARS system controls related to:

- Access controls and user classes (previous slide)
- Cash
- Budget
- Vendor management
- Disbursements

Workday and OregonBuys

- Access controls
- Roles
- Central administration

Employees and Internal Control



Background checks upon hire

• Performed by those agencies with authority to do so in their operating statutes

Code of conduct – CHRO Workforce Management Policies

- Managing Improper Governmental Conduct (includes Whistleblower protection)
- Maintaining a Professional Workplace
- Discrimination and Harassment Free Workplace polices
 - Agencies may have agency-specific code of conduct policies

Acknowledgment of various information technology policies

State Government Accountability Hotline

- Some agencies have dedicated hotlines
- For reporting allegations of fraud, waste, and abuse

CHRO Investigations Unit- Investigates alleged CHRO policy violations



Reviews and Audits





- Not part of the control environment
- No opinion expressed on internal control
- Examine relevant controls and communicate material weaknesses and significant deficiencies, requiring agency follow-up
- Required to assess fraud risks

Training, Tools and Discipline



- Fraud Investigation as a Service through audit services price agreement
- No current DAS-developed training on fraud
- Agencies are able to use analytics tools such as Power BI to assist detection efforts.
- If fraud or inappropriate action is identified, notify relevant agency partners and leadership.
- If restitution is ordered through a judgment, DOJ would be involved.

Thank You

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