## Department of Administrative Services



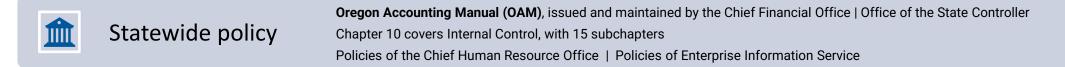




### DAS and the Internal Control Environment



#### 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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