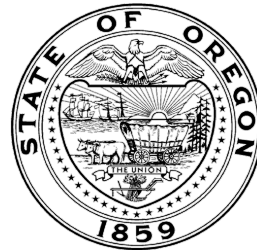


SECRETARY OF STATE

# Measure 110 Real-time Audit



June 4, 2022

Recovery Community Summit

# SB755 updated Measure 110 Audit Requirements

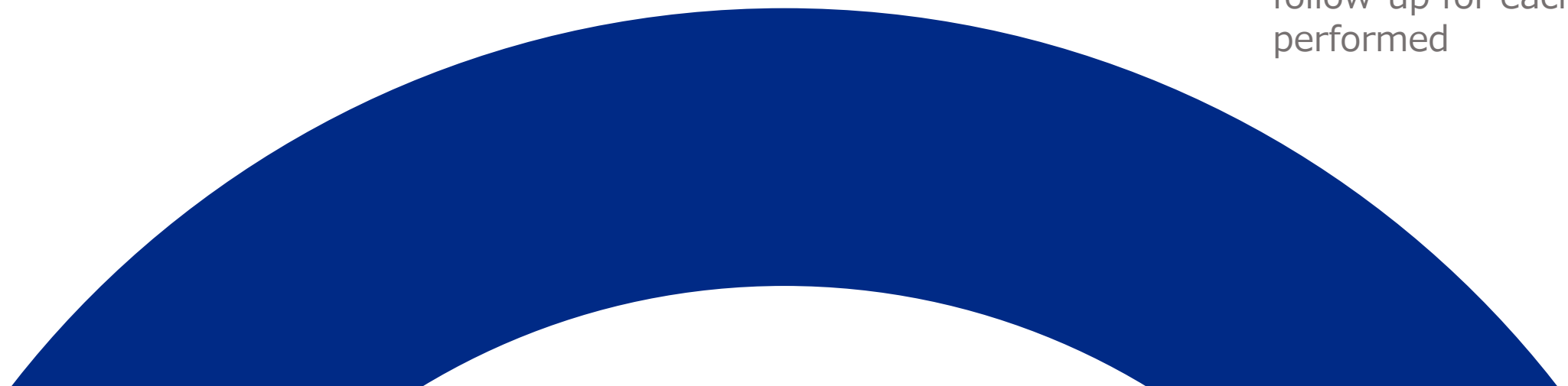
## Update Audit Deadlines

- Postpone audit deadline one year

## Additional clarity of audit requirements

- Requested greater specificity of areas financial and performance auditors should review to meet stakeholder's expectations
- Split out performance and financial audit requirements

## Change Audit Frequency

- M110 required two audit audits every two years and annual follow-ups
  - Proposed change to three initial audits and risk-based approach for future audits, with follow-up for each audit performed
- 

## **Required Audits & Follow-up**

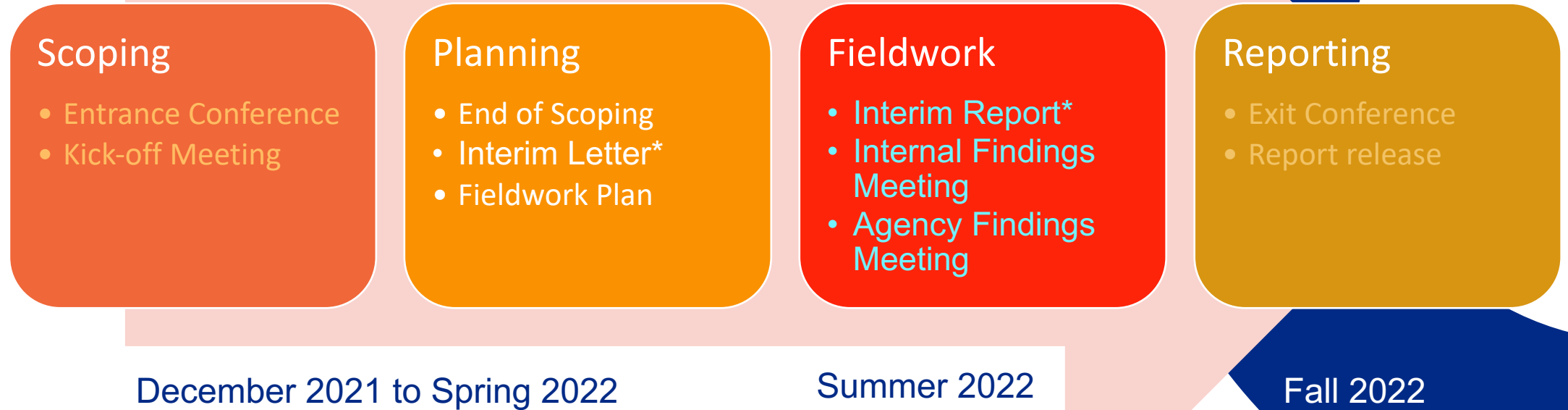
- Real-time audit (due 12/2023)
  - Focus on governance and implementation
- Financial review (due 12/2023)
  - Focus on financial controls and grant making
- Performance audit (due 12/2024)
  - Focus on data, outcomes, and service delivery
- Within two years, follow-up on any prior audits

# Real-time audit scope & objectives

The audit will follow the requirements as outlined in Senate Bill 755, including the following:

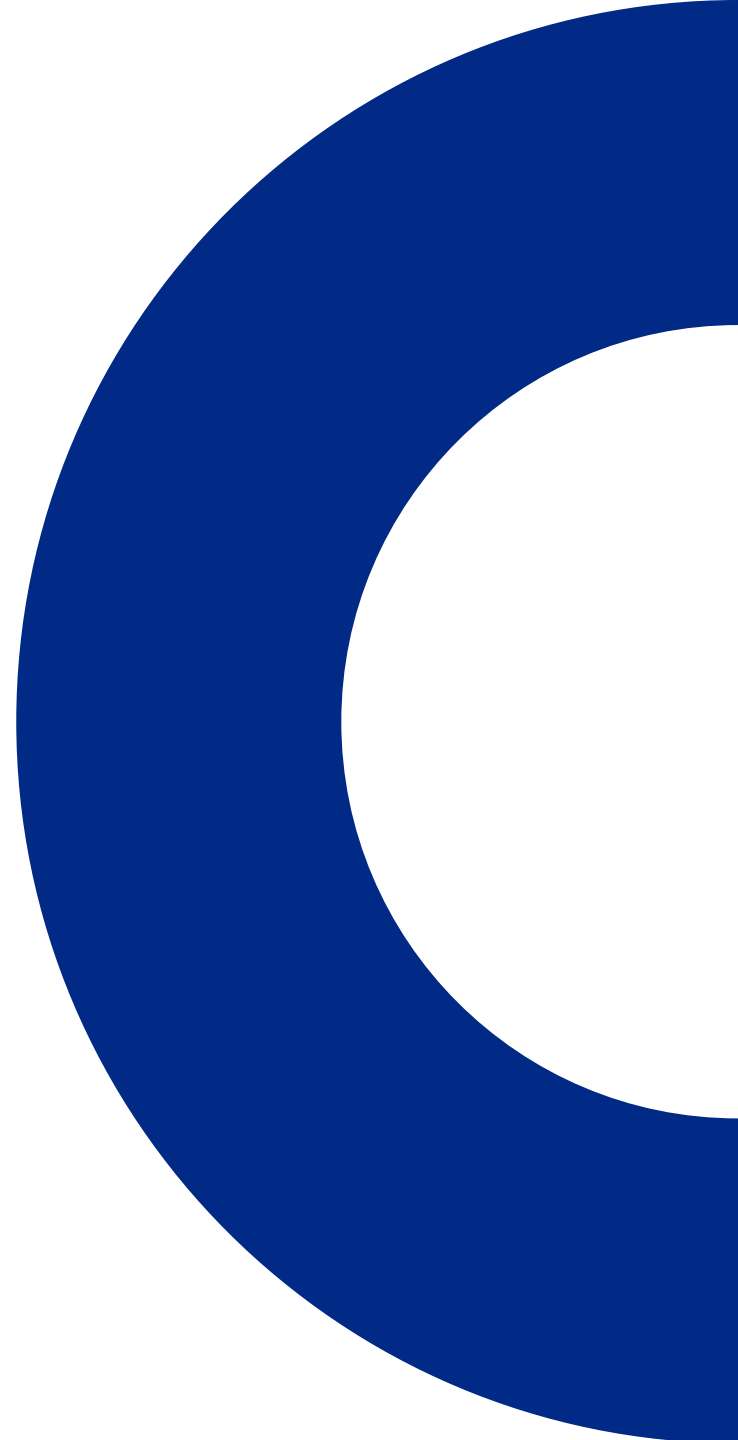
- (A) Whether the organizational structure of the council contains conflicts or problems.
- (B) Whether the rules adopted by the council are clear and functioning properly.
- (C) Whether the council has sufficient authority and independence to achieve the council's mission.
- (D) Whether the authority is fulfilling authority's duties under sections 3, 4, 5, 9 and 23, chapter 2, Oregon Laws 2021 (Ballot Measure 110 (2020)).
- (E) Whether there are conflicts of interest in the process of awarding grants or funding.
- (F) Whether there are opportunities to expand collaboration between the council and state agencies.
- (G) Whether barriers exist in data collection and evaluation mechanisms.
- (H) Who is providing the data.
- (I) Other areas identified by the division.

# Audit Process Milestones



## Interim Letter

- Key points:
  1. Lack of specific roles and responsibilities
  2. Insufficient support for OAC
  3. Inefficient grant evaluation process
  4. Grant management and data reporting work in progress, but incomplete
  5. Conflict of interest mechanisms appear reasonable
- Copies sent to legislature, OHA, and OAC



# QUESTIONS?

## Contact Information

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