



Auditing for a Better Oregon

January 4, 2007

Timothy McLain, Interim Superintendent
Oregon State Police
255 Capitol Street NE, Suite 400
Salem, Oregon 97310

Dear Mr. McLain:

The statewide single audit that included selected financial accounts at the Oregon State Police (department) for the year ended June 30, 2006, has been completed.

This statewide single audit work is not a comprehensive audit of your agency. Instead, this audit permits us to give an opinion on the statewide financial statements contained in the State of Oregon's Comprehensive Annual Financial Report and to report on internal control and the state's compliance with laws and regulations. Regular audits of the department will continue on a periodic basis.

The following department accounts and transactions were audited to determine their fair presentation in accordance with generally accepted accounting principles in relation to the statewide financial statements.

<u>SFMA Account</u>	<u>Description</u>	<u>Audit Amount</u>
GAAP Fund 0001 (General Fund)		
3111	Regular Employees	\$36,522,016
3210	Public Employees Retirement Contribution	5,924,034
3212	Pension Bond Assessment	2,626,677
3221	Social Security Taxes	3,168,816
3263	Medical, Dental, Life Insurance	6,465,320
3264	Medical, Dental, Life Insurance – Agency Subsidy	1,864,421

Management Letter No. 257-2007-01-01

<u>SFMA Account</u>	<u>Description</u>	<u>Audit Amount</u>
GAAP Fund 1103 (Community Protection Fund – Special Revenue Fund)		
0065	Unreconciled Deposit	\$ 135,439
0070	Cash on Deposit with Treasurer	43,146,346
3111	Regular Employees	16,209,275
3210	Public Employees Retirement Contribution	2,724,501
3221	Social Security Taxes	1,563,067
3263	Medical, Dental, Life Insurance	3,019,778
3264	Medical, Dental, Life Insurance – Agency Subsidy	283,418
6300	Distribution to Counties	48,256,993
6400	Distribution to Cities	29,694,148
6900	Other Special Payments	17,962,731

Based on our audit, we did not identify any reportable conditions related to the accounts audited. Should you have any questions, please contact Raul Valdivia or me at (503) 986-2255.

Sincerely,
OREGON AUDITS DIVISION

Ryan K. Dempster, CPA, CFE
Audit Manager

RDK:bk

cc: Monica Brown, Budget Officer
Stacey Chase, Finance Manager
Lindsay Ball, Director, Department of Administrative Services