

The background of the cover features a photograph of the Oregon State Capitol building, a large, light-colored stone structure with a prominent dome topped by a statue. In the foreground, there is a modern, angular fountain with multiple water jets. The scene is set outdoors with trees and a clear sky. A dark blue semi-transparent overlay covers the right side of the image, where the text is placed.

Oregon Patient Safety Commission

Agreed Upon Procedures Report for the
Biennium ended June 30, 2021

February 2022
Report 2022-06



Secretary of State
Shemia Fagan



Audits Director
Kip Memmott

Report of Independent Accountants

Oregon Patient Safety Commission and its Board

We have performed the procedures enumerated below, on the accounting records for the biennium ended June 30, 2021. The Oregon Patient Safety Commission (Commission) is responsible for the accounting records noted below.

The Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Commission in complying with Oregon Revised Statute 182.464. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and our findings are as follows:

Gained an Understanding of Commission Processes

1. Obtained Commission accounting policies manual and financial desk procedures
2. Obtained a download of 2019-2021 biennium transactions recorded in QuickBooks by the Commission
3. Obtained Commission financial and budget to actual reports prepared by a third-party bookkeeping service
4. Verified revenue and expenses in QuickBooks agreed to the financial reports for fiscal years 2020 and 2021.
5. Interviewed Finance Manager and Executive Director and verified no changes to Commission processes documented 1 above.

Payroll

1. Verified the Commission uses Oregon State Payroll Services, administered by the Oregon Department of Administrative Services (DAS), to process monthly payroll starting in October 2019. DAS funds the monthly payroll on the first of each month and the Commission reimburses DAS.
2. Selected one month and verified the Executive Director approved payment of payroll.
3. Selected five months and verified the Commission reconciled the DAS payroll reports to the Commission's payroll worksheet and to the third-party bookkeeping service's payroll records.

Other Expenses

1. Selected 75 transactions and verified the vendor, expense description, and amount in QuickBooks agreed to the invoice and the payment of the invoice was approved appropriately.
2. Selected 19 contracts, service agreements or recurring billings and verified they were approved appropriately, covered the time-period in question, and amounts entered in QuickBooks were appropriate.

Bank Reconciliations

1. Obtained list from management of all bank or investment accounts.
2. Verified the Commission performed monthly reconciliations for the certificate of deposit beginning in November 2019 through August 2020 when the account was closed. Verified the reconciliations were reviewed by the Executive Director.
3. Verified the Commission performed monthly reconciliations for the Local Government Investment Pool since establishment in August 2020. Verified the reconciliations were reviewed by the Executive Director
4. Verified the Commission performed monthly reconciliations for the Clearing account since establishment in October 2019. Verified the reconciliations were reviewed by the Executive Director and periodically by a commission member in accordance with Commission policy.
5. Verified the Commission performed monthly reconciliations for the general operating account, and they were reviewed by the Executive Director throughout the 2019-21 biennium. Verified they were also periodically reviewed by a commission member (e.g., Treasurer) in accordance with Commission policy.

Patient Safety Reporting Program Revenue

1. Facility fees are increased annually based on the consumer price index (CPI) subject to approval by the Commission. Verified the Board approved the rate increases.
2. Selected 80 facilities the Commission invoiced in the 2019-21 biennium and verified:
 - a. The facility was on the applicable licensing listing provided by Oregon Health Authority or the related medical board.
 - b. Based on the licensee listing, verified the facility was classified appropriately for billing.
 - c. Verified the fee was correct based on the classification, and if applicable, the number of facilities/licenses.

Early Discussion and Resolution Revenue

1. Verified the Early Discussion and Resolution payment was received from the Oregon Health Authority for the 2019-2021 biennium by reviewing detail from the bank statements.
2. Verified the revenue was appropriately recognized in the financial statements during the biennium.

Budget to actual comparisons

1. We reviewed the final budget to actual report for the biennium ended June 30, 2021 and noted actual expenditures were less than budgeted expenditures by 11% and revenues were within 2% of the budgeted amount.
2. We reviewed the budget to actual report as of June 30, 2021 and identified budget line items that had a variance greater than 10 percent and \$10,000. All identified items were under budget. We inquired of the Commission and explanations provided were reasonable.

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountant and generally accepted government auditing standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accounting records of the Commission for the biennium ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Commission and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Office of the Secretary of State, Audits Division

State of Oregon
February 7, 2022

About the Audit

The courtesies and cooperation extended by officials and employees of the Oregon Patient Safety Commission during this engagement were commendable and sincerely appreciated.

Audit team

Kelly Olson, CPA, Audit Manager

Kari Mott, CPA, Lead Auditor

About the Secretary of State Audits Division

The Oregon Constitution provides that the Secretary of State shall be, by virtue of the office, Auditor of Public Accounts. The Audits Division performs this duty. The division reports to the elected Secretary of State and is independent of other agencies within the Executive, Legislative, and Judicial branches of Oregon government. The division has constitutional authority to audit all state officers, agencies, boards and commissions as well as administer municipal audit law.



Secretary of State
Shemia Fagan



Audits Director
Kip Memmott

This report is intended to promote the best possible
management of public resources.
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