



SA

We Set the Standard for Good Government

FISCAL YEAR  
2019

# ANNUAL REPORT



# CONTENTS



Message from the State Auditor	1
Legislative Audit Committee	3
OSA Mission	4
About the OSA	5
Financial Benefits	6
Audit Recommendations	8
Allocation of Resources	9
Performance Audits	10
Financial Audits	11
IT Audits	14
Tax Expenditure Evaluations	15
Other Work Products	17
Local Government Audit Division	18
Fraud Hotline	19
Statutory Change	21
About the State Auditor	23
OSA Staff	24
Audit Industry Leadership	26

# A MESSAGE FROM THE STATE AUDITOR

This annual report provides information about the Office of the State Auditor's (OSA) activities and accomplishments during Fiscal Year 2019. The OSA issued 45 financial, performance, and IT audits and evaluations, 27 tax expenditure evaluations, and five other work products, all of which provided the General Assembly, agencies, and the public with thorough and credible information and impartial assessments of the operation of state programs and use of taxpayer resources.



The OSA remains focused on addressing high risk areas for the State, as well as programs and issues that are important for policy makers and the public.

- The OSA issued three performance audits in response to legislative requests that focused on title insurance regulation, water well inspections, and oversight of attorneys who provide legal representation to children.
- The OSA's Fiscal Year 2018 audit of the State's financial statements and federal grant programs covered \$39.8 billion in total assets, \$37.3 billion in total expenditures, and \$12.7 billion in federal funds.
- In response to statutory requirements, the OSA evaluated the consolidation of the State's IT resources and the procurement process for major IT projects.
- The OSA's tax expenditure evaluations covered 38 individual tax expenditures categorized as agriculture-related, income-tax

related, liquor-related, insurance premium tax-related, and sales tax-related.

Finally, the OSA continues to be recognized nationally for its superior work. We received a 2019 Excellence in Accountability Award from the National State Auditors Association for our September 2018 *Tax Expenditure Compilation Report* and a 2019 Certificate of Impact Award from the National Legislative Program Evaluation Society for our May 2017 performance audit of the Office of Film, Television, and Media.

I am proud of what our staff have accomplished this past year and the positive impacts we continue to have improving government for the people of Colorado.

A handwritten signature in black ink, appearing to read "Dianne E. Ray". The signature is stylized and cursive.

Dianne E. Ray, CPA  
State Auditor

# LEGISLATIVE AUDIT COMMITTEE

The Legislative Audit Committee (LAC) includes four senators and four representatives with equal representation from the two major political parties. The LAC holds public hearings to review and release audit reports prepared by the State Auditor, proposes special audits, sponsors legislation related to issues identified in audits, and holds agencies accountable for implementing audit recommendations. In addition, every 5 years the LAC recommends a candidate to the General Assembly for appointment as State Auditor.

## LAC MEMBERS AS OF JUNE 30, 2019



SENATOR  
Nancy Todd  
CHAIR



REPRESENTATIVE  
Lori Saine  
VICE-CHAIR



REPRESENTATIVE  
Rod Bockenfeld



SENATOR  
Rhonda Fields



REPRESENTATIVE  
Tracy Kraft-Tharp



SENATOR  
Paul Lundeen



REPRESENTATIVE  
Dafna  
Michaelson Jenet



SENATOR  
Jim Smallwood

# OSA MISSION

Through a comprehensive strategic planning process, the OSA has defined a mission statement, vision statements, and an underlying goal for carrying out its statutory and professional responsibilities.

## OSA MISSION STATEMENT

- To improve government for the people of Colorado.

## OSA VISION STATEMENTS

- We will provide objective information, quality services, and solution-based recommendations.
- Our audits will identify efficiencies and cost savings, and improve effectiveness and transparency in government.

## OSA GOAL

- Produce quality and timely products that respond to changing demands by maximizing internal efficiencies and available resources, including products that identify cost savings and other financial benefits for the State. The OSA will promote the best and highest use of these products through targeted distribution and presentations.

# ABOUT THE OSA

The OSA is the nonpartisan government watchdog for the people of Colorado. We promote accountability in government by providing the General Assembly, agencies, and the public with thorough and credible information and impartial assessments of the operation of state programs and use of taxpayer resources. Our audits provide solution-based recommendations that focus on reducing costs, increasing efficiency, promoting the achievement of legislative intent, improving the effectiveness of programs and the quality of services, ensuring transparency in government, and ensuring the accuracy and integrity of financial and other information that decision makers need to hold agencies accountable for the use of public resources.

Section 2-3-103, C.R.S., grants the OSA broad authority and access to records to conduct performance, financial, and IT audits of all state departments and agencies, public colleges and universities, most special purpose authorities, any state entity designated as an enterprise under the Taxpayer's Bill of Rights (TABOR), and other political subdivisions and non-State entities as required by law.

In addition to conducting performance, financial, and IT audits, the OSA carries out the following major statutory responsibilities:

- Conduct evaluations of all state tax expenditures on a 5-year cycle [Section 39-21-305(1)(d), C.R.S.]
- Monitor local governments for compliance with the Local Government Audit Law [Section 29-1-601, et seq., C.R.S.]
- Administer a statewide fraud reporting hotline [Section 2-3-110.5, C.R.S.]

# FINANCIAL BENEFITS

The OSA’s audits frequently identify financial benefits, which collectively represent the dollar value the OSA provides to the people of Colorado by ensuring the responsible stewardship of public funds.

In Fiscal Year 2019, the OSA identified financial benefits totaling \$93.4 million. For the 5-year period from Fiscal Year 2015 through Fiscal Year 2019, the OSA identified financial benefits totaling approximately \$273.3 million, or an average of about \$54.7 million per year. The OSA’s goal is to achieve at least a 3:1 ratio of benefits to costs over a 5-year period. The OSA has achieved a 7:1 ratio of benefits to costs, which means that the return on investment to the taxpayer is approximately \$7 in financial benefits for every \$1 spent on the OSA’s operations.

## FINANCIAL BENEFITS IDENTIFIED IN AUDIT REPORTS (DOLLARS IN MILLIONS) FISCAL YEARS 2015–2019

2015	2016	2017	2018	2019	TOTAL	ANNUAL AVERAGE
\$42.9	\$69.8	\$21.1	\$46.1	\$93.4	\$273.3	\$54.7

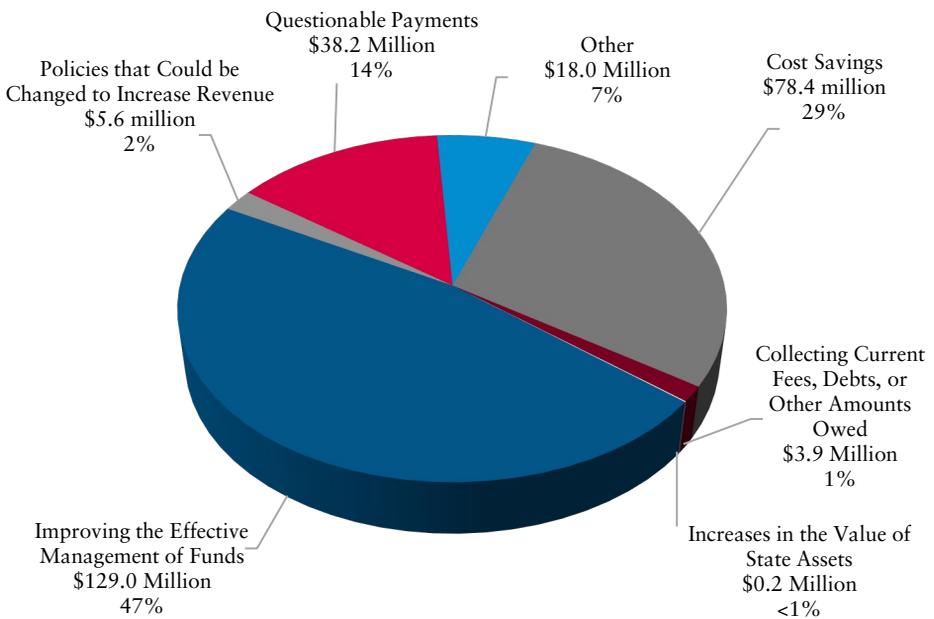
## BENEFIT-TO-COST RATIO FISCAL YEARS 2015–2019

Average Annual Financial Benefits Identified in Reports	\$54.7 million
Average Annual Net Operating Costs*	\$7.8 million
Ratio of Benefits to Costs	7 : 1

\*Annual net operating costs calculated from General Fund appropriations less General Fund reversions.

Financial benefits include the identification of potential cost savings, questionable payments, opportunities to improve the effective management of funds, collection of fees or debts owed, policies that could be changed to increase revenue, opportunities to leverage state resources with matching funds, or increases in the value of state assets.

The following chart breaks down the \$273.3 million in financial benefits identified by the OSA for Fiscal Years 2015 through 2019 by category:



Improving the effective management of funds comprises 47 percent of the total financial benefits. This category is important because it represents the impact that audit recommendations can have to help agencies achieve the full value and intended benefit of the existing investment of public moneys in government operations, programs, and services.

# AUDIT RECOMMENDATIONS

Audit recommendations promote positive change in government and are an important part of ensuring that agencies correct the problems and issues identified by our financial, performance, and IT audits.

Each fall the OSA issues its *Annual Report on the Status of Audit Recommendations Not Fully Implemented*, which compiles and summarizes all audit recommendations made by the OSA during the prior 5-year period. This report helps the OSA fulfill its statutory reporting responsibilities to the General Assembly under the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act and provides information for legislative oversight committees to hold agencies accountable for their use of public resources.

Overall, agencies make the changes they agree or partially agree to make. However, some audit recommendations remain unimplemented. As of June 30, 2018:

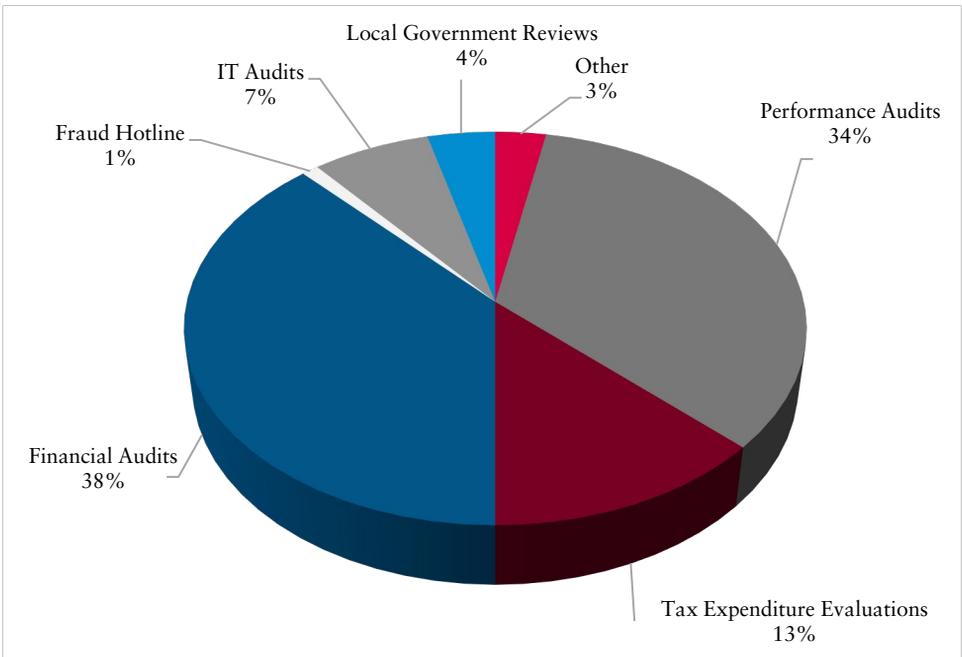
- 94 of the 2,206 audit recommendations (4 percent) that the OSA made from July 2012 through June 2017 and that agencies agreed or partially agreed to implement remained unimplemented.
- 29 of the 94 unimplemented recommendations (31 percent) are considered high priority due to their seriousness or because they have remained unimplemented for 3 years or more.

# ALLOCATION OF RESOURCES

During Fiscal Year 2019, the OSA issued 77 financial, performance, and IT audit reports, tax expenditure evaluations, and other work products based on the following authority:

- 72 (93 percent) were completed in response to statutory or other requirements.
- 3 (4 percent) were completed in response to requests from state legislators that were approved by the Legislative Audit Committee.
- 2 (3 percent) were completed at the State Auditor’s discretion based on risk, audit coverage, and other considerations.

FISCAL YEAR 2019 PROJECT HOURS



# PERFORMANCE AUDITS

Performance audits and evaluations address whether programs are operated in an effective and efficient manner to accomplish their intended goals and are in compliance with laws and regulations.

During Fiscal Year 2019, the OSA issued the following performance audits and evaluations:

REPORT NAME	REPORT RELEASE DATE	REPORT No.
Cake Insure, Inc. A Subsidiary of Pinnacle Assurance	August 2018	1812P
Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018	November 2018	1815P
Colorado Lottery, Department of Revenue	September 2018	1753P
Colorado New Energy Improvement District	June 2019	1817P
Community-Centered Boards, Department of Health Care Policy and Financing	December 2018	1745P
Division of Youth Services Reporting, Department of Human Services	January 2019	1813P
Evaluation of Fort Lyon Supportive Residential Community: Final Report, Department of Local Affairs	August 2018	1771S
Office of the Child's Representative, Judicial Branch	September 2018	1776P
Operational Risk Areas, Department of Transportation	June 2019	1750P
Schedule of TABOR Revenue, Fiscal Year 2018	November 2018	1814P
Title Insurance Regulation, Department of Regulatory Agencies	September 2018	1756P
Water Well Inspection Program, Department of Natural Resources	June 2019	1816P

# FINANCIAL AUDITS

The OSA conducts an annual audit of the State’s financial statements and an audit of federal grants, also known as the Single Audit, on a statewide level, as well as other required standalone financial audits.

During Fiscal Year 2019, the OSA issued the following financial audits and related work products:

REPORT NAME	REPORT RELEASE DATE	REPORT No.
Adams State University, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1802F
Auraria Higher Education Center, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1807F
Census Data Attestation for Colorado Public Employees’ Retirement Association (PERA) 2018 Financial Audit	February 2019	1914F-AT
CollegeInvest, College Savings Program Funds, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1809F
Colorado Bridge Enterprise, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1833F
Colorado Community College System, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1811F
Colorado High Performance Transportation Enterprise, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1832F
Colorado Lottery, Fiscal Years Ended June 30, 2018 and 2017	November 2018	1820F
Colorado Mesa University, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1812F
Colorado Public Employees’ Retirement Association, Fiscal Year Ended December 31, 2017 <sup>1</sup>	August 2018	1713F
Colorado School of Mines, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1803F
Colorado State Fair Authority, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1815F

REPORT NAME	REPORT RELEASE DATE	REPORT NO.
Colorado State University System, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1816F-A
Colorado State University-Global Campus, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1816F-B
Colorado State University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2018	January 2019	1816F-C
Colorado Student Loan Program, dba College Assist, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1808F
Colorado Veterans Community Living Center at Rifle, Fiscal Year Ended June 30, 2018	December 2018	1806F
Division of Gaming, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1819F
Fort Lewis College, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1804F
Metropolitan State University of Denver, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1823F
Pinnacol Assurance, Fiscal Years Ended December 31, 2017 and 2016	August 2018	1710F
Pinnacol Assurance, Fiscal Years Ended December 31, 2018 and 2017	June 2019	1810F
State Board of the Great Outdoors Colorado Trust Fund, Fiscal Years Ended June 30, 2018 and 2017	November 2018	1822F
Statement of Federal Land Payments, Federal Fiscal Year Ended September 30, 2018	February 2019	1801F-A
Statewide Single Audit, Fiscal Year Ended June 30, 2018 <sup>2</sup>	February 2019	1801F
University of Colorado, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1805F
University of Colorado at Boulder, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2018	December 2018	1805F-A
University of Northern Colorado, Fiscal Years Ended June 30, 2018 and 2017	January 2019	1837F-A
University of Northern Colorado, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2018	January 2019	1837F-B
U.S. Department of Housing and Urban Development Agreed-Upon Procedures Reporting, Fiscal Year 2018	June 2019	1829F-AT

REPORT NAME	REPORT RELEASE DATE	REPORT No.
Western State Colorado University, Fiscal Years Ended June 30, 2018 and 2017	December 2018	1838F

NOTES:

<sup>1</sup>The Colorado Public Employees' Retirement Association's (PERA) Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 2017, was prepared by PERA and audited by an independent certified public accounting firm under contract with the OSA. PERA's CAFR is available on the OSA's website.

<sup>2</sup>The State of Colorado's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2018, was prepared by the Office of the State Controller and audited by the OSA. The State's CAFR is available on the OSA's website.

# IT AUDITS

The OSA's IT audit team evaluates information technology (IT) processes related to information security and other IT controls over critical and essential state information systems and applications. The majority of the IT team's audit work in Fiscal Year 2019 was related to the OSA's annual statewide financial and compliance audit and included testing IT controls for information systems that are significant to the State's financial activities and federal compliance requirements.

During Fiscal Year 2019, the IT audit team oversaw the following standalone IT performance evaluations:

REPORT NAME	REPORT RELEASE DATE	REPORT NO.
HB17-1361 Evaluation Report: Evaluation of State IT Resources	December 2018	1745P-IT
HB18-1421 Evaluation Report: Procurement Process for Major Information Technology Projects	March 2019	1811P-IT

# TAX EXPENDITURE EVALUATIONS

Section 39-21-305(1)(d), C.R.S., requires the State Auditor to evaluate all of the State’s tax expenditures at least once every 5 years. Statute defines a tax expenditure as “a tax provision that provides a gross or taxable income definition, deduction, exemption, credit, or rate for certain persons, types of income, transactions, or property that results in reduced tax revenue.” Tax expenditures reduce the amount of revenue the State collects from sales and use, income, insurance, alcohol, tobacco, fuel, and severance taxes.

During Fiscal Year 2019, the OSA issued the following tax expenditure evaluation reports:

REPORT NAME	REPORT RELEASE DATE	REPORT NO.
Tax Expenditures Compilation Report (2018) <sup>1</sup>	September 2018	2018-TE
Agricultural Lease Deduction	September 2018	2018-TE1
Crop Hail Insurance Premium Tax Exemption	September 2018	2018-TE2
Farm Close-Out Sales Tax Exemption	September 2018	2018-TE3
Hunger Relief Income Tax Credit & Crop and Livestock Contribution Corporate Income Tax Credit	September 2018	2018-TE4
Credit for Taxes Paid to Other States	September 2018	2018-TE5
Occasional Sale of Liquor by Public Auction Exemption	September 2018	2018-TE6
Sacramental Wines Excise Tax Exemption	September 2018	2018-TE7
Long-Term Lodging Exemption	September 2018	2018-TE8
Newsprint & Printer’s Ink, and Newspapers Exemptions	September 2018	2018-TE9
Sales to Charitable Organizations Exemption	September 2018	2018-TE10
Sales to Residents of Bordering States	September 2018	2018-TE11
Wholesales Exemption	September 2018	2018-TE12
Biogas Production Components Sales Tax Exemption	September 2018	2018-TE13

REPORT NAME	REPORT RELEASE DATE	REPORT NO.
Rural & Frontier Healthcare Preceptor Credit	January 2019	2019-TE1
Fraternal Society Exemption	January 2019	2019-TE2
Insurance Premium Tax Expenditures	January 2019	2019-TE3
Agricultural Inputs Sales Tax Exemptions	January 2019	2019-TE4
Child Care Expense Credit & Low-Income Child Care Expense Credit	January 2019	2019-TE5
On-Demand Aircraft Used Outside the State Sales Tax Exemption	January 2019	2019-TE6
Historic Property Preservation Credit	January 2019	2019-TE7
Deduction for Wages & Salaries Due to IRC 280C	April 2019	2019-TE8
Employee Retirement Plan Insurance Premium Tax Deduction	April 2019	2019-TE9
Pre-1987 Net Operating Loss Deduction for Individuals, Estates, and Trusts	April 2019	2019-TE10
Previously Taxed Income or Gain Deduction for C-Corporations	April 2019	2019-TE11
State Income Tax Refund Deductions	April 2019	2019-TE12
Tax-Exempt Organization Insurance Premium Tax Deduction	April 2019	2019-TE13

**NOTE:**

<sup>1</sup>The OSA compiles each of the individual tax expenditure evaluation reports issued from October through September into a Tax Expenditure Compilation Report that is issued in September each year.

# OTHER WORK PRODUCTS

In addition to its audits and tax expenditure evaluations, the OSA produces other work products that provide important information and analysis for the General Assembly, state and local government agencies, and the public.

During Fiscal Year 2019, the OSA issued the following other work products:

REPORT NAME	REPORT RELEASE DATE	REPORT NO.
Annual Report: Status of Outstanding Audit Recommendations as of June 30, 2018	November 2018	1811S
Colorado Education and Cultural Facilities Authority Memo, Calendar Year 2018	February 2019	1926S
Fiscal Health Analysis of Colorado School Districts, Fiscal Years 2015-2017	September 2018	1839S
Higher Education TABOR Enterprise Status Memo, Fiscal Year 2018	November 2018	1812S
School Capital Construction Memo, Fiscal Year 2018	January 2019	1925S

# LOCAL GOVERNMENT AUDIT DIVISION

The OSA's Local Government Audit Division (Division) tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law [Section 29-1-601, et seq., C.R.S.], which requires every local government in the state to undergo an annual financial audit conducted by an independent certified public accountant and submit it to the State Auditor for review. Local governments with revenues and expenditures each less than \$750,000 may apply to the State Auditor for an exemption from audit.

The Division examines annual financial audits submitted by local governments to determine compliance with governmental accounting standards and other statutory requirements. The Division also reviews and approves Exemption from Audit applications and provides technical assistance to local governments and their independent auditors.

One of the Division's award-winning work products is the annual *Fiscal Health Analysis of Colorado School Districts*. This report provides a set of financial indicators for each school district that can warn district officials and the Department of Education about financial stress that may require further examination and remedial action.

The OSA provides a similar fiscal health analysis tool on its website for use by Colorado counties and municipalities. The Division uses this fiscal analysis tool when reviewing the independent financial audit reports that Colorado counties and municipalities submit to the OSA.

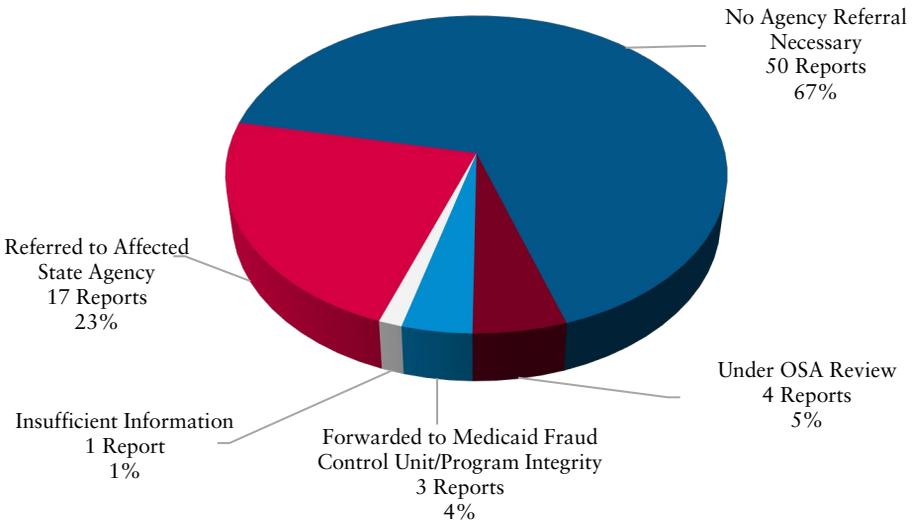
# FRAUD HOTLINE

The purpose of the OSA's Fraud Hotline is to receive reports about occupational fraud, which is a situation in which a state employee or contracted individual may be using their position or access as an employee or contractor to commit fraud against the State or others.

Section 2-3-110.5, C.R.S., specifies requirements for the OSA's screening and referral of Hotline calls to the affected state agency. Under certain circumstances, the State Auditor has statutory authority to investigate allegations reported to the Hotline.

## HOTLINE REPORTS

During Fiscal Year 2019, the OSA's Fraud Hotline received a total of 75 reports that were handled as follows:



The majority of reports were not referred to an affected state agency because they did not fall within the Hotline's jurisdiction (e.g., did not constitute an allegation of occupational fraud, involved a local government).

## AGENCY REFERRALS

As of June 30, 2019, the status of the 17 occupational fraud allegations that were referred to affected state agencies is as follows:

- 11 referrals–Closed. Final disposition reported by the state agency.
  - ▶ 9 referrals–Allegation not substantiated.
  - ▶ 2 referrals–Allegation substantiated and disciplinary action taken. Both referrals involved misappropriation of assets.
- 4 referrals–Open. Awaiting final disposition from the state agency.
- 2 referrals–Open. Being investigated by the OSA at the request of the state agency.

Additionally, in Fiscal Year 2019, a final disposition was reported for two hotline reports that the OSA referred to the affected state agency in a prior fiscal year. In both referrals, the allegation was found to be substantiated and disciplinary action was taken. Both referrals involved misappropriation of assets.

# STATUTORY CHANGE

In some cases, issues raised in the OSA’s audits may prompt members of the General Assembly to seek statutory change to improve the efficiency and effectiveness of state government operations. Legislation can originate as a committee bill sponsored by the Legislative Audit Committee, or as a bill sponsored by individual legislators.

During the 2019 Legislative Session, nine bills were enacted into law related to (1) issues raised in the OSA’s audits and other work products or (2) the OSA’s audit authority and statutory responsibilities. Two of these bills—House Bill 19-1128 and House Bill 19-1136—were sponsored by the Legislative Audit Committee.

Additionally, in April 2019, the Legislative Council approved the formation of the Tax Expenditure Evaluation Interim Study Committee whose purpose is to study policy considerations contained in the OSA’s tax expenditure evaluations.

## 2019 LEGISLATION

BILL AND BILL TITLE	RELATED AUDIT, WORK PRODUCT, OR AUTHORITY/REQUIREMENT
Senate Bill 19-251 OIT to Take Action Related to Recommendations	HB17-1361 Evaluation Report: Evaluation of State IT Resources, Performance Evaluation, November 2018, Governor’s Office
House Bill 19-1088 Modify Income Tax Credit Health Care Preceptors	Rural & Frontier Healthcare Preceptor Credit, Tax Expenditure Evaluation, January 2019
House Bill 19-1128* Lottery Intercepts	Colorado Lottery, Performance Audit, August 2018, Department of Revenue
House Bill 19-1136* State Auditor Access to Records for Audits	Aligns authority to access books and records with existing authority to audit certain entities outside of state government.

## 2019 LEGISLATION

BILL AND BILL TITLE	RELATED AUDIT, WORK PRODUCT, OR AUTHORITY/REQUIREMENT
House Bill 19-1168 State Innovation Waiver Reinsurance Program	Provides audit authority and ensures cooperation from the program’s contractors, subcontractors, and agents with the audit.
House Bill 19-1257 Voter Approval to Retain Revenue for Education & Transportation	Requires the State Auditor to contract annually for a financial audit of the use of the money in the general fund exempt account. This requirement only becomes effective if the referred measure is approved by voters.
House Bill 19-1264 Conservation Easement Tax Credit Modification	Conservation Easement Tax Credit Program After Changes in 2014, Performance Audit, November 2016, Department of Regulatory Agencies
House Bill 19-1282 Court-Appointed Special Advocate Program	Office of the Child’s Representative, Performance Audit, September 2018, Judicial Branch
House Bill 19-1327 Authorize and Tax Sports Betting Refer Under TABOR	Requires audits every 5 years beginning May 1, 2022. This requirement only becomes effective if the referred measure is approved by voters.
NOTE: *Denotes bill sponsored by the Legislative Audit Committee.	

# ABOUT THE STATE AUDITOR

The State Auditor is a constitutionally established position, appointed by the General Assembly without regard to political affiliation. The State Auditor serves a 5-year term and must be a certified public accountant (CPA) licensed to practice in Colorado.

Dianne E. Ray was first appointed as State Auditor in May 2011 and reappointed in April 2016. She has specialized in governmental and nonprofit accounting and auditing for more than 25 years. Before joining the OSA, Dianne worked in local governments, including as the Director of Finance and Administration for the City of Louisville, Colorado.

Dianne has been recognized for providing strong leadership. In 2012, the Colorado Society of Certified Public Accountants and the American Institute of Certified Public Accountants named Dianne as one of three “Women to Watch” in the Experienced Leader category. In May 2015, the University of Colorado-Denver’s School of Public Affairs awarded her the 2015 Leo Reithmeyer Award for the Top Public Administrator in Colorado. In 2016, Dianne received the President’s Award from the National Association of State Auditors, Comptrollers, and Treasurers.

Dianne’s participation in professional organizations includes serving as President of the National State Auditors Association for the 2015-2016 term, and as a board member and former chair of the Colorado Housing and Finance Authority. The U.S. Comptroller General appointed Dianne in 2016 to serve a 4-year term on the Advisory Council on *Government Auditing Standards*, and in 2018 to serve on the Government Accountability Office’s Domestic Working Group.

Dianne holds a Bachelor of Science degree in Accounting from Arizona State University and a Master of Public Administration degree from the University of Colorado. She is a licensed CPA in Colorado and Arizona.

# OSA STAFF

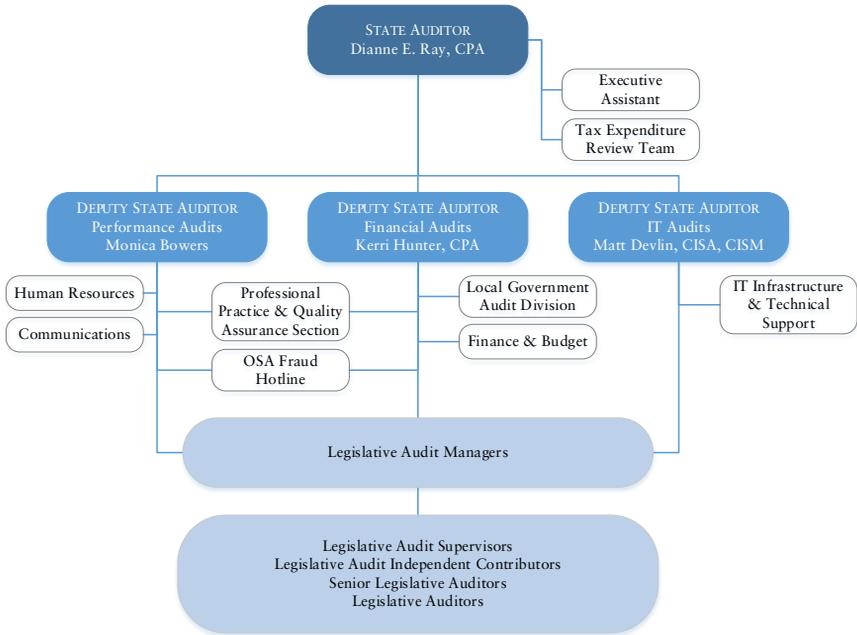


The OSA has 78 full time equivalents composed of professional staff who are dedicated to furthering the OSA's mission and goals.

Collectively, the OSA's auditors possess 489 years of auditing experience. Sixty percent of the OSA's auditors hold a graduate degree (e.g., Master's degree, Juris Doctorate, Ph.D), and 42 percent hold a professional license or certification, including:

- Certified Public Accountant
- Certified Fraud Examiner
- Certified Government Auditing Professional
- Certified Government Finance Officer
- Certified Government Financial Manager
- Certified Information Systems Auditor
- Certified Information Security Manager
- Certified Internal Auditor
- Certification in Risk and Information Systems Control
- Colorado Bar Association (Licensed Attorney)

# OSA ORGANIZATIONAL STRUCTURE



# AUDIT INDUSTRY LEADERSHIP



The OSA has established itself as a leader among its peers in other states and is an active contributor to the government auditing profession and the local community.

## PEER ORGANIZATIONS

The OSA participates in national and regional organizations that provide opportunities to share best practices, exchange ideas, and better understand the unique and changing demands facing state audit organizations:

- NATIONAL STATE AUDITORS ASSOCIATION (NSAA) is an organization specifically dedicated to state audit organizations. Members of the OSA's senior management team and audit managers serve on several NSAA standing committees and workgroups. Some of the OSA's audit managers also participate on or lead teams assigned to conduct external quality control peer reviews of other state audit organizations through the NSAA's External Peer Review Program.
- NATIONAL LEGISLATIVE PROGRAM EVALUATION SOCIETY (NLPES) is a professional staff association of the National Conference of State Legislatures that is dedicated to strengthening state legislatures through the performance auditing and program evaluation function and supporting the legislative staff who perform this work.
- MOUNTAIN AND PLAINS INTERGOVERNMENTAL AUDIT FORUM (MPIAF) is one of 10 regional audit forums sponsored by the U.S. Government Accountability Office that connect and support government auditors at the federal, state, and local levels. One of the OSA's performance audit managers serves on the MPIAF Executive Committee.

## EXTERNAL PRESENTATIONS

The OSA's staff routinely speak with external audiences about our work and role in state government. During Fiscal Year 2019, we gave 19 presentations at professional conferences, training events, and higher education classrooms for the following organizations:

- Association of Certified Public Accountants
- Association of Government Accountants
- Colorado Government Finance Officers Association
- Colorado Society of Certified Public Accountants
- Governmental Accounting Standards Board
- National Conference of State Legislatures
- National Legislative Program Evaluation Society
- National State Auditors Association
- Metropolitan State University of Denver

## PROFESSIONAL ASSOCIATIONS

The OSA's staff are active members in the following professional associations:

- American Institute of Certified Public Accountants
- Association of Certified Fraud Examiners
- Colorado Government Finance Officers Association
- Colorado Society of Certified Public Accountants
- Information Systems Audit and Control Association
- Institute of Internal Auditors
- State Employees Leading Colorado

## COMMUNITY SERVICE

In addition to leadership in the audit industry, the OSA's staff give back to the local community. In Fiscal Year 2019, we participated in volunteer events through the OSA's Community Service Program and raised more than \$1,400 through the OSA's Jeans-4-Charity events to benefit the following organizations:

- Book Trust
- Clothes to Kids
- Denver Dumb Friends League
- Foster Source

- Freshwater Project International
- Project Worthmore
- Rocky Mountain Feline Rescue
- Senior Support Services
- Warren Village
- Wellspring Community

OSA staff also donated more than \$4,200 in Fiscal Year 2019 through the annual Colorado Combined Campaign, which is a charitable donation program coordinated across all departments of state government.



The OSA's reports can be accessed online at:  
[www.colorado.gov/auditor](http://www.colorado.gov/auditor)



We Set the Standard for Good Government

State Services Building  
1525 Sherman Street  
7th Floor  
Denver, CO 80203

Phone: 303.869.2800  
E-mail: [osa.ga@state.co.us](mailto:osa.ga@state.co.us)  
Website: [www.colorado.gov/auditor](http://www.colorado.gov/auditor)

