



## STATE AUDITOR 3

5683

### GENERAL DESCRIPTION OF CLASS

State Auditors work under the authority of the Secretary of State, who by constitutional authority is the "Auditor of public Accounts."

The STATE AUDITOR 3 independently organizes and leads a project team of auditors to execute small audit projects. Small audit projects are those that are at a single agency, cover a small number of accounts, and/or apply common audit standards or methodologies. Employees also independently organize and lead sections of large and/or complex audits. Large audits are those with scopes covering multiple agencies, or multiple accounts, or those with four or more auditors assigned. Complex audits are those that apply unique audit standards or methodologies, or those that deal with sensitive issues, such as fraud investigations. Employees in this class recommend the audit plan, audit objectives, scope and methodology for proposed audit work. Employees are responsible for participating in the annual internal quality control review. The State Auditor 3 is also responsible for presenting already developed training courses to other audit staff.

### DISTINGUISHING FEATURES

The State Auditor 3 is the third and advanced journey level of a four-level professional classification series. Employees have a working knowledge of professional auditing standards and apply standard professional practices and techniques.

The State Auditor 3 is distinguished from the State Auditor 2 by the responsibility to lead project teams through independent planning of small audit project or sections of large or complex audit projects.

The State Auditor 3 is distinguished from the State Auditor 4 by the lack of responsibility to plan and direct large, complex, or multiple audit projects; AND complete independent quality control reviews of audit reports; external quality control reviews of other state audit organizations; AND the development of new training courses.

### DISTINGUISHING FEATURES FROM SIMILAR CLASSIFICATION SERIES

State Auditors work under the authority of the Secretary of State. They examine and evaluate the operations, policies, procedures and practices of State government, and other organizations that receive state funds in order to evaluate fiscal accountability, analyze compliance with regulations and accepted practices, improve the operations and control processes of the organization, and investigate losses of public funds.

Issuing public reports upon which third parties place reliance to make investment decisions, establish the state's bond rating, prosecute wrongdoings, and make budget allocation and public policy decisions; applying unique audit standards and principles, such as Generally Accepted Accounting Principles (GAAP) and American Institute of Certified Public Accountants (AICPA) standards; having a working knowledge of multiple agencies' programs and systems; the constitutional and statutory obligation to independently evaluate the operations and financial status of State agencies, and potential misuse of state resources distinguishes the State Auditor classification series from other auditing classifications in the Oregon State classification plan.

## DUTIES AND RESPONSIBILITIES

The duties listed are characteristic of the type and level of work associated with this class. Individual positions may do all or some combination of the duties listed as well as other related duties.

### 1. Audit Planning and Organization

Direct the planning, fieldwork and report stages of small audits or sections of larger and/or complex audits. Plan audits to comply with auditing standards. Analyze account balances, classes, or transactions. Assess the risk of agency operations and information systems general and application control or controls over systems development and life cycles. Identify laws and regulations and accounting principles relating to audit objectives. Identify computer files and records containing financial or management information and apply audit procedures to assess the reliability of the information. Evaluate the work of state agency internal auditor(s). Develop audit programs that define the scope of the audit, the audit objectives and the methodology to achieve objectives. Estimate audit resource needs, including additional specialized expertise, and develop and monitor audit budgets, timelines, and milestones. Coordinate audits with other interested or involved groups, such as federal auditors, state agency internal auditors, or other state agency personnel.

### 2. Audit Activities

Direct and participate in daily audit activity. Oversee financial, compliance performance, and information technology audits, and fraud investigations. Propose solutions to administrative and technical problems identified by team members. Participate in the division's annual internal quality control review.

*Financial Audits:* Review and evaluate internal control systems. Review fiscal and accounting functions and systems. Review and test accounting records to verify accuracy and completeness. Develop estimates and expectations of financial statement accounts. Review financial trends and analyze variances. Explain variances or do additional testing to substantiate variances. Analyze financial statement account balances and draw conclusions. Recommend adjustments to accounting records. Test compliance with laws and regulations. Recommend adjustments to accounting records. Develop findings including condition, criteria, effect, cause and recommendations. Prepare working papers to document client's internal controls, results of audit tests and conclusions reached. From information gathered, decide if the organization is operating in compliance with generally accepted accounting principles and state and federal laws and regulations. Recommend operational and management improvements.

*Performance Audits:* Review, evaluate, and document management controls over agency operations. Research management issues and best practices. Analyze management risks and test management controls designed to mitigate the risks. Evaluate organizational procedures for consistency with organizational goals and objectives. Test compliance with laws and regulations. Review and evaluate organizational activities, programs or units. Develop findings including condition, criteria, effect, cause and recommendations. Prepare working papers to document client's management controls, and results of audit tests and evaluations. From the information gathered, decide if the organization is operating in compliance with state and federal laws and regulations, or is operating in compliance with sound management practices and efficiently or economically. Recommend operational and management improvements.

*Information Technology Audits:* Evaluate information systems general and application controls and/or system development life cycles by interviewing organizational members, and reviewing system documentation, technical manuals, policies and procedures. Test controls using audit software. Research issues relating to computer security, operations and controls. Evaluate the effectiveness of controls. Give technical advice in information technologies to other auditors to assist in financial and performance audits. Assist other auditors to obtain and analyze data using audit software packages.

Formulate conclusions about the operation of information technologies. Recommend improvements to controls of information technologies.

*Fraud Investigations:* Direct the investigation of allegations of fraud, waste, or abuse, involving one or two suspects or small boards or commissions. Lead and/or participate in the interviews of witnesses. Gather information and analyze data. Provide information to appropriate authorities, including law enforcement, the Department of Justice, and local district attorneys. Identify the full extent of the loss and recommend operational and management improvements to better prevent future occurrences.

### **3. Communication and Reporting**

Prepare reports that assess financial statements' compliance with generally accepted accounting principles. Analyze audit findings and recommend what is to be included in audit report and edit draft reports prepared by staff. Lead or participate in entrance and exit conferences with organizational members. Solicit comments from client agencies on audit issues and findings. Solve conflicts with client agencies under audit. Write audit report for small audits, or a section or chapter of an audit report for large and/or complex audits. Present results to the organization under audit verbally and in writing, discussing deficiencies, recommending corrective action and suggesting improvements. Prepare testimony for Legislative Assembly, committees, State agency boards or commissions.

### **4. Leadership and Administrative Activities**

Serve as in-charge auditor on smaller audits. Coordinate, assign and review the work of auditors. Provide input for formal performance evaluations. Give guidance to auditors on audit objectives and expected products. Review work for compliance with audit standards, and manage projects with set time budgets and schedules. Present formal and on-the-job training.

## **RELATIONSHIPS WITH OTHERS**

During audits, the State Auditor 3 regularly contacts by telephone and in person all levels of organizational personnel to obtain and give information. The State Auditor 3 also regularly contacts by telephone and in person federal personnel to obtain information regarding rules, laws and regulations; and has occasional contact with bank, debtor and creditor personnel to confirm transactions. The State Auditor 3 works with other auditors to achieve goals, and contributes during meetings by sharing ideas or volunteering solutions.

## **SUPERVISION RECEIVED**

A higher-level auditor is responsible for audit administration and reviews the work of State Auditor 3 throughout the fieldwork stages. The class receives guidance in developing audit planning documents and audit programs through gaining approval of plans, and discussions of the conceptual development of audit findings or presentation of financial statements, notes and opinions on financial statements.

## **GENERAL INFORMATION**

Work requires the State Auditor 3 to travel throughout the state. Such travel may occasionally include overnight or weeklong trips. Work hours are occasionally irregular.

**KNOWLEDGE AND SKILLS (KS)****General Knowledge of:**

Generally Accepted Accounting Principles such as those prescribed by Governmental Accounting Standards Board and the Financial Accounting Standards Board.
Generally Accepted Governmental Auditing Standards as prescribed by the US General Accounting Office, including the standards prescribed by the American Institute of Certified Public Accountants Professional auditing practice standards.
Auditing techniques such as analytical procedures, statistical sampling methods, quantitative methods, account analysis, and reconciliation methods.
Theories and principles of risk typical to organizations, and the application of risk management strategies and systems.
Theories and principles of control in organizations, and the application of control strategies, structures and systems.
Techniques for using information technology efficiently and effectively in auditing work, and the use of general auditing and reporting software packages.
Principles and practices of organizational management such as, planning, organizing, budgeting, directing and reviewing operations.
Governmental budgeting practices and reporting.

**Basic Knowledge of:**

Management techniques for auditing projects and processes.
Principles and techniques of team leadership.
Legal principles pertaining to governmental organizations and related interpretations by the courts.

**Skill to:**

Apply auditing methodologies such as collecting evidence, interviewing, and evaluating the results of statistical samples to support audit findings.
Evaluate the impact of alternative courses of action, and reach sound conclusions.
Analyze organizational processes, systems, risks, controls, strategies, networks and cultures.
Analyze accounting information, financial statements, laws, regulations and program data.
Design auditing programs, organizational control and risk management systems, and improvement projects.
Apply the Government Auditing Standards or standards of the auditing profession.
Identify legal issues and apply legal advice and opinions.
Communicate verbally and in writing to present results of audits and prepare reports.
Calculate risk and probabilities.
Do accounting and financial computations.
Use word processing, spreadsheets, databases, and presentation software.
Use modeling and generalized auditing software applications.
Gain and maintain the confidence and cooperation of team members, peers, supervisors and external parties.
Plan, execute, and monitor an audit budget.
Provide instruction and guidance to others.

**NOTE:** The KNOWLEDGE and SKILLS are required for initial consideration. Some duties performed by positions in this class may require different KS's. No attempt is made to describe every KS required for **all** positions in this class. Additional KS requirements will be explained on the recruiting announcement.

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Human Resource Services Division