

# Fiscal Year 2022 Annual Report



OFFICE OF THE STATE AUDITOR

C O L O R A D O

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# 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 2022, we issued 44 financial, performance, and IT audits and evaluations; 39 tax expenditure evaluations; and 4 other work products.

Our work provides the General Assembly and the public with independent, objective, thorough, and credible information about the operation of state government programs and the use of taxpayer resources.



- We issued 11 performance audits that focused on a range of topics, including processing of Unemployment Insurance benefits, Medicaid non-emergent transportation, pandemic housing relief, state park campsite reservations, regulation of sports betting, foster care education outcomes, administrative expenses for pandemic relief programs, and COVID-19 infection prevention at the Veterans Community Living Centers.
- Our Fiscal Year 2021 audits of the State's financial statements and federal grant program compliance covered \$56.9 billion in total assets, \$46.3 billion in total expenditures, and \$26.2 billion in federal funds.
- Our 39 tax expenditure evaluation reports covered 43 individual tax expenditures related to excise taxes, severance taxes, insurance premium taxes, income taxes, and sales and use taxes.
- We evaluated information technology (IT) service management provided to state agencies consolidated under the Governor's Office of Information Technology.

- We reviewed 3,732 local government audit and exemption filings to ensure that local governments' financial reporting is in compliance with statutory requirements.

We continue to be recognized nationally for our high-quality work, having received a 2022 Certificate of Impact Award from the National Legislative Program Evaluation Society for our May 2019 performance audit of Operational Risk Areas at the Colorado Department of Transportation.

Finally, I would like to thank the OSA's employees for their continued hard work and dedication to improving government for the people of Colorado.

A handwritten signature in cursive script that reads "Kerri L. Hunter".

Kerri L. Hunter, CPA, CFE  
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, 2022



Senator  
Jim Smallwood  
Chair



Senator  
Robert Rodriguez  
Vice Chair



Representative  
Rod Bockenfeld



Senator  
Jeff Bridges



Representative  
Colin Larson



Representative  
Dafna Michaelson Jenet



Representative  
Dylan Roberts



Senator  
Rob Woodward

# About the OSA

Overseen by the State Auditor, the OSA is an independent, nonpartisan staff agency within Colorado's Legislative Branch. Our mission is to improve government for the people of Colorado.

We promote accountability in government and help the General Assembly fulfill its legislative oversight responsibilities by providing independent, objective, thorough, and credible information about whether (1) government officials and agencies are using their authority and public resources properly and in compliance with laws and regulations; (2) government programs are achieving their objectives and desired outcomes; and (3) government services are being provided effectively, efficiently, economically, ethically, and equitably.

Section 2-3-103(1), 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.

Additionally, the OSA carries out the following major statutory responsibilities:

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

# Financial Benefits

Our audits and evaluations 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 2022, we identified financial benefits totaling \$96.4 million. For the 5-year period from Fiscal Year 2018 through Fiscal Year 2022, we identified financial benefits totaling approximately \$1,006.1 million, or an average of about \$186.1 million per year.

Financial Benefits Identified Fiscal Years 2018–2022 (Dollars In Millions)						
2018	2019	2020	2021	2022	Total	Average
\$46.1	\$93.4	\$622.2	\$148.0	\$96.4	\$1,006.1	\$201.2

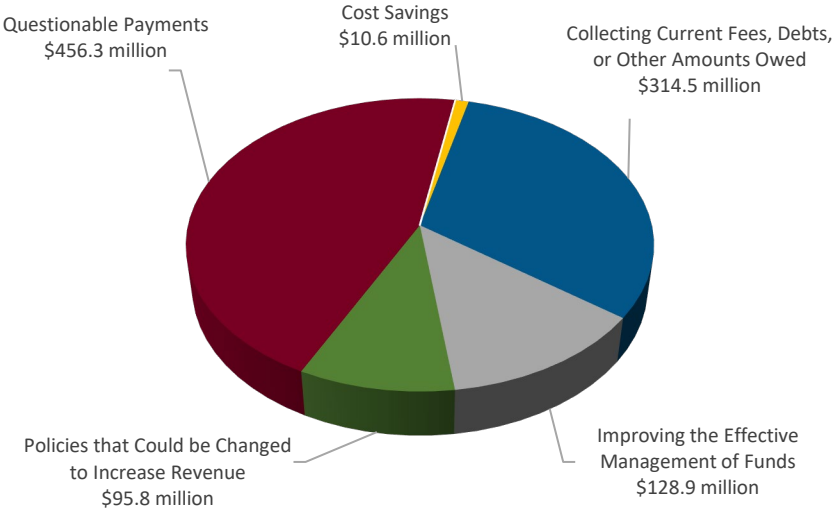
Our goal is to achieve at least a 5:1 ratio of benefits to costs over a 5-year period. We have achieved a 24:1 ratio of benefits to costs, which means that the return on investment to the taxpayer is approximately \$24 in financial benefits for every \$1 spent on the OSA’s operations.

Benefit-to-Cost Ratio Fiscal Years 2018–2022	
Average Annual Financial Benefits Identified in Reports	\$201.2 million
Average Annual Net Operating Costs*	\$8.3 million
Ratio of Benefits to Costs	24:1
*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, and increases in the value of state assets.

The following chart breaks down the \$1,006.1 million in financial benefits identified by the OSA for Fiscal Years 2018 through 2022 by category:



# Audit Recommendations

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

Each fall, we issue our *Annual Report on the Status of Audit Recommendations Not Fully Implemented*, which compiles and summarizes all audit recommendations made during the prior 5-year period. This report helps us fulfill our 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 that they agree or partially agree to make. However, some audit recommendations remain unimplemented. As of June 30, 2021:

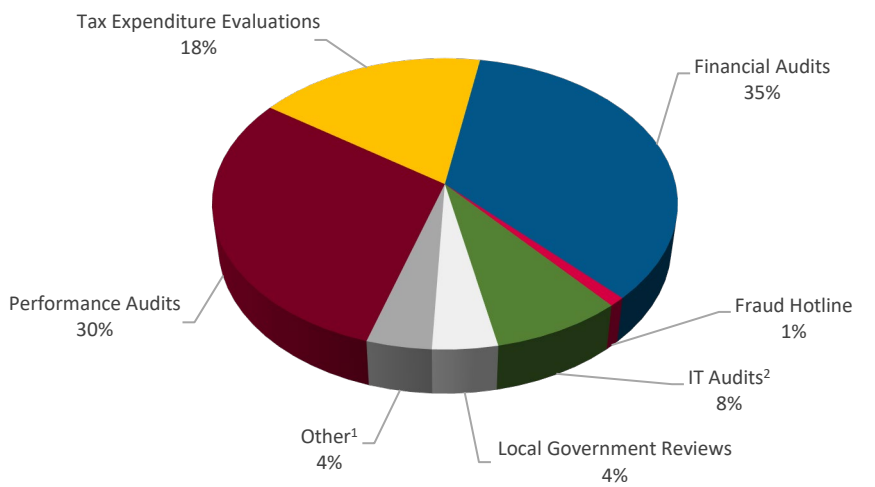
- 132 of the 1,504 audit recommendations (9 percent) that the OSA made from July 2015 through June 2021, and that agencies agreed or partially agreed to implement, remained unimplemented.
- 54 of the 132 unimplemented recommendations (41 percent) are considered high priority due to their seriousness or because they have remained unimplemented for 3 years or more.

# Allocation of Resources

During Fiscal Year 2022, the OSA issued 87 financial, performance, and IT audit and evaluation reports; tax expenditure evaluations; and other work products based on the following authority:

- 77 (89 percent) were completed in response to statutory or other legal requirements.
- 9 (10 percent) were completed at the State Auditor’s discretion based on risk, audit coverage, and other considerations.
- 1 (1 percent) was completed in response to a legislative request.

The following chart breaks down where the OSA’s project hours were spent in Fiscal Year 2022:



<sup>1</sup> “Other” includes hours for nonaudit work products (e.g., Annual Report of Audit Recommendations Not Fully Implemented, School District Fiscal Health Report) and other activities such as status reports, audit topic planning and research, legislation, internal quality control monitoring, and external peer review activities.

<sup>2</sup> The majority of the IT audit team’s work is completed as part of the annual statewide financial and compliance audit.

# 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 2022, we issued the following performance audits and evaluations:

Report Name	Report Release Date	Report No.
Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2021	December 2021	2159P
Colorado Oil and Gas Conservation Commission, Oil and Gas Production Reporting	September 2021	2151P
COVID-19 Infection Prevention at the Veterans Community Living Centers	October 2021	2150P
Foster Care Education Initiative	February 2022	2053P
Medicaid Non-Emergent Medical Transportation	September 2021	2152P
Pandemic Housing Relief Property Owner Preservation Program	October 2021	2153P
Pandemic Relief Programs Administrative Expenses	September 2021	2155P
Schedule of TABOR Revenue, Fiscal Year Ended June 30, 2021	October 2021	2161P
Sports Betting	June 2022	2166P
State Park Campsite Reservations	June 2022	2162P
Unemployment Insurance Benefits (Public Report) <sup>1</sup>	December 2021	2056P
<sup>1</sup> A separate confidential report was also prepared and presented to the Legislative Audit Committee; however, in accordance with Section 2-3-103(2), C.R.S., it was not publicly released due to the IT security-sensitive nature of its contents.		

## Financial Audits

Financial audits determine whether financial information is fairly presented, in all material respects, and whether agencies receiving federal grants are complying with applicable grant requirements. Each year, we conduct an audit of the State's financial statements and federal grant compliance (also known as the Single Audit) on a statewide level, as well as other required standalone financial audits.

During Fiscal Year 2022, we issued the following financial audits and related work products:

Report Name	Report Release Date	Report No.
Adams State University, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2102F
Auraria Higher Education Center, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2107F
Census Data Attestation for Colorado Public Employees' Retirement Association (PERA) 2021 Financial Audit	June 2022	2214F-AT
CollegelInvest, College Savings Program Funds, Fiscal Years Ended June 30, 2021 and 2020	December 2021	2109F
Colorado Community College System, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2111F
Colorado High Performance Transportation Enterprise, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2132F
Colorado Mesa University, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2112F
Colorado Public Employees' Retirement Association, Fiscal Year Ended December 31, 2020	August 2021	2013F
Colorado School of Mines, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2103F
Colorado State Fair Authority, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2115F
Colorado State University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2021	January 2022	2116F-C

Report Name	Report Release Date	Report No.
Colorado State University-Global Campus, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2116F-B
Colorado State University System, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2116F-A
Colorado Student Loan Program, dba College Assist, Fiscal Years Ended June 30, 2021 and 2020	December 2021	2108F
Colorado Veterans Community Living Center at Homelake, Fiscal Year Ended June 30, 2021	January 2022	2106F
Department of Revenue, Colorado Lottery, Fiscal Years Ended June 30, 2021 and 2020	October 2021	2021F
Department of Revenue, Division of Gaming, Fiscal Years Ended June 30, 2021 and 2020	December 2021	2119F
Environmental Mitigation Trust Agreement for State Beneficiaries, Agreed-Upon Procedures Report for the Period October 2, 2017 through June 30, 2021	June 2022	2130F-AT
Fort Lewis College, Fiscal Years Ended June 30, 2021 and 2020	December 2021	2104F
Legislative Department, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2135F
Metropolitan State University of Denver, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2123F
Pinnacol Assurance, Fiscal Years Ended December 31, 2020 and 2019	August 2021	2010F
State Board of the Great Outdoors Colorado Trust Fund, Fiscal Years Ended June 30, 2021 and 2020	October 2021	2122F
State of Colorado, Statewide Financial Audit, Fiscal Year Ended June 30, 2021	March 2022	2101F-A
State of Colorado, Statewide Single Audit, Fiscal Year Ended June 30, 2021	June 2022	2101F-B
Statement of Federal Land Payments, Federal Fiscal Year Ended September 30, 2021	March 2022	2251F
Statewide Bridge and Tunnel Enterprise, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2133F
University of Colorado, Fiscal Years Ended June 30, 2021 and 2020	December 2021	2105F
University of Colorado at Boulder, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2021	January 2022	2105F-A

Report Name	Report Release Date	Report No.
University of Northern Colorado, Fiscal Years Ended June 30, 2021 and 2020	February 2022	2037F
University of Northern Colorado, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2021	January 2022	2037F-B
Western Colorado University, Fiscal Years Ended June 30, 2021 and 2020	January 2022	2138F

# IT Audits

Our IT audit team evaluates processes related to information security and other IT controls over critical and essential state information systems and applications. The majority of the IT audit team’s work is completed as part of our annual statewide financial and compliance audit by testing controls for information systems that are significant to the State’s financial activities and federal compliance requirements.

The IT team also conducts or oversees standalone IT performance audits and evaluations. During Fiscal Year 2022, we issued the following standalone IT evaluation:

Report Name	Report Release Date	Report No.
Evaluation of Information Technology Service Management at the Governor’s Office of Information Technology	March 2022	2150P-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 premium, excise, and severance taxes.

During Fiscal Year 2022, we issued the following tax expenditure evaluation reports:

Report Name	Report Release Date	Report No.
2021 Tax Expenditures Compilation Report <sup>1</sup>	September 2021	2021-TE
Advanced Industry Investment Credit	July 2021	2021-TE15
Affordable Housing Tax Credit	April 2022	2022-TE25
Aircraft Manufacturer New Employee Credit	July 2021	2021-TE21
Aircraft Used in Interstate Commerce Exemption	July 2021	2021-TE23
Alcoholic Beverages Research Exemptions	January 2022	2022-TE1
Aviation Fuel Exemptions	April 2022	2022-TE14
Bingo-Raffle Equipment Exemption	January 2022	2022-TE3
Biotechnology Sales and Use Tax Refund	January 2022	2022-TE9
Capital Gain Deductions	July 2021	2021-TE18
Catastrophic Health Insurance Deduction	April 2022	2022-TE15
Charitable Contribution Deduction	April 2022	2022-TE18
Child Care Contribution Credit	September 2021	2021-TE26
Child Care Facility Investment Credits	January 2022	2022-TE8
Colorado Alternative Minimum Tax Credit	July 2021	2021-TE19
Colorado Earned Income Tax Credit	April 2022	2022-TE19
Colorado Tuition Program Deduction	January 2022	2022-TE6
Colorado Works Program Employer Credit	January 2022	2022-TE4

Report Name	Report Release Date	Report No.
Components Used to Produce Renewable Energy Exemption	January 2022	2022-TE13
Conservation Easement Credit	April 2022	2022-TE24
Contaminated Land Redevelopment Credit	January 2022	2022-TE11
Credit for Purchase of Uniquely Valuable Motor Vehicle Registration Numbers	January 2022	2022-TE10
Downloaded Software Exemption	April 2022	2022-TE20
Enterprise Zone Contribution Credit	July 2021	2021-TE16
Exemption for Donations by Manufacturers to Government and Charitable Organizations	September 2021	2021-TE24
Farm Equipment and Parts Exemption	January 2022	2022-TE5
Long-Term Care Insurance Credit	April 2022	2022-TE17
Materials Used in Iron, Steel, and Vanadium-Uranium Ore Manufacturing and Processing Exemption	July 2021	2021-TE17
Medical Savings Account Deductions	April 2022	2022-TE16
Military Service Persons Reacquiring Colorado Residency Deduction	April 2022	2022-TE22
Non-Resident Aircraft Sales & Aircraft Parts Exemptions	January 2022	2022-TE12
Olympic Medalist Income Tax Deduction	January 2022	2022-TE2
Pension or Annuity Deduction	July 2021	2021-TE20
Pre-Press Printing Exemption	July 2021	2021-TE14
Precious Metal Bullion and Coin Exemption	July 2021	2021-TE22
Property for Use in Space Flight Exemption	April 2022	2022-TE23
Sales and Use Tax Exemption for Loans of Historic Aircraft to Museums	April 2022	2022-TE21
Sales by Charitable Organizations Exemption	September 2021	2021-TE25
School-to-Career Expenses Credit	January 2022	2022-TE7
<sup>1</sup> The 2021 Tax Expenditure Compilation Report includes all of the individual tax expenditure evaluation reports issued from October 2020 through September 2021.		

# Other Work Products

In addition to our audits and evaluations, we issue other work products that provide important information and analysis for the General Assembly, state and local government agencies, and the public.

During Fiscal Year 2022, we issued the following other work products:

Report Name	Report Release Date	Report No.
Annual Report: Status of Audit Recommendations Not Fully Implemented as of June 30, 2021	December 2021	2154S
Colorado Education and Cultural Facilities Authority Memo, Calendar Year 2021	February 2022	2251S
Fiscal Health Analysis of Colorado School Districts, Fiscal Years 2018-2020	September 2021	2153S
Higher Education TABOR Enterprise Status Memo, Fiscal Year 2021	October 2021	2157S

# Local Government Audit Division

The OSA's Local Government Audit Division (Division) tracks Colorado's 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 or expenditures that are not more than \$750,000 for the fiscal year 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. In Fiscal Year 2022, we completed reviews of 3,732 local government audit and exemption filings.

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 Colorado 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. We use this fiscal analysis tool internally when reviewing the independent financial audit reports that Colorado counties and municipalities submit to the OSA.

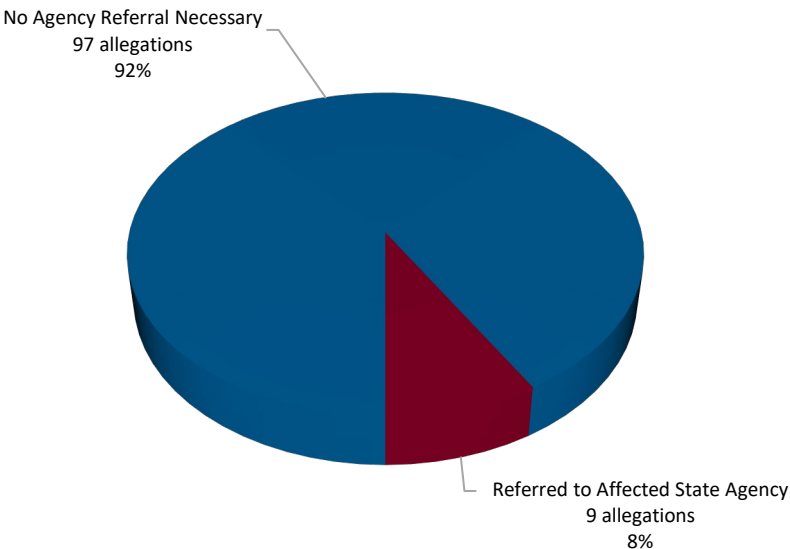
# Fraud Hotline

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.

Statute requires the OSA to determine whether allegations reported to the Hotline constitute possible occupational fraud against the State. When applicable, we refer occupational fraud allegations to the affected state agencies for further investigation [see Section 2-3-110.5, C.R.S.]. Under certain circumstances, the State Auditor has statutory authority to investigate allegations reported to the Hotline.

## Hotline Reports

During Fiscal Year 2022, the OSA’s Fraud Hotline received a total of 106 reported allegations, which was an 11 percent decrease over the prior year. We handled the 106 reported allegations as follows:



We did not refer the majority of reported allegations to an affected state agency because the allegations did not fall within the Hotline's jurisdiction (e.g., they did not constitute an allegation of occupational fraud or involved a local government).

### **Agency Referrals**

Of the nine occupational fraud allegations that we referred to affected state agencies during Fiscal Year 2022, one allegation was found to be not substantiated. The remaining eight occupational fraud allegations were still undergoing agency investigation as of June 30, 2022.

# Legislation

Issues raised in our audits and evaluations often prompt members of the General Assembly to seek statutory change. Legislation can originate as a bill sponsored by the Legislative Audit Committee or another committee, or as a bill sponsored by individual legislators.

During the 2022 Legislative Session, 17 bills were enacted into law related to issues raised in the OSA's audits and evaluations or the OSA's audit authority and statutory responsibilities. Two of these bills were sponsored by the Legislative Audit Committee.

Bill and Bill Title	Related Audit, Work Product, or Authority/Requirement
Bills Related to Issues Raised in the OSA's Audits and Evaluations	
*Denotes bill sponsored by the Legislative Audit Committee.	
House Bill 22-1022* Modify Administration of Colorado State Fair	Colorado State Fair Authority, Performance Audit, October 2019, Department of Agriculture
Senate Bill 22-027* Prescription Drug Monitoring Program	Colorado Prescription Drug Monitoring Program, Performance Audit, March 2021, Department of Regulatory Agencies
House Bill 22-1374 Foster Care Success Act	Foster Care Education Initiative, Performance Audit, February 2022, Department of Education
House Bill 22-1337 State Personnel Director's Compensation Report	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey, Performance Evaluation, June 2021, Department of Personnel & Administration
House Bill 22-1391 Modifications to Severance Tax	Severance Taxes, Performance Audit, January 2020, Department of Natural Resources and Department of Revenue

Bill and Bill Title	Related Audit, Work Product, or Authority/Requirement
Bills Related to the OSA's Audit Authority and Statutory Responsibilities	
House Bill 22-1361 Oil and Gas Reporting	Colorado Oil and Gas Conservation Commission, Oil and Gas Production Reporting, Performance Audit, August 2021, Department of Natural Resources  Requires the State Auditor to conduct another performance audit by May 1, 2026 on oil and gas operations, reporting, and revenue.
Senate Bill 22-180 Programs to Reduce Ozone Through Increased Transit	Adds to the scope of the OSA's next required performance audit of the Regional Transportation District.
Senate Bill 22-145 Resources to Increase Community Safety	Provides the State Auditor authority to audit law enforcement agencies that receive grants to improve community safety and law enforcement.
Bills Related to the OSA's Tax Expenditure Evaluations	
House Bill 22-1017 Increase Alcohol Beverage Excise Tax Exemption	Excise Tax Exemption for Alcoholic Beverages Originating Outside the U.S. (April 2020)
House Bill 22-1024 Sales and Use Tax Exemption Municipal School Construction	Construction and Building Materials Exemption (January 2021)
House Bill 22-1026 Alternative Transportation Options Tax Credit	Mass Transit Ridesharing Expenses Deduction (January 2021)
House Bill 22-1083 Colorado Homeless Contribution Income Tax Credit	Enterprise Zone Contribution Credit (July 2021)
House Bill 22-1149 Advanced Industry Investment Tax Credit	Advanced Industry Investment Credit (July 2021)
House Bill 22-1392 Contaminated Land Income Tax & Property Tax Credit	Contaminated Land Redevelopment Credit (January 2022)
House Bill 22-1051 Mod Affordable Housing Tax Credit	Affordable Housing Tax Credit (April 2022)



Bill and Bill Title	Related Audit, Work Product, or Authority/Requirement
House Bill 22-1005 Health-care Preceptors Tax Credit	Rural & Frontier Healthcare Preceptor Credit (January 2019)
House Bill 22-1025 Repeal of Infrequently Used Tax Expenditures	<p>Repealed nine tax expenditures that the OSA's tax expenditure reviews found were infrequently used or obsolete:</p> <ul style="list-style-type: none"> <li>• Unauthorized Insurance Premium Tax Expenditures (January 2020)</li> <li>• Colorado Alternative Minimum Tax Credit (July 2021)</li> <li>• New Plastic Recycling Technology Investment Tax Credit (April 2021)</li> <li>• Hunger Relief Income Tax Credit &amp; Crop and Livestock Contribution Corporate Income Tax Credit (September 2018)</li> <li>• Previously Taxed Income Deduction for Individuals, Estates, and Trusts (April 2021)</li> <li>• Old and New Investment Tax Credits (September 2020)</li> <li>• Old and New Investment Tax Credits (September 2020)</li> <li>• Complimentary Marketing Property to Out-of-State Vendees Exemptions (July 2020)</li> <li>• State-Employed Chaplains Housing Allowance (July 2020)</li> </ul>

# About the State Auditor

Kerri L. Hunter was appointed unanimously by the General Assembly to the position of State Auditor in May 2021 for a 5-year term starting July 1, 2021. As Colorado's State Auditor, Kerri leads the OSA and its staff of approximately 80 professionals and \$12.6 million annual budget. With more than 25 years of governmental auditing experience at the OSA, Kerri has dedicated her career to promoting government accountability and seeking positive change in government for the people of Colorado. She possesses in-depth knowledge of Colorado's state and local governments and is highly regarded as a subject matter expert in internal control, the federal Single Audit Act, and auditing standards.

Prior to her appointment as State Auditor, Kerri served as the OSA's Deputy State Auditor for Financial Audits, responsible for overseeing various financial and performance audits, including the State's annual statewide financial and compliance audit, as well as the OSA's Local Government Audit Division, quality assurance program, and accounting, budgeting, contracting, and financial reporting functions.

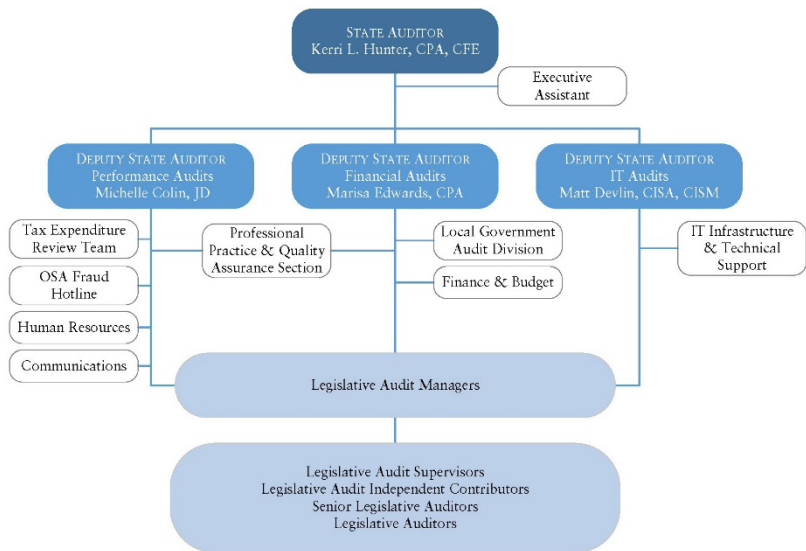
Kerri participates in professional organizations, including the American Institute of Certified Public Accountants, the Colorado Society of Certified Public Accountants, the National State Auditors Association, the Association of Certified Fraud Examiners, and State Employees Leading Colorado. Kerri serves as a Board member and Audit Committee Chair for the Colorado Housing and Finance Authority. Kerri is a 2021 recipient of the Pro15 Northeast Colorado's 2021 Alumni of the Plains Award for professional excellence. In 2016, Kerri was named by the Colorado Society of Certified Public Accountants and the American Institute of Certified Public Accountants as one of three "Women to Watch" in the Emerging Leader category. In 2008, she was awarded the Rotary Foundation Paul Harris Award for exceptional service. As one of Colorado's select Boettcher Foundation Scholars, Kerri earned a degree in Accounting with honors from the University of Denver. Kerri is a Certified Public Accountant licensed to practice in Colorado and a Certified Fraud Examiner. A fifth-generation Coloradan, Kerri grew up on Colorado's eastern plains.

# OSA Employees

Our employees are dedicated public servants. Collectively, we possess 467 years of auditing experience. Forty-two percent of our auditors hold a graduate degree (e.g., Master’s degree, Juris Doctorate), and 34 percent hold a professional license or certification, including:

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

## OSA Organizational Structure



# Audit Industry Leadership

The OSA and its employees continue to be active participants in the government auditing and accountability community.

## Peer Organizations

We participate 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:

- The National State Auditors Association (NSAA) is an organization specifically dedicated to state audit organizations. Members of our senior management team and audit managers serve on several NSAA standing committees and workgroups. Some of our 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.
- The 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. We attend professional development conferences and participate on external peer review teams. One of our audit managers served on the NLPES Executive Committee for 10 years.
- The 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. The OSA's Deputy State Auditor for Performance Audits serves on the MPIAF Executive Committee.

## **External Presentations**

We routinely speak at professional conferences, training events, and with higher education classrooms about our work and role in state government. During Fiscal Year 2022, we gave presentations for the following organizations:

- Colorado Government Finance Officers Association
- Colorado Society of Certified Public Accountants
- Eide Bailly, LLP
- National Conference of State Legislatures
- National State Auditors Association
- Pew Charitable Trusts
- University of Denver

## **Professional Associations**

We 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

We give back to the local community. In Fiscal Year 2022, OSA employees personally donated \$4,000 through the annual Colorado Combined Campaign, which is a charitable donation program coordinated across all departments of state government.

We also participated in volunteer events through the OSA's Community Service Program to benefit the following organizations:

- University of Colorado, President's Leadership Class
- Vitalant Blood Donation Center



## OFFICE OF THE STATE AUDITOR

C O L O R A D O

*Working to improve government for the people of Colorado.*

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



**303.869.2800**



**osa.ga@state.co.us**



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