

Agency Mission: Lead the pursuit of excellence in state government.

KPM #15	FINANCIAL REPORTING – Number of years out of the last five that State Controller’s Division wins GFOA Certificate of Achievement.	Measure since: 1999
Goal	Efficient and effective government infrastructure	
Oregon Context	Mission: Lead the pursuit of excellence in state government; OBM #35 and #36	
Data source	GFOA coordinates the review and awards the certificate.	
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1. OUR STRATEGY

The strategy is to optimize performance.

Successful statewide financial reporting is a cooperative effort between the State Controller’s Division (SCD) and fiscal offices in all state agencies.

2. ABOUT THE TARGETS

Our goal is to earn the Certificate of Achievement for Excellence in Financial Reporting every year. We selected this target because the State Controller’s Division intends to continue ensuring that the State’s annual financial report complies with current accounting and financial reporting standards.

3. HOW WE ARE DOING

The SCD has met the target every year since this measure was adopted. The Government Finance Officers Association (GFOA)

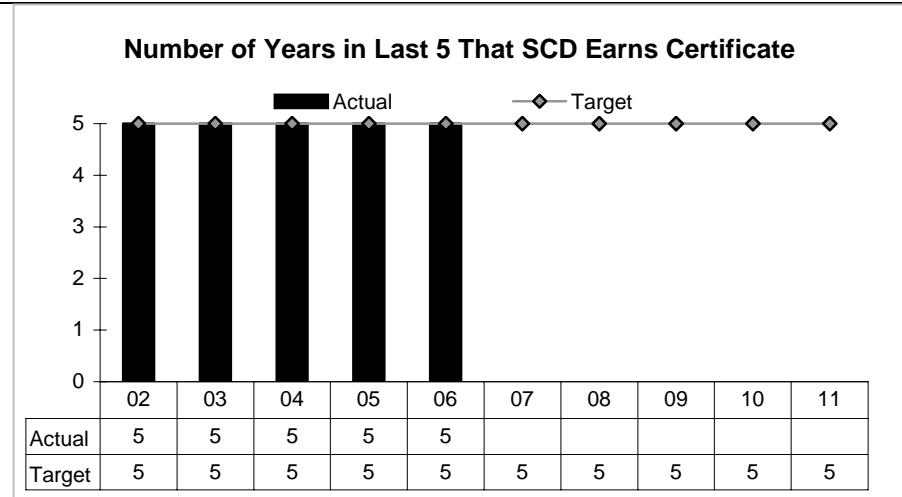
Certificate of Achievement for Excellence in Financial Reporting award signifies that the State’s Comprehensive Annual Financial Report (CAFR) meets the high standards of the GFOA program, including receiving an unqualified audit opinion and demonstrating a constructive spirit of full disclosure to clearly communicate financial results. Earning the certificate demonstrates fiscal accountability and compliance with accounting and financial reporting standards.

4. HOW WE COMPARE

Participation in the GFOA Certificate of Achievement program is voluntary. Currently, 43 state governments submit their annual financial report to GFOA for review. For fiscal year 2004, 95% of the states that submitted their reports for review were awarded the Certificate of Achievement for Excellence in Financial Reporting. The percentage for fiscal year 2003 and 2002 was also 95%. Thus, a very high percentage of those states that submit their CAFR earn the award. This is consistent with Oregon’s performance. Although we (Oregon) received our results earlier this year than last year, this does not correlate with the comparisons. The source for comparisons is a separate report issued by GFOA. We do not have comparison results available for years after 2004 at this time.

5. FACTORS AFFECTING RESULTS

The extent and complexity of new accounting and financial reporting standards promulgated by the Governmental Accounting Standards Board (GASB) affects our results. Implementation of new standards on a statewide basis requires focusing resources to plan, modify systems as needed, update policies,



Department of Administrative Services

II. KEY MEASURE ANALYSIS

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and provide training to state agencies. Other factors affecting results include fiscal staffing levels at state agencies, level of staff expertise, turnover, and the ability of each agency to provide timely and accurate information for fiscal year end closing.

6. **WHAT NEEDS TO BE DONE**

The SCD needs to continue to retain financial reporting staff that are highly competent professionals and invest in staff training to keep abreast of new accounting and financial reporting standards. In addition, the SCD needs to continue to devote sufficient resources to plan for implementation of new standards, modify systems as needed, and provide clear guidance through policies and training for agency fiscal and management staff.

7. **ABOUT THE DATA**

The data is reported based on Oregon's fiscal year, which ends June 30. Results of the GFOA review are based on an independent, objective analysis by members of the Special Review Committee using a comprehensive checklist.