

Colorado Office of the State Auditor

Annual Report Fiscal Year 2026





Contents

A Message from the State Auditor	1
Legislative Audit Committee	3
About the OSA	4
Identified Financial Benefits	5
Identified Financial Misstatements	7
OSA Recommendations	8
Allocation of Staff Resources	9
Financial Audits	10
Performance Audits	13
IT Performance Audits	14
Tax Expenditure Evaluations	15
Other Work Products	16
Local Government Audit Division	17
Fraud Hotline	18
Legislation	20
About the State Auditor	23
OSA Staff	24
Audit Industry Leadership	26
Community Service	29



A Message from the State Auditor

This annual report presents information about the Office of the State Auditor's (OSA) activities and accomplishments, in accordance with Sections 2-3-103(2) and 110.5(5), C.R.S. Our work provides the General Assembly and the public with objective, fact-based, and nonpartisan information about state government operations and the use of taxpayer resources. Our primary goal is to facilitate government efficiency, effectiveness, and accountability.

During Fiscal Year 2026, we issued 65 audits, evaluations, and other work products, which included:

- 38 financial statement audits and attestation engagements, including the Fiscal Year 2025 Statewide Single Audit. That annual financial and compliance audit covered \$65.9 billion in state assets, \$56.3 billion in expenditures, and \$20.8 billion in federal funds.
- 9 performance audits and evaluations that covered a range of topics, including the Colorado Bureau of Investigation's DNA evidence testing; the Department of Public Health and Environment's health facility licensing program and cash funds; higher education transfer credit processes; Connect for Health Colorado; oil and gas reporting on production, emissions, and severance taxes; and the State's service-disabled veteran-owned small business contracting goal.
- An IT performance audit of cybersecurity resiliency at the Governor's Office of Information Technology.
- 12 tax expenditure evaluation reports related to income taxes, sales and use taxes; and business incentives such as severance, insurance premium, and capital gains taxes; and a federal tax policy review report.
- 5 informational reports, including a report on the fiscal health of each of the State's 178 school districts and 2 reports on the fiscal health of the more than 2,900 special districts within the State.



We also reviewed local government audit and exemption filings to help ensure that the financial reporting of the approximately 4,600 local governments complies with applicable statutory requirements. In addition, in Fiscal Year 2026, we processed 162 fraud allegations received through our administration of the State’s fraud reporting hotline.

We continue to be recognized nationally for our high-quality work. This year we are pleased to announce that we received the following awards:

- The 2026 Excellence in Accountability Award from the National State Auditors Association, for our March 2025 evaluation of the Regional Home Office Insurance Premium Tax Rate Reduction.
- The 2026 Impact Award from the National Conference of State Legislatures, National Legislative Program Evaluation Society, for our May 2023 performance audit of the Gas Pipeline Safety Program.



(Left to Right) Michelle Colin, Kerri Hunter, Kim Tinnell, and James Taurman accepted a national award in June during the NSAA’s 2026 Annual Conference in Washington.

Our accomplishments could not have been done without our hard-working staff and members of the Legislative Audit Committee. We have continued to uphold our standards of independence and excellence in producing high-quality work, as well as maintaining a mindset of continuous improvement for our processes, work products, and services. I am proud of what the OSA has accomplished this past year in service to the Legislative Branch, the State, and the people of Colorado.

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 state 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, 2026

Senator
Lisa Frizell
Chair



Senator
Mike Weissman
Vice Chair



Representative
Jennifer Bacon



Representative
Max Brooks



Representative
Dusty Johnson



Senator
William Lindstedt



Senator
Rod Pelton



Representative
Jenny Willford



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.

Sections 2-3-103 and 107, C.R.S., grant the OSA broad authority and access to records to conduct performance, financial, and IT audits and evaluations of all state departments and agencies, public colleges and universities, most special purpose authorities, state entities 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 the State’s tax expenditures [Section 39-21-305, C.R.S.]
- Monitors local governments for compliance with the Colorado 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.]

Identified 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. Financial benefits include our identification of potential cost savings across state agencies, questionable payments, ways to improve the effective management of funds, improvements to the collection of fees and debts, policy changes that could increase revenue, opportunities to leverage state resources with federal matching funds, and ways to increase the value of the State’s assets.

In Fiscal Year 2026, we identified financial benefits totaling \$140.8 million. Furthermore, for the 5-year period from Fiscal Year 2022 through Fiscal Year 2026, we identified financial benefits totaling approximately \$1,193.2 million, or an average of \$238.6 million per year.

Financial Benefits Identified by the OSA Fiscal Years 2022–2026 (Dollars in Millions)

2022	2023	2024	2025	2026	Total	5-Year Average
\$96.4	\$825.0	\$42.7	\$88.4	\$140.8	\$1,193.2	\$238.6

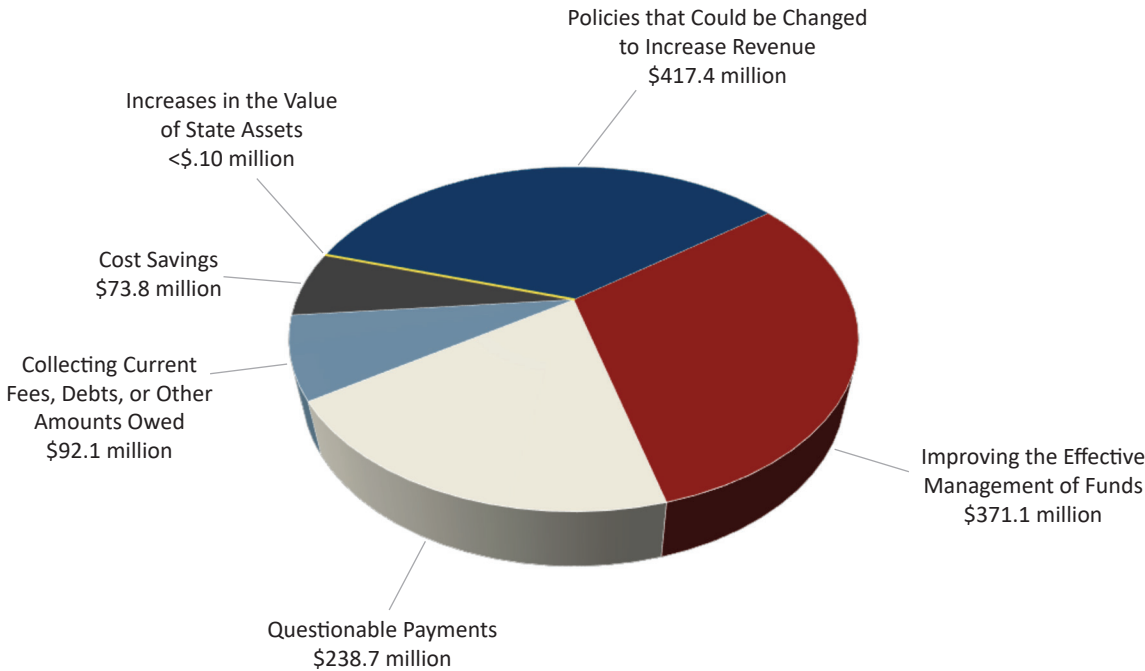
Our goal is to achieve at least a 10:1 ratio of benefits that we provide to the State of Colorado compared to our costs to operate over a 5-year period. We have achieved a 24:1 ratio of benefits to costs, which means that the return on investment to the taxpayer is approximately \$24 in financial benefits for every \$1 spent on the OSA’s operations.

OSA's Benefit-to-Cost Ratio Fiscal Years 2022–2026

5-Year Average Annual Financial Benefits Identified in Reports	\$238.6 million
5-Year Average Annual Net Operating Costs ¹	\$10.0 million
Ratio of Benefits to Costs	24:1

¹ Annual net operating costs are calculated based on General Fund appropriations minus General Fund reversions.

The following chart breaks down the \$1,193.2 million in financial benefits identified by the OSA for Fiscal Years 2022 through 2026, by category:



Identified Financial Misstatements

The OSA’s annual Statewide Single Audit identifies financial misstatements, which are the accounting errors made by state agencies that can affect the State’s financial statements. State agencies may or may not correct the misstatements before the State’s financial statements are finalized. The table below shows the types and gross dollar amounts of financial misstatements that auditors identified for Fiscal Year 2025, which totaled more than \$21 billion.

Gross Financial Misstatements Identified During the Statewide Single Audit
Fiscal Year 2025
(Dollars in Millions)

Type of Misstatement	Assets	Liabilities	Revenues	Expenditures	Other ¹	Total
Gross Uncorrected Misstatements	\$16.1	\$61.9	\$11.3	\$72.2	\$54.9	\$216.5
Gross Corrected Misstatements	\$3,866.6	\$8,048.0	\$4,167.7	\$5,039.5	\$21.5	\$21,143.3
Total Gross Misstatements	\$3,882.7	\$8,109.9	\$4,179.0	\$5,111.7	\$76.41	\$21,359.7

¹ Includes financial misstatements related to deferred outflows and inflows of resources, and net position.

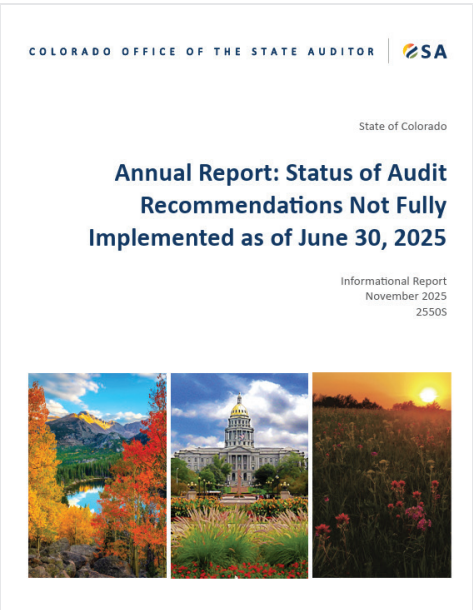
OSA Recommendations

The recommendations that we make to state agencies through our financial, performance, and IT audits and evaluations promote positive change in government, and are an important part of ensuring that agencies correct the issues that we identify. In Fiscal Year 2026, we made 288 recommendations to state agencies and other auditees to help improve their operations, financial reporting and accounting, compliance with laws and relevant requirements, service provision, IT systems, and a range of other areas. More information on our findings and recommendations can be found in our audit and evaluation reports on our website.

Each fall, we issue our Annual Report: Status of Audit Recommendations Not Fully Implemented, which summarizes the statuses of the recommendations that we 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 agreed or partially agreed to implement 98 percent of our recommendations, and agencies generally made those changes. However, some recommendations remained unimplemented as of June 30, 2025:

- 69 of the 1,179 audit recommendations (6 percent) that the OSA made from July 2019 through June 2024, and that agencies agreed or partially agreed to implement, remained unimplemented.
- 14 of the 69 unimplemented recommendations (20 percent) were considered high priority due to their seriousness or because they have remained unimplemented for 3 years or more.

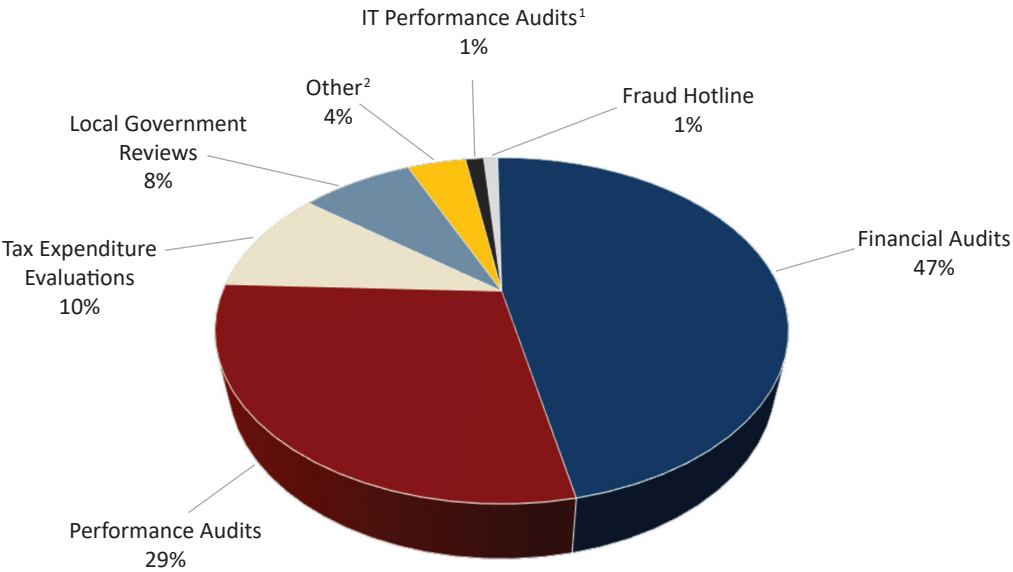


Allocation of Staff Resources

During Fiscal Year 2026, the OSA issued 65 financial, performance, and IT audit and evaluation reports; tax expenditure evaluations; and other work products based on the following authority:

- 59 (91 percent) were completed in response to statutory or other legal requirements,
- 4 (6 percent) were completed in response to a legislative request, and
- 2 (3 percent) were completed at the State Auditor’s discretion based on risk, coverage, and other considerations.

The following chart breaks down where the OSA’s project hours were spent in Fiscal Year 2026:



¹ IT audit test work is also completed as part of performance audits and the annual Statewide Single Audit, which is categorized as a financial audit.

² “Other” includes hours for nonaudit work products (e.g., School District Fiscal Health Report, Annual Report: Status of Audit Recommendations Not Fully Implemented) and other activities such as audit topic planning and research, legislation, internal quality control monitoring, and external peer review activities.

Financial Audits

Financial audits determine whether the State’s or a state entity’s financial information is presented fairly, in all material respects, and whether agencies receiving federal grants are complying with applicable grant requirements. Each year, we conduct a statewide audit—known as the Single Audit—of the State’s financial statements, federal grant compliance, and information system controls that are significant to the State’s financial activities and federal compliance requirements. We also conduct other required standalone financial audits.

During Fiscal Year 2026, we issued the following financial audits and attestation engagements:

Report	Report Release Date	Report No.
Adams State University, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2502F-A
Adams State University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2502F-B
Auraria Higher Education Center, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2507F
Census Data Attestation for Colorado Public Employees’ Retirement Association (PERA) 2025	March 2026	2539F-AT
CollegelInvest, College Savings Program Funds, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2509F
Colorado Community College System, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2511F
Colorado High Performance Transportation Enterprise, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2532F
Colorado Lottery, Fiscal Years Ended June 30, 2025 and 2024	October 2025	2520F
Colorado Mesa University, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2512F-A
Colorado Mesa University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2512F-B
Colorado School of Mines, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2503F-A
Colorado School of Mines, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2503F-B
Colorado State Fair Authority, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2515F

Report	Report Release Date	Report No.
Colorado State University System, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2516F-A
Colorado State University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2516F-B
Colorado State University—Pueblo, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2416F-C
Colorado Student Loan Program dba College Assist, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2508F
Division of Gaming, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2519F
Fort Lewis College, Fiscal Years Ended June 30, 2025 and 2024	March 2026	2504F-A-R
Fort Lewis College, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2504F-B
Legislative Department, Fiscal Years Ended June 30, 2025 and 2024	December 2025	2535F
Metropolitan State University of Denver, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2523F-A
Metropolitan State University of Denver, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2523F-B
Pinnacol Assurance, Fiscal Years Ended December 31, 2025 and 2024	June 2026	2510F
Public Employees’ Retirement Association of Colorado (PERA), Fiscal Year Ended December 31, 2024	August 2025	2413F
Real Estate Assessment Center (REAC) Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	April 2026	2529F-AT
State Board of the Great Outdoors Colorado Trust Fund, Fiscal Years Ended June 30, 2025 and 2024	October 2025	2522F
Statement of Federal Land Payments, Federal Fiscal Year Ended September 30, 2025	March 2026	2641F
Statewide Bridge and Tunnel Enterprise, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2533F
Statewide Single Audit, Fiscal Year Ended June 30, 2025	February 2026	2501F
U.S. Department of Housing and Urban Development, Financial Data Schedule, Fiscal Year 2025	February 2026	2501F-A
University of Colorado, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2505F-A
University of Colorado—Boulder, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2505F-B

Report	Report Release Date	Report No.
University of Colorado—Colorado Springs, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2505F-C
University of Northern Colorado, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2537F-A
University of Northern Colorado, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2537F-B
Western Colorado University, Fiscal Years Ended June 30, 2025 and 2024	January 2026	2538F-A
Western Colorado University, NCAA Agreed-Upon Procedures, Fiscal Year Ended June 30, 2025	January 2026	2538F-B

Performance Audits

Performance audits and evaluations address whether programs operate in an effective and efficient manner to accomplish their intended goals, and comply with laws and regulations.

During Fiscal Year 2026, we issued the following performance audits and evaluations:

Report	Report Release Date	Report No.
Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2025	December 2025	2554P
Colorado Bureau of Investigation (CBI) Forensic Services Section, DNA Evidence Testing	February 2026	2552P
Colorado Public Employees’ Retirement Association (PERA) Hybrid Defined Benefit Plan Study	August 2025	2461P
Connect for Health Colorado	October 2025	2465P
Health Facility Licensing Program and Cash Funds (Public Report) ¹	August 2025	2460P
Higher Education Transfer Credits	October 2025	2459P
Oil and Gas Reporting: Production, Emissions, and Severance Taxes	December 2025	2464P
Schedule of TABOR Revenue, Fiscal Year 2025	October 2025	2557P
State Contracting Goal for Service-Disabled Veteran-Owned Small Businesses	June 2026	2556P

¹ 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.

IT Performance Audits

Our IT performance audit team conducts or oversees standalone IT performance audits and evaluations of the State’s processes related to information security and other IT controls over critical and essential state information systems and applications. As noted previously, a portion of the OSA’s IT audit test work is also completed as part of our performance audits and our annual statewide financial and compliance audit—the Statewide Single Audit.

During Fiscal Year 2026, we issued the following standalone IT performance audit:

Report	Report Release Date	Report No.
Cybersecurity Resiliency (Public Report) ¹	January 2026	2551P-IT

¹ 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.

Tax Expenditure Evaluations

Section 39-21-305, C.R.S., requires the State Auditor to evaluate the State’s tax expenditures. 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.” [Section 39-21-302(2), C.R.S.] Tax expenditures reduce the amount of revenue that the State collects from sales and use, income, insurance premium, excise, and severance taxes.

Section 39-21-306, C.R.S., requires the State Auditor to annually report on the impact of the State’s policy of using federal taxable income as the basis for Colorado taxable income, including any changes that may significantly impact the State’s tax base. In addition, the Legislative Oversight Committee Concerning Tax Policy can direct the State Auditor to prepare reports on specific and discrete topics related to existing tax policy. [Section 39-21-403, C.R.S.]

During Fiscal Year 2026, we issued the following reports related to tax expenditure evaluations, federal tax law, and tax policy:

Report	Report Release Date	Report No.
Alternative Transportation Options Tax Credit Evaluation	March 2026	2026-TE1
Declared Wildfire Disaster Rebuild Sales and Use Tax Refund Evaluation	June 2026	2026-TE3
Electric Lawn Equipment Credit Tax Expenditure Evaluation	December 2025	2025-TE14
Electric Lawn Equipment Credit Tax Expenditure Evaluation Update	February 2026	2025-TE14-A
Employer Assistance for Home Purchase Tax Expenditures Memo	April 2026	2026-TE2
Homeless Contribution Income Tax Credit Evaluation	November 2025	2025-TE13
Homeless Contribution Income Tax Credit Evaluation Update	January 2026	2025-TE13-A
Report on Business Incentive Tax Expenditures	September 2025	2025-TE12
Report on Federal Tax Law Provisions and Changes that Impact the Colorado Tax Base	June 2026	2026-TE5
Residential Energy Storage System Tax Expenditures Evaluation	December 2025	2025-TE15
Residential Energy Storage System Tax Expenditures Evaluation Update	February 2026	2025-TE15-A
Wildfire Mitigation Measures Tax Credit Evaluation	June 2026	2026-TE4

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 agencies, local governments, and the public.

During Fiscal Year 2026, we issued the following other work products:

Report	Report Release Date	Report No.
Annual Report: Status of Audit Recommendations Not Fully Implemented, as of June 30, 2025	December 2025	2550S
Colorado Educational and Cultural Facilities Authority, Moral Obligation Bond Program, Calendar Year 2025	February 2026	2566S
Colorado School Districts Fiscal Health Analysis, Fiscal Years 2022–2024	October 2025	2548S
Colorado Special Districts Fiscal Health Analysis, Calendar Years 2021–2023	October 2025	2549S
Colorado Special Districts Fiscal Health Analysis, Calendar Years 2022–2024	June 2026	2649S

Local Government Audit Division

The OSA’s Local Government Audit Division (Division) tracks Colorado’s local governments for compliance with the Colorado Local Government Audit Law [Section 29-1-601, et seq., C.R.S.], which requires each local government in the State to undergo an annual financial audit conducted by an independent certified public accountant and submit the audit report to the State Auditor for review, if the local government has revenues or expenditures of \$1 million or more for the year. Local governments with less than \$1 million in revenues or expenditures for the year can apply to the State Auditor for an exemption from audit.

The Division examines the annual financial audit reports submitted by local governments to determine compliance with governmental accounting standards and other statutory requirements. The Division also reviews and approves audit exemption applications when local governments meet applicable criteria, and provides technical assistance to local governments and their independent auditors. In Fiscal Year 2026, we completed reviews related to more than 3,900 local governments.

One of the Division’s award-winning work products is the annual Colorado School Districts Fiscal Health Analysis. 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.

In Fiscal Year 2026, the Division also issued two Colorado Special Districts Fiscal Health Analysis Reports. These reports provide financial indicators for special districts, which can be used by the Department of Local Affairs to monitor special districts that may be experiencing financial stress. 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.

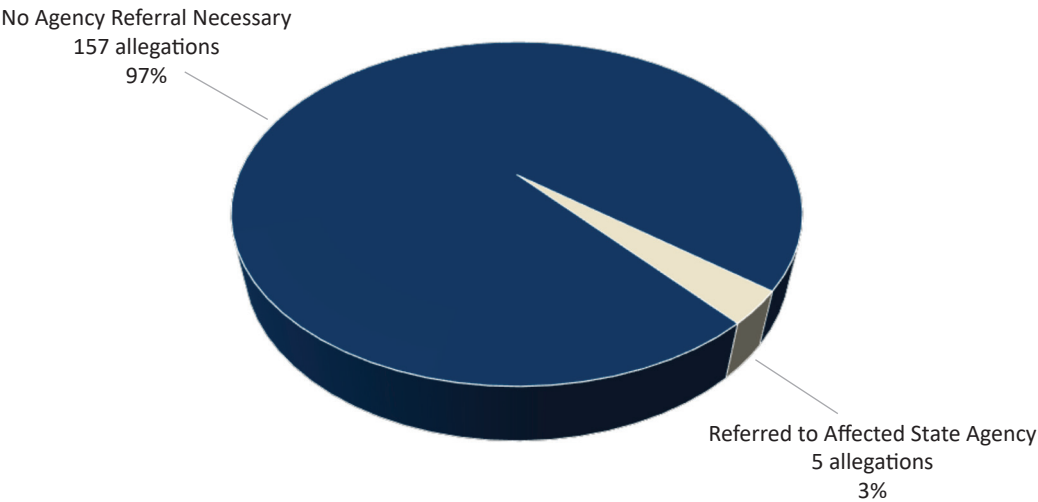
Fraud Hotline

The purpose of the OSA’s Fraud Hotline is to receive reports about occupational fraud in state government, which is when a state employee or state contractor may be using their position or access as an employee or contractor to commit fraud.

Statute requires the OSA to determine whether allegations reported to the Fraud 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 may assist state agencies in investigating allegations reported to the Hotline.

Allegations Received through the Hotline

During Fiscal Year 2026, the OSA’s Fraud Hotline received and processed a total of 162 reported allegations. We handled these reported allegations as follows:



We did not refer most reported allegations to an affected state agency because the allegations did not fall within the Hotline’s jurisdiction (i.e., they did not constitute an allegation of occupational fraud committed by a state employee or contractor).



Agency Referrals

The five occupational fraud allegations that the OSA referred to state agencies during Fiscal Year 2026 involved allegations of misappropriation of assets, corruption/conflict of interest, extortion, and embezzlement. We determined that four of the allegations were not substantiated. The remaining allegation was partially substantiated and the affected state agency reported that it took disciplinary action against the employee.

Additionally, for three of the occupational fraud allegations that the OSA referred to state agencies during the previous fiscal year, 2025, the investigations were completed in Fiscal Year 2026. For those allegations, the affected state agencies determined that none of the three were substantiated.

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 2026 Legislative Session, six bills were enacted into law based on issues raised in the OSA’s audits and evaluations, and another 22 enacted bills significantly impacted the OSA’s audit authority and statutory responsibilities.

Enacted Bills Addressing Audit and Evaluation Recommendations

Bill and Title	Description
SB 26-117 Permissible Methods of Selling Lottery Tickets	Changes the prohibition of courier sales for lottery tickets and makes changes related to online sales with credit cards.
SB 26-150 Modernizing Regional Transportation District (RTD)	Changes the governance structure of RTD.
HB 25B-1003 Insurance Premium Tax Rate for Home Offices	Eliminates the Regional Home Office Insurance Premium Tax Rate Reduction for insurance companies.
HB 26-1328 Medicaid Nonemergency Medical Transportation (NEMT)	Establishes new requirements for transportation brokers and parameters for providing NEMT services, and creates the transportation community advisory board.
HB 26-1343 Electronic Process in Competency & Administrative Hearings	Amends the Administrative Procedures Act to allow the Office of Administrative Courts to send parties hearing notices and initial decisions electronically, when parties opt for electronic.
HB 26-1396 Disaster Emergency Fund Changes	Requires the Office of State Planning and Budgeting to report information to the Joint Budget Committee regarding the completion of administrative actions and funding for each disaster, and creates a completion timeline based on the type of disaster.

Enacted Bills Related to OSA Audit Authority and Statutory Responsibility

Bill and Title	Description
SJR 26-017 Reappoint Kerri L. Hunter as State Auditor	Reappoints Kerri as Colorado’s State Auditor for a second term.
SB 26-078 Changes to Institutions of Higher Education Statutes	Removes the requirement that the OSA review the University of Colorado’s financial analyses before it issues revenue bonds.
SB 26-084 No Waiver for Legal Privileges State Auditor Documents	Addresses concerns with privileged information turned over to the OSA during a Fraud Hotline investigation.
SB 26-135 State Public K-12 Education Funding	Directs the OSA to report on the portion of state revenues over the TABOR limit that are kept for education spending for each year.
SB 26-137 Measures to Reduce Administrative Burdens	Specifies that committees of reference may send the Legislative Audit Committee (LAC) audit requests related to state agencies’ regulatory agendas.
SB 26-178 Health Insurance Affordability Measures	Expands the scope of the required OSA performance audit of the Health Insurance Affordability Enterprise.
SB 26-185 Enhance Security of Office of Information Technology (OIT)	Specifies that the Joint Technology Committee may send the LAC audit requests related to the OIT, and establishes criteria for requesting such audits.
HB 26-1191 Examination of School District Records	Allows the State Auditor the discretion to review the amount of state education funds spent on school capital construction projects.
HB 26-1382 Support of Coloradans with Disabilities	Requires the OSA to audit the new Colorado Disability Funding Authority, upon approval of the LAC.
HB 26-1412 Department of Health Care Policy & Financing (HCPF) Statistical Sampling & Extrapolation	Requires the OSA to review the sampling/extrapolation that HCPF uses when auditing Medicaid NEMT and Pediatric Behavioral Health providers.

Bill and Title	Description
HB 26-1419 Over-Refund of Excess State Revenues	Requires the OSA to perform additional audit work if the State Controller certifies in September 2026 that Fiscal Year 2026 state revenues did not exceed the TABOR limit.
11 Other Bills That Relate to Tax Expenditures:	
SB 26-001 SB 26-009 SB 26-116 SB 26-128 HB 26-1004 HB 26-1014 HB 26-1015 HB 26-1065 HB 26-1223 HB 26-1230 HB 26-1289	These bills make a number of changes to tax expenditures, including but not limited to creating numerous new tax expenditure programs that the OSA is required to measure for effectiveness, repealing some tax expenditures, and extending or adjusting other tax expenditures that the OSA measures.



About the State Auditor

In 2021, Kerri L. Hunter was appointed unanimously by the General Assembly to the position of State Auditor for her first 5-year term, and in 2026 she was unanimously reappointed to serve another term. As Colorado’s State Auditor, Kerri leads the OSA and its 83 staff, and has an annual budget of approximately \$13.9 million.



Kerri is a Certified Public Accountant licensed to practice in Colorado and a Certified Fraud Examiner. With more than 32 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.

Prior to her appointment as State Auditor, Kerri served as an OSA Deputy State Auditor over financial audits, some performance audits, the OSA’s Local Government Audit Division, quality assurance, accounting, contracting, and other areas. Kerri possesses in-depth knowledge of Colorado’s state and local governments, and is highly regarded as a subject matter expert in auditing standards, the federal Single Audit Act, and internal controls.

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 also serves as a Board member and the 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.

As one of Colorado’s select Boettcher Foundation Scholars, Kerri earned a degree in Accounting with honors from the University of Denver. A fifth-generation Coloradan, Kerri grew up on Colorado’s eastern plains.

OSA Staff

Our staff are dedicated public servants and our greatest asset. Collectively, our staff possess more than 665 years of auditing and evaluation experience. More than 50 percent of our auditors and analysts hold a graduate degree (e.g., Master’s, Juris Doctorate), and 30 percent hold a professional license or certification, including:

- Certified Public Accountant
- Certified Fraud Examiner
- Certified Information Security Manager
- Certified Information Systems Auditor
- Certified Internal Auditor
- Certified Government Auditing Professional
- Certification in Risk Management Assurance
- Certified Chartered Accountant
- Colorado Bar Association (Licensed Attorney)
- CompTIA Security+ (Cybersecurity) Certification



Audit Industry Leadership

The OSA and its staff 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 part of the National Association of State Auditors, Controllers, and Treasurers (NASACT). NSAA supports state audit organizations and their respective governments by providing opportunities for the free exchange of information and ideas and by promoting accountability, transparency, and the observance of professional auditing standards.



- The OSA participates in the NSAA's External Peer Review Program, which conducts an external peer review of the OSA's audit function every 3 years, as required by auditing standards. Several of our audit managers lead or serve on teams assigned to conduct external quality control peer reviews of other states' audit organizations, and serve on various NSAA standing committees and workgroups. In Fiscal Year 2026, three OSA managers served on three peer reviews in other states.
- The National Legislative Program Evaluation Society (NLPES) is a professional staff association of the National Conference of State Legislatures (NCSL). NLPES is dedicated to strengthening state legislatures through performance auditing and program evaluation, and by supporting the legislative staff who perform this work.
- The Mountain and Plains Intergovernmental Audit Forum (MPIAF) is one of 10 regional audit forums, sponsored by the U.S. Government Accountability Office, which connect and support government auditors at the federal, state, and local levels.

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 2026, we gave presentations for the following organizations:

- Colorado Government Finance Officers Association
- Colorado Society of Certified Public Accountants
- Delegations from U.S. State Department's International Visitor Leadership Program
- Metropolitan State University of Denver
- National Conference of State Legislatures
- National Legislative Program Evaluation Society
- National State Auditors Association
- State Employees Leading Colorado
- U.S. Department of Health and Human Services
- XBRL US not-for-profit organization



Professional Associations

We are active members in the following professional associations:

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

Community Service

We give back to the local community. In Fiscal Year 2026, our staff participated in volunteer events and donation drives through the OSA's Community Service Program to benefit the following organizations:

- Project Angel Heart, which prepares and delivers medically-tailored meals to people living with severe illnesses.
- A Little Help, which helps older adults with yard and house work, transportation, care visits, and other assistance.
- Colorado Coalition Against Sexual Assault, which works to address and prevent sexual assault in Colorado.
- Nourish Colorado, which works to help communities access nutritious local foods.



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