State of New Hampshire

Biennial Report of the Legislative Budget Assistant

Calendar Years 2021 and 2022

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TABLE OF CONTENTS

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January 2023

To the Members of the House of Representatives Finance Committee, Senate Finance Committee, House of Representatives Ways and Means Committee, and Senate Ways and Means Committee:

I am pleased to present to you, in accordance with RSA 14:31,VI, a report of the results of post-audits, program result audits, and investigations conducted during calendar years 2021 and 2022 by the Audit Division of the Office of Legislative Budget Assistant (LBA).

Additionally, I offer a summary of the activities and responsibilities of the Budget and Audit Divisions during the biennium, and note changes that affect the technical reporting methods of the LBA.

Additional information about the LBA can be found at www.gencourt.state.nh.us/lba. The web site also makes available to the public, information about the state operating and capital budgets, the Fiscal Committee, the Performance Audit and Oversight Committee, the Long Range Capital Planning and Utilization Committee, and the Capital Budget Overview Committee. In addition, the site includes the full text of all issued audit reports, as well as general information regarding our mission and statutory authority.

THE BUDGET DIVISION

During the General Court's annual sessions and throughout the year, the LBA Budget Division provides technical staff assistance in the areas of finance, accounting, and budgeting to members of the Legislature and its committees. It also assists in preparing the operating and capital budgets and provides assistance to special study committees and commissions.

The Budget Division monitors bills that contain appropriations, bond authorizations, or have revenue and expenditure implications. Fiscal notes are written as needed. 390 fiscal notes were written during the 2021 session for introduced and redrafted bills and amendments; during the 2022 session, a total of 674 fiscal notes were written for introduced, redrafted, and amended bills.

The LBA staff provides support to the Fiscal Committee, the House Finance Committee, the Senate Finance Committee, the House Ways and Means Committee, the Senate Ways and Means

Committee, the House Public Works and Highways Committee, the Senate Capital Budget Committee, the Capital Budget Overview Committee, the Long Range Capital Planning and Utilization Committee, the Legislative Performance Audit and Oversight Committee, and other committees when requested.

The Budget Division is also responsible for writing fiscal impact statements for new, amended, and interim rules submitted under the Administrative Procedure Act (RSA 541-A). In 2021, there were 165 fiscal impact statements written for various rules; in 2022, the LBA issued 288 fiscal impact statements.

The Budget Division is actively involved in the National Conference of State Legislatures (NCSL) and the Eastern States Legislative Fiscal Officers Association (ESLFOA).

Revenue Projections
As required by statute, the Legislative Budget Assistant assists the committees responsible for estimating State revenues for the forthcoming biennium, and tracks for the responsible committees actual State revenues to see how they correspond with projections.

Responsibilities Of The Fiscal Committee
The Legislative Budget Assistant is appointed by the Fiscal Committee. The ten-person committee meets monthly to consider a variety of requests from State agencies. Among its duties are to accept and authorize the expenditure of federal and other funds in excess of $100,000 that were not previously budgeted; to transfer funds from allocated units inter- and intra-agency; to authorize the expenditure of federal funds for personnel costs; to grant agencies approval to spend appropriations, when required to do so by law; and to transfer money from the Highway or Fish and Game surplus accounts. The Committee also reviews and approves all audits conducted by the LBA or under its aegis.

THE AUDIT DIVISION

The pace of change in the governmental accounting and auditing field over the past several years shows no sign of relenting. The national focus on audit quality in both the public and private sector has highlighted the need for auditors at all levels to better understand both the operating environments and the numerous and complex financial reporting and audit standards that apply in the governmental sector. The LBA provides regularly scheduled continuing professional education to its staff and, to the extent possible, invites employees of other agencies and departments to attend. The Audit Division is actively involved in the New England Intergovernmental Audit Forum and the National State Auditors Association.

Auditing Standards
The Audit Division conducts both financial and performance audits in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. These standards are known as both Generally Accepted Government Auditing Standards (GAGAS) and as the Yellow Book.

In accordance with these standards, the LBA has the following audit objectives:

- Attesting to the fair presentation, in all material respects, of agency financial statements.
- Determining whether the State's resources are properly safeguarded.
- Determining whether such resources are properly and prudently used.
- Determining an agency's compliance with legal and regulatory requirements.
- Evaluating management's economy and efficiency in its use of resources.
- Determining and evaluating a program's results, benefits, and accomplishments.
- Ensuring that all audit results are fully disclosed to the Legislature, the public, and State agencies.

All LBA audit results are intended to inform the Legislature and to assist the agency and program administrators by indicating areas where accounting and administrative controls, financial operations, risk assessments, program results, and efficiency and effectiveness can be improved.

All audits conducted by the LBA are in accordance with the applicable standards, which necessitates close monitoring of the current and proposed standards, including standards on auditor independence. The Audit Division has historically protected and maintained its independence both in appearance and in fact. We will continue to closely monitor all changes to standards to ensure audit work complies with industry standards.

Government Auditing Standards require that organizations conducting audits undergo an external quality control review, also known as a peer review, at least once every three years. The Audit Division underwent a peer review conducted under the direction of the National State Auditors Association in October 2020. This peer review resulted in a favorable opinion on the system of quality control in place at the LBA - Audit Division. The next peer review is anticipated in October 2023.

Accounting Standards

In endeavoring to remain current with generally accepted accounting principles, the LBA continually monitors the activities of the Governmental Accounting Standards Board (GASB). Changes in financial reporting standards take place regularly. Since its inception in 1984, GASB has issued 101 governmental accounting standards Statements and, as of December 2022, has many other projects in process.

Reports Issued

During 2021 and 2022, the Audit Division issued 18 audit reports. A complete list of these reports begins on page 1. The audits involve all components of State government and offer a total of 209 observations and recommendations for improving operations and strengthening internal managerial and accounting controls to ensure that funds are expended as intended and recorded properly. Of these, 50 suggested legislative action may be required.

In addition to the audit work conducted by the LBA staff, the Office also contracted with other accountants for audit work. A list of the contracted accountants and their reports can be found on page 39 Reports issued by the LBA or its contracted accountants can be accessed by visiting our web site at www.gencourt.state.nh.us/LBA/auditreports.aspx.

Funding Of Audits

The Audit Division is initially funded by appropriations from the General Fund. Agencies and programs which do not receive appropriations from the General Fund are billed at the conclusion of an audit. Fees are based on the time required by the individuals assigned to the engagement. Individual hourly rates vary according to the degree of responsibility involved and the experience and skill required. Costs for audits completed for federally funded programs are billed to the Audit Set Aside Account, to which all federal programs contribute annually, in accordance with the federally approved statewide central service cost allocation plan. The Audit Division collected $686,474 and $802,163 in revenue in State fiscal years 2021 and 2022, respectively.

The Office of Legislative Budget Assistant is grateful for the support it receives from the leadership and members of the General Court. I look forward to continuing this cordial and productive relationship in the coming years.

Michael W. Kane
Legislative Budget Assistant

LEGISLATIVE BUDGET ASSISTANTS

Years of Service	Legislative Budget Assistant
1947 – 1948	* Arthur E. Bean
1948 – 1969	* Remick J. Laighton
1969 – 1971	* Henry F. Goode, *Acting LBA*
1971 – 1984	* Henry F. Goode
1984 – 1996	Charles L. Connor
1997 – 2008	Michael L. Buckley
2008 –2015	Jeffry A. Pattison
2015 – Present	Michael W. Kane

* Deceased

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Summary of Audits and Other Reports Completed and Issued by the Office of Legislative Budget Assistant

The Office of Legislative Budget Assistant completed and issued 18 reports from January 1, 2021 through December 31, 2022. A synopsis of each is included in this report at the referenced page number. These reports can be accessed at and printed from the Office web site at www.gencourt.state.nh.us/lba/auditreports.aspx.

Financial Audit Reports

AGENCY / AREA OF REVIEW	PERIOD AUDITED	PAGE
State, Department Of	For The Fiscal Year Ended June 30, 2020	21

PERFORMANCE AUDIT REPORTS

AGENCY / AREA OF REVIEW	PERIOD AUDITED	PAGE
Child Care Licensing Unit February 2022	For The Two Fiscal Years Ended June 30, 2019	23
Dental Examiners, Board Of Office of Professional Licensure And Certification November 2022	For The Two Fiscal Years Ended June 30, 2020	26
Liquor Commission, Division of Enforcement and Licensing February 2021	For The Two Fiscal Years Ended June 30, 2019	30
Sununu Youth Services Center March 2021	For The Three Fiscal Years Ended June 30, 2020	33
Bureau of Vocational Rehabilitation February 2021	For The Two Fiscal Years Ended June 30, 2019	36

Synopses of Reports Issued by the Office of Legislative Budget Assistant

January 1, 2021, through December 31, 2022

A summary of each report issued by the Office of Legislative Budget Assistant from January 1, 2021 through December 31, 2022 is provided herein. Each summary describes what was found at the time of the audit. The summaries are presented alphabetically by agency under audit with respect to the type of audit conducted.

FINANCIAL AUDIT REPORTS

State Of New Hampshire
Department of Business and Economic Affairs
Financial Audit Report
For The Nine Months Ended March 31, 2022

We have audited the financial statement of the New Hampshire Department of Business and Economic Affairs (Department) for the nine months ended March 31, 2022 and have issued our report thereon dated September 28, 2022. Our report on the financial statement was modified as the Statement of Revenues and Expenditures – General Fund does not purport to and does not constitute a complete financial presentation of the Department in the General Fund in conformity with accounting principles generally accepted in the United States of America..

This financial audit report presents information related to our audit in two sections; a management letter section and a financial section. The management letter section, prepared by the auditors, is a byproduct of the audit of the Department's financial statement. This section contains an auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings.

The financial section of this report, with the exception of the independent auditor's report on the Department's financial statement, was prepared by the financial management of the Department, with assistance from the Department of Administrative Services, Bureau of Financial Reporting. In addition to the auditor's report, the financial section of the report includes the financial statement and notes to the financial statement.

During the nine months ended March 31, 2022, the Department's revenues were $5.5 million and its expenditures were $13.9 million.

Internal Control Comments
Material Weaknesses
- Establish A Formal Risk Assessment Process
- Accounts Payable Processing Controls Should Be Strengthened

Significant Deficiencies
- Federal Grant Drawdowns Should Be Reviewed And Approved
- Controls Over Processing Of Transfers Of Personnel Expenditures Should Be Strengthened
- Compliance With MOUs Should Be Improved
- Controls Over Brochure Program Receipts Should Be Strengthened
- Plans Critical To Financial Accounting And Reporting Processes Should Be Established
- NHFirst Access Permissions Should Be Periodically Reviewed

Compliance Comments
State Compliance

- State Development Plan Should Be Established *
- Administrative Rules Should Be Adopted *
- Statements Of Financial Interests Should Be Filed
- Statutory Reports Should Be Filed As Required *
- Broadband Matching Grant Initiative Should Be Established
- Feasibility Of Implementing The NH College Graduate Retention Incentive Partnership Program Should Be Determined
- Statute Establishing COVID-19 Micro Enterprise Relief Fund Should Be Reviewed
- Statutes Should Be Reviewed For Alignment With Organizational, Accounting, And Reporting Structure

State Of New Hampshire
Insurance Department
Financial Audit Report
For The Nine Months Ended March 31, 2021

We have audited the financial statement of the New Hampshire Insurance Department (Department) of the State of New Hampshire for the nine months ended March 31, 2021, and have issued our report thereon dated September 3, 2021. Our report on the financial statement was modified as the Statement of Revenues and Expenditures - General Fund does not purport to and does not constitute a complete financial presentation of the Department in the General Fund in conformity with accounting principles generally accepted in the United States of America.

This financial audit report presents information related to our audit in two sections; a management letter section and a financial section. The management letter section, prepared by the auditors, is a byproduct of the audit of the Department's financial statement. This section contains an auditor's report on internal control over financial reporting and on compliance and other matters, related audit findings, and a summary of the status of prior audit findings originally contained in the report of the audit of the Department for the nine months ended March 31, 2010.

The financial section of this report, with the exception of the independent auditor's report on the Department's financial statement, was prepared by the financial management of the Department, with assistance from the Department of Administrative Services, Bureau of Financial Reporting. In addition to the auditor's report, the financial section of the report includes the financial statement and notes to the financial statement.

During the nine months ended March 31, 2021, the Department's revenues were $122.7 million and its expenditures were $7.9 million.

Internal Control Comments
Significant Deficiencies

- Independent Service Auditors Reports Should Be Reviewed, And Applicable Complementary User Entity Controls Implemented
- Controls Over The Department's Financial Database Should Be Strengthened
- Continue Development Of A Formal Risk Assessment Process
- Controls Over Expenditure Review And Reconciliation Process Should Be Strengthened
- Transfers To The New Hampshire Granite Advantage Health Care Trust Fund Should Be Performed In Accordance With Established Policy

Compliance Comments
State Compliance

- Administrative Rules Should Be Adopted As Required By Statute

State Of New Hampshire
Department Of Labor
Financial Audit Report
For The Nine Months Ended March 31, 2021

We have audited the financial statement of the New Hampshire Department of Labor (Department) of the State of New Hampshire for the nine months ended March 31, 2021, and have issued our report thereon dated October 12, 2021. Our report on the financial statement was modified as the Statement of Revenues and Expenditures - General Fund does not purport to and does not constitute a complete financial presentation of the Department in the General Fund in conformity with accounting principles generally accepted in the United States of America.

This financial audit report presents information related to our audit in two sections; a management letter section and a financial section. The management letter section, prepared by the auditors, is a byproduct of the audit of the Department's financial statement. This section contains an auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings, and a summary of the status of prior audit findings, originally reported in the audit report of the Department for the fiscal year ended June 30, 2010.

The financial section of this report, with the exception of the independent auditor's report on the Department's financial statement, was prepared by the financial management of the Department, with assistance from the Department of Administrative Services, Bureau of Financial Reporting. In addition to the auditor's report, the financial section of the report includes the financial statements and notes to the financial statements.

During the nine months ended March 31, 2021, the Department's revenues were $10.6 million and its expenditures were $6.3 million.

Internal Control Comments

Significant Deficiencies

- Controls Should Be Established To Ensure Second Injury Fund Disbursements Are Properly Supported
- Reconciliation Policies And Procedures Should Be Developed For Receipt Accounts
- Controls Over Bi-Weekly Payroll Should Be Strengthened
- Effectively Design, Develop, And Timely Implement A New Information System
- Establish An IT Security Management Program
- Establish A Formal Service Level Agreement With The Department Of Information Technology
- Continuity Of Operations Plan Should Be Tested

Compliance Comments

State Compliance

- The Department Should Review The Administration Fund Assessment For Compliance With Statute
- Statutes Should Be Clarified And Conflicting Statues Amended

- Statements Of Financial Interests Should Be Filed As Required By Statute

State Of New Hampshire
Liquor Commission
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2020

The New Hampshire Liquor Commission regulates the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of wine, spirits, and malt or brewed beverages in New Hampshire. All sales of wine and spirits in New Hampshire, with the exception of wines sold by licensees of the Liquor Commission and direct shippers, are made through the wine and spirit stores operated by the Liquor Commission.

The Liquor Commission is responsible for the accounting and reporting of the Liquor Fund, an enterprise fund which receives revenues primarily from the sale of goods through the State liquor stores, fees from licensees, and fines and penalties from rule or law violations.

During fiscal year 2020, the Liquor Commission's operating revenues were $740 million and its operating expenses were $598 million. The Liquor Commission distributed $145 million to the State's General Fund and $10 million to the Alcohol Abuse Prevention and Treatment Fund (RSA 176:16, III) during fiscal year 2020.

AUDIT RESULTS

The auditor's report on the financial statements of the Liquor Commission was unmodified.

A management letter dated December 18, 2020, a byproduct of the fiscal year 2020 financial audit of the Liquor Commission, was issued under a separate cover.

State Of New Hampshire
Liquor Commission
Management Letter
For The Fiscal Year Ended June 30, 2020

This management letter is a byproduct of the audit of the New Hampshire Liquor Commission for the fiscal year ended June 30, 2020. This management letter contains our auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings. The following is a list of the comments in the report.

Internal Control Comments

Material Weakness

- Implement And Staff A Financial Accounting And Reporting Structure Appropriate For The Commission's Size And Complexity

Significant Deficiencies

- Seek Additional Resources to Fulfill Information Technology Needs
- Re-Establish A Formal Risk Assessment Process
- Capitalized Costs Should Be Properly Evaluated For Impairment Under GASB Statement No. 42
- Liquor Stock Payables Reconciliation Control Should Be Improved
- Procedures To Ensure Complete Reporting Of Capital Assets Should Be Strengthened

State Of New Hampshire
Liquor Commission
Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2021

The New Hampshire Liquor Commission regulates the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of wine, spirits, and malt or brewed beverages in New Hampshire. All sales of wine and spirits in New Hampshire, with the exception of wines sold by licensees of the Liquor Commission and direct shippers, are made through the wine and spirit stores operated by the Liquor Commission.

The Liquor Commission is responsible for the accounting and reporting of the Liquor Fund, an enterprise fund which receives revenues primarily from the sale of goods through the State liquor stores, fees from licensees, and fines and penalties from rule or law violations.

During fiscal year 2021, the Liquor Commission's operating revenues were $786 million and its operating expenses were $623 million. The Liquor Commission distributed $164 million to the State's General Fund and $10 million to the Alcohol Abuse Prevention and Treatment Fund (RSA 176:16, III) during fiscal year 2021.

Audit Results

The auditor's report on the financial statements of the Liquor Commission was unmodified.

A management letter dated December 17, 2021, a byproduct of the fiscal year 2021 financial audit of the Liquor Commission, was issued under a separate cover.

State Of New Hampshire
Liquor Commission
Management Letter
For The Fiscal Year Ended June 30, 2021

This management letter is a byproduct of the audit of the New Hampshire Liquor Commission for the fiscal year ended June 30, 2021. This management letter contains our auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings. The following is a list of the comments in the report.

Internal Control Comments

Significant Deficiencies

- Establish Formal Policies And Procedures Over Adjustments Made To System Accounting Records

State Of New Hampshire
Lottery Commission
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

The New Hampshire Lottery Commission was established by the chapter laws of 1963 and became the first modern state-run lottery program. The Lottery's primary purpose has always been to raise revenue for the benefit of public education. The financial activities of the Lottery, as a department of the State of New Hampshire, are reported as an enterprise fund in the State's Comprehensive Annual Financial Report as well as in this separately issued report.

The Lottery operates both instant and on-line games for the purpose of funding state aid to education. As a member of three joint lottery ventures, the Tri-State Lotto Commission, the Multi-State Lottery Association, and Lucky for Life, the Lottery offers a variety of games, including the Megabucks, Powerball, Mega Millions, Lucky for Life, and Keno. Effective July 1, 2015, the operations and responsibilities of the former Racing and Charitable Gaming Commission were transferred to the Lottery Commission.

During fiscal year 2020, the Lottery's operating revenues were $392 million and its operating expenses were $293 million, which provided $100 million for distribution to the State's Education Trust Fund.

AUDIT RESULTS

The auditor's report on the financial statements of the Lottery Commission was unmodified.

A management letter dated December 22, 2020, a byproduct of the fiscal year 2020 financial audit of the Lottery, was issued under a separate cover.

State Of New Hampshire
Lottery Commission
Management Letter
For The Fiscal Year Ended June 30, 2020

This management letter is a byproduct of the financial audit of the New Hampshire Lottery Commission for the fiscal year ended June 30, 2020. This management letter contains our auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings. The following is a list of the comments in the report.

Internal Control Comments

Significant Deficiencies

- Lottery Should Continue To Develop The Division Of Sports Wagering And Strengthen Controls Over Mobile Sports Betting
- Independent Service Auditor's Report Over Mobile Sports Betting Activities Should Be Obtained And Reviewed
- Building Access Controls Should Be Strengthened And Procurement Of A New Access Control System Should Continue

Compliance Comments

State Compliance

- Statements Of Financial Interests Should Be Filed As Required By Statute

State Of New Hampshire
Lottery Commission
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

The New Hampshire Lottery Commission was established by the chapter laws of 1963 and became the first modern state-run lottery program. The Lottery's primary purpose has always been to raise revenue for the benefit of public education. The financial activities of the Lottery, as a department of the State of New Hampshire, are reported as an enterprise fund in the State's Comprehensive Annual Financial Report as well as in this separately issued report.

The Lottery operates both instant and on-line games for the purpose of funding state aid to education. As a member of three joint lottery ventures, the Tri-State Lotto Commission, the Multi-State Lottery Association, and Lucky for Life, the Lottery offers a variety of games, including the Megabucks, Powerball, Mega Millions, Lucky for Life, and Keno. Effective July 1, 2015, the operations and responsibilities of the former Racing and Charitable Gaming Commission were transferred to the Lottery Commission.

During fiscal year 2021, the Lottery's operating revenues were $519 million and its operating expenses were $375 million, which provided $144 million for distribution to the State's Education Trust Fund.

Audit Results

The auditor's report on the financial statements of the Lottery Commission was unmodified.

A management letter dated December 16, 2021, a byproduct of the fiscal year 2021 financial audit of the Lottery, was issued under a separate cover.

State Of New Hampshire
Lottery Commission
Management Letter
For the Fiscal Year Ended June 30, 2021

This management letter is a byproduct of the financial audit of the New Hampshire Lottery Commission for the fiscal year ended June 30, 2021. This management letter contains our auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings. The following is a list of the comments in the report.

Internal Control Comments

Material Weakness

- Lottery Should Develop And Implement Effective Internal Controls Over Sports Betting Revenues

Significant Deficiencies

- Lottery Should Formally Document Policies And Procedures Covering Significant Aspects Of Its Financial Reporting Process
- Council For Responsible Gambling Expenses Should Be Adequately Supported

State of New Hampshire
Department of Military Affairs And Veterans Services
Internal Control Review
Revenues And Expenditures
August 2022

EXECUTIVE SUMMARY

The objective of this audit was to evaluate whether the Department of Military Affairs and Veterans Services (Department) has designed, communicated, implemented, and operated suitable internal controls over the receipt, deposit, recording, and reporting of revenues and the authorization, payment, recording, and reporting of expenditures. Criteria used in the evaluation included State statutes and administrative rules; policies and procedures including DAS's MOP; accepted State business practice; internal Department policies and procedures; and federal grant agreements including the Master Cooperative Agreement and Military Construction Cooperative Agreement. The purpose of this audit was not to render an opinion on the Department's financial statements, internal control, or compliance.

Our audit was performed using the auditing standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings.

SUMMARY OF RESULTS

We found that the Department's controls over the receipt, deposit, recording, and reporting of revenues and the authorization, payment, recording, and reporting of expenditures were generally suitably designed to provide reasonable assurance that the specified internal control objectives would be achieved. The Department's controls appeared to operate as designed and described by management; however, many controls were not formally documented or otherwise evidenced as having been reviewed and approved by management or compiled into a manual or other accessible reference resource. While the Department did have documented procedure manuals available to business office staff responsible for the processing of financial transactions within the State-wide accounting system, these manuals were largely informal process descriptions, and did not include a description of many of the Department's internal control procedures such as the validation of receipt of goods and services prior to payment of expenditures; the monthly expenditures and revenues reconciliation processes; and the processes for tracking expenditures related to the federal Master Cooperative Agreement (MCA) appendices and Military Construction Cooperative Agreements (MCCAs) and subsequently generating and submitting federal reimbursement requests.

We also found that the Department did not have a formal risk assessment process in place covering the significant areas of its financial operations, placing it in a largely reactive mode where risks may not be recognized in time to allow for efficient and effective avoidance and mitigation.

We found that the Department allows for the employees of the New Hampshire National Guard (non-State employees) to directly supervise certain of its employees. Supervisors are responsible for reviewing and approving timecards, approving requests for use of leave-time, and for completing and conducting employee performance appraisals. The arrangement is not formally documented via a Memorandum of Understanding or other formal policy document in place that is signed by both parties, and is instead described in policy memos dating back to 2010 that have not been recently revised.

BACKGROUND

The Department of Military Affairs and Veterans Services was legislatively created by Senate Bill 208, which was passed into law in July 2019, and became effective in September 2019. The bill consolidated military and veterans' services previously provided within three State departments, the Adjutant General, Office of Veterans Services, and the Department of Health and Human Services, into one Department of Military Affairs and Veterans Services. The Department is organized into divisions, including: the Division of Veterans Services; Division of Community Based Military Programs; and the State Veterans Cemetery, and two advisory bodies, namely the Veterans Council and the Military Leadership Team.

The Department is overseen by the Adjutant General and Deputy Adjutant General. The Adjutant General essentially functions as the Commissioner of the Department and is a member of the National Guard.

The Division of Veterans Services assists veterans who are residents of New Hampshire, or their dependents, in securing all benefits or preferences to which they may be entitled under any State or federal laws or regulations. Chapter Law 273, Laws of 2019, renamed from the Office of Veterans Services, under RSA 115, to the Division of Veterans Services within the Department of Military Affairs and Veterans Services under RSA 110-B. The NH State Veterans Cemetery provides and maintains a final-resting place to honor all veterans and eligible dependents. The Cemetery files for the veteran's federal burial benefits, which are deposited into the Veterans Cemetery account when received.

The Division of Community Based Military Programs (CBMP) facilitates military and civilian partnerships, and according to the Department's website, the Division was originally created in 2008 as a Bureau at the New Hampshire Department of Health and Human Services (DHHS). Pursuant to Chapter Law 273 Laws of 2019, the Bureau moved from the DHHS to the Department of Military Affairs and Veterans Services and became the Division of Community Based Military Programs.

The Department's mission is to secure the homeland; fight America's wars; and build partnerships by:

- Providing the Departments of the Army and Air Force with operationally ready units and personnel in support of the total force, and for war or national emergencies as ordered by the President; upon declaration of war by the congress; or as otherwise specified by federal law.

- Providing the State and its counties, cities, and towns with operationally ready units and personnel to protect life and property and to preserve the internal security of the State when ordered by the Governor.
- Forging and maintaining associations with our civilian and military partners at the local, State, Federal, tribal, and global levels.

All financial activities (revenues and expenditures transactions) subject to this audit were processed at the Department of Military Affairs and Veterans Services located at 1 Minuteman Way in Concord, New Hampshire.

The Department's financial activity is accounted for in the State of New Hampshire's General Fund and Capital Projects Fund and is funded mainly by federal revenue reimbursements. The Department expends funds in accordance with the terms of a Master Cooperative Agreement (MCA) which provides federal support for services provided by State Military departments for authorized facilities for leases; real property services, maintenance and repair; operations and maintenance; and minor construction costs; as well as several Military Construction Cooperative Agreements (MCCAs) which provide federal support for the construction of military facilities, real property improvements, and design services.

The majority of the Department's revenues consist of federal reimbursement of funds expended under the MCA and MCCAs. The Department also receives a small amount of agency income for the sale of veterans decals, and veterans burial fees.

The Department records its revenues and expenditures in the General Fund and Capital Projects Fund, across 61 different accounting units in the State's accounting system, NHFirst.

OBJECTIVES, SCOPE, AND METHODOLOGY

Audit Objectives

1. Assess the control environment, including management's policies and procedures for the establishment and maintenance of an effective control system over the receipt, deposit, recording and reporting of the Department's revenues, and the authorization, payment, recording, and reporting of its expenditures.
2. Assess the adequacy of the design of internal controls over the receipt, deposit, recording, and reporting of the Department's revenues, and the authorization, payment, recording, and reporting of its expenditures.
3. Assess the establishment/implementation of the controls as designed.
4. Assess the operation of the controls, including:
   - Functional compliance with written policies and procedures, laws, rules, contracts, and grant agreements related to the Department's revenues and expenditures.

- Functional compliance with stated (but not necessarily documented) policies and procedures related to the receipt, deposit, recording, and reporting of the Department's revenues, and the authorization, payment, recording, and reporting of its expenditures.
- Adequacy of segregation of duties and responsibilities related to the receipt, deposit, recording, and reporting of the Department's revenues, and the authorization, payment, recording, and reporting of its expenditures.

Audit Scope

The scope of our audit included the Department's controls over the receipt, deposit, recording, and reporting of revenues and the authorization, payment, recording, and reporting of expenditures.

The audit period was July 1, 2021 through March 31, 2022

Audit Methodology

1. Interview Department personnel.
2. Review control documentation, including the Department's:
   - Policies and procedures
   - Revenues and expenditures documentation
   - Documentation of systems, applications, forms, and other relevant documentation
3. Review laws, rules, regulations, grant agreements, and policies and procedures related to the Department, including:
   - State statutes
   - Federal laws and regulations
   - New Hampshire administrative rules
   - State-wide policies and procedures
   - Master Cooperative Agreement and Military Construction Cooperative Agreements
   - Internal Department Policies and Procedures
4. Observe revenues and expenditures processes.
5. Review the design and operation of controls through tests of transactions and review and evaluation of supporting documentation.

FINDINGS AND RECOMMENDATIONS

- Policies And Procedures Covering The Major Areas Of The Department's Financial Operations Should Be Formally Documented
- Formal Risk Assessment Process Should Be Established And Documented
- The Department's Arrangement With The National Guard Bureau For The Federal Supervision Of State Employees Should Be Formalized

State of New Hampshire
Department of State
Financial Audit Report
For the Fiscal Year Ended June 30, 2020

We have audited the financial statement of the New Hampshire Department of State (Department), for the fiscal year ended June 30, 2020 and have issued our report thereon dated August 9, 2021. Our report on the financial statement was modified as the Statement of Revenues and Expenditures - General Fund does not purport to and does not constitute a complete financial presentation of the Commission in the General Fund in conformity with accounting principles generally accepted in the United States of America.

This financial audit report presents information related to our audit in two sections; a management letter section and a financial section. The management letter section, prepared by the auditors, is a byproduct of the audit of the Division's financial statement. This section contains an auditor's report on internal control over financial reporting and on compliance and other matters and related audit findings.

The financial section of this report, with the exception of the independent auditor's report on the Division's financial statement, was prepared by the financial management of the Department, with assistance from the Department of Administrative Services, Bureau of Financial Reporting. In addition to the auditor's report, the financial section of the report includes the financial statement and notes to the financial statement.

During the fiscal year ended June 30, 2020, the Department's revenues were $61.8 million and its expenditures were $11 million.

Internal Control Comments
Material Weaknesses

- Establish A Formal Risk Assessment Process
- Independent Service Auditor's Reports Should Be Obtained And Reviewed For Securities Transactions

Significant Deficiencies

- Financial Accounting And Reporting Process Should Be Improved
- System Revenues Should Be Periodically Reconciled to NHFirst
- Controls Over Payroll Should Be Strengthened
- Controls Over Management Reporting Should Be Established
- Information Technology Plans Should Be Established

Compliance Comments
State Compliance

- Investor Education Fund Should Be Used For Its Statutory Purpose
- Voter Checklist Financial Activity Should Be Accounted For In A Separate Account
- Administrative Rules Should Be Adopted And Approved As Required By Statute

- Statements Of Financial Interests Should Be Filed And State Filing Officer Should Report Non-Filers As Required By Statute
- Memorandum Of Understanding Should Be Reviewed Annually As Required
- Outdated Statutes Should Be Amended or Repealed

Performance Audit Reports

State Of New Hampshire
Child Care Licensing Unit
Issued In February 2022
Audit Period: The Two Fiscal Years Ended June 30, 2019

The audit was planned and implemented to answer the following question:

Was the CCLU's licensing process efficient and effective in State fiscal years 2018 to 2021?

Specifically, we evaluated the CCLU's procedures for:

- processing applications for new licenses and license renewals, and
- conducting monitoring visits.

We also considered the unprecedented effects of dealing with the COVID-19 pandemic on child care programs and the CCLU during the audit period when measuring program performance.

This audit contains 8 observations, 2 of which may require legislative action. The auditee concurred with 8 recommendations.

Executive Summary

The Child Care Licensing Unit (CCLU) was generally effective in ensuring child care programs in the State were compliant with licensing requirements and issued new licenses timely, even during the COVID-19 pandemic. The CCLU was charged with ensuring children attending licensed child care programs were in a safe and healthy environment, and were provided with care, supervision, and appropriate activities to meet their needs. To achieve this, it provided consultation and assistance to help programs understand licensing regulations, conducted on-site visits to ensure compliance with laws and rules, and issued licenses to child care programs. There were over 1,000 licensing rules the CCLU could review when conducting visits to child care programs.

We found the CCLU maintained complete licensing files, developed a comprehensive orientation program for new staff, and was responsive to, and routinely participated in, discussions with the child care community. Over 80 percent of child care programs responding to our survey reported the licensing, relicensing, and monitoring processes were clear and at least 88 percent reported CCLU staff were professional, knowledgeable, fair, and responsive. However, we found more robust monitoring activities and formalization of its processes could increase efficiency and ensure it continues to operate effectively.

Oversight Of Licensing Rules

We found the CCLU ensured violations of critical rules, those which could jeopardize the health, safety, or wellbeing of children, or the operations of the program, were corrected before issuing a new license and conducted unannounced monitoring visits annually as required. Programs that were required to correct violations of critical rules submitted a corrective action plan, which were usually approved before the CCLU issued a license. However, the CCLU needed a formal tracking process to ensure plans were submitted timely and violations of non-critical rules were corrected timely.

Oversight Of Timeliness

The CCLU ensured quick turnaround for new child care programs applying for an initial license, which was consistent with its priority to ensure new programs opened as quickly as possible. On average, the CCLU issued permits to the new child care programs we reviewed, in 29 days. Over half of the programs responding to our survey reported their initial license application was processed within one month, with three-quarters reporting their license was processed within two months.

While two-thirds of initial permits we reviewed were issued in half the time allowable by statute, the CCLU did not always convert permits to full licenses timely, or consistently meet relicensing time limits. Half of permits we reviewed were not converted to full licenses before the permit expired, and less than 20 percent of renewal applications were processed within the time limits established in statute. Despite these shortcomings, programs remained open to ensure children were not displaced while the application was being processed. The CCLU's enabling statute did not establish time limits for processing licensing and relicensing applications; therefore, time limits applicable to all agencies prevailed. These time limits did not consider some steps in the licensing process that were time consuming, some of which were partly outside of the CCLU's control, and often contributed to delays. Additionally, CCLU rules and internal interpretation of some laws may have given CCLU additional time that may not have been statutorily allowed.

Effects Of The COVID-19 Pandemic

The child care industry in New Hampshire was already facing challenges before COVID-19; however, the pandemic exacerbated these challenges. Program closures, both temporary and permanent, affected the supply of child care spaces. By November 2021, 100 child care programs had closed since the start of the pandemic, although some programs reopened under new ownership or relocated to a different area of the State. Additionally, over ten percent of respondents to our survey reported they were considering closing their program in the next three years, and our survey data indicated programs were operating at almost 21 percent less than their licensed capacity.

Shifts in some parents' work place schedules, layoffs, and transition to remote learning at the beginning of the pandemic, as well as health concerns regarding placing children in large group settings or with providers at a higher risk of contracting COVID-19, also brought changes to the demand for certain types of child care programs. These demands are likely to remain unclear for some time.

The COVID-19 pandemic also affected the timeliness of some CCLU activities. Not surprisingly, relicensing applications took longer to process when New Hampshire was in a state of emergency than before the emergency declaration. On average, relicensing took three weeks longer during the state of emergency than for periods when New Hampshire was not under an emergency declaration, with renewed licenses we reviewed being issued, on average, in 127 days versus 107 days, respectively. However, the effects of the pandemic were not all negative, as we found the CCLU issued permits to new applicants 12 days quicker during the emergency declaration than before.

As child care supply and demand stabilizes, the CCLU will need to adjust its practices. The Observations contained in this report are intended to help the CCLU improve its efficiency, while maintaining its effectiveness.

State Of New Hampshire
Board of Dental Examiners
Office of Professional Licensure and Certification
Issued In November 2022
Audit Period: The Two Fiscal Years Ended June 30, 2019

We designed the audit to answer the following question:

How efficiently and effectively did the Board administer its responsibilities and operations regulating the professions of dentistry and dental hygiene during State fiscal years (SFY) 2019 and 2020?

We also planned to examine:

- management controls and other relevant matters outside the audit period when they affected Board operations during and after the audit period, and
- OPLC and other agencies' management controls when they directly affected Board operations.

This audit contains 36 observations, 21 of which may require legislative action. The auditee concurred with 21 recommendations and concurred in part with 11.

Executive Summary

The Board of Dental Examiners (Board) lacked adequate controls to ensure it consistently achieved expected outcomes. The Legislature created the Board to protect the public's health, safety, and welfare from unqualified, unscrupulous, or impaired dentists and hygienists. However, the Board, composed of volunteer members, lacked a discernible management control framework. It did not fully understand the complex interagency, intergovernmental environment within which it operated; its authorities and limitations; operations carried out on its behalf; or its performance or effectiveness. As a result, the Board did not establish, monitor, and enforce a rule-based regulatory program that consistently assured adequate public protection. While the Board was assigned to the Office of Professional Licensure and Certification (OPLC) for administrative support, the OPLC's support of Board operations was problematic. Leadership and staff turnover, inadequate controls, and an inadequately structured relationship between the two agencies further limited effectiveness.

Credentialing, Monitoring, And Enforcement Functions Lacked Oversight

Credentialing, Monitoring, And Enforcement Functions Lacked Oversight Before approving a credential application, the whole Board was required to find applicants possessed the necessary professional qualifications and no circumstances existed that would be grounds for discipline. However, 459 of 504 initial credentials issued during the two-year audit period (91.1 percent) were issued without preceding Board action. This included 262 applications (57.1 percent) accepted after a credential had already been issued and 197 applications (42.9 percent) that were never presented to the Board. Credentials were issued to some applicants who did not meet requirements.

The Board primarily relied on credential holder attestations to monitor compliance with ongoing character, conduct, and competency requirements. The Board rarely verified these claims. All 430 regular licenses issued between August 2018 and June 2021 lacked required criminal history record checks. During the audit period, 3,086 of 3,089 credentials (99.9 percent) were renewed without Board action. The Board also relied on reactively monitoring complaints, but we could not determine whether all 109 compliant-like matters submitted during the audit period were even addressed.

The Board developed the fewest controls over its enforcement function. It could not consistently ensure cases progressed and were effectively resolved. Inadequate external support prevented at least three investigations and six adjudicative proceedings from being conducted timely, or at all. Additionally, seven of nine initial license applications with potential conduct issues (77.8 percent) never had a hearing. We also found three cases where the Board imposed extra-legal sanctions.

Risks Inadequately Managed And Effectiveness Unmonitored

Unaddressed regulatory capture risks, failure to fully implement State policy, and imposition of extra-legal requirements at times exposed the Board to potential federal antitrust scrutiny. The Board lacked a means to objectively establish what threats to public safety, health, and welfare existed. It did not establish the severity of threats, determine whether Board regulations could effectively and efficiently control threats; and whether Board regulation was the only way to control threats. Instead, the Board regulated based on perceived risks and typically imposed credentialing requirements upon occupations or expanded scopes of practice, often without authority. Requirements it created, such as credential renewals, were perfunctory at times, lacking any means to assess regulatee compliance. The Board inadequately coordinated regulations with other agencies having concurrent or overlapping jurisdictions.

The Board did not monitor its effectiveness. It could not demonstrate its requirements achieved expected outcomes or what it cost to obtain the results it did achieve. The Board could not objectively demonstrate its requirements operated in the public's interest, and not in the interest of the industry it was intended to regulate on the public's behalf. The Board relied primarily on limited and haphazard performance reporting based on incomplete and inaccurate records and anecdotes. This led to overly positive, impressionistic views of its performance.

Compliance Inadequately Controlled

In developing and operating its regulatory program, the Board was obligated to comply with laws, rules, and other requirements to help protect due process, provide transparency, and ensure its regulations were confined to its statutory authority. However, the Board lacked compliance controls, and:

- exceeded its authority, including by regulating practitioners under the purview of other regulatory agencies;
- inconsistently implemented State policy, including certain permit requirements;
- often relied upon ad hoc rules, imposing some knowingly, resulting in abuse;
- imposed fees that at times lacked statutory and rule basis, and waived statutory requirements, including some fees, without authority;

- inappropriately delegated its joint discretionary decision-making authority to subordinate entities, individual Board and subordinate entity members, and staff;
- created and relied on extra-legal entities to develop and impose regulations, but without effective oversight, eliminating public control over certain regulations; and
- allowed members of some subordinate entities to improperly collect honorarium from the individuals they were responsible for regulating.

Support Relationship Poorly Structured

The Board relied upon the OPLC for its business processing, recordkeeping, and other administrative and clerical operations. However, the relationship between the two agencies was largely uncontrolled.

- The Board did not oversee operations carried out on its behalf. There was no accountability framework to address inadequate support or wasteful practices. Board processes were not inventoried to ensure comprehensive support was provided. There were no controls to ensure support processes did not limit regulatory effectiveness.

- The OPLC lacked adequate management controls to ensure it achieved expected outcomes, complied with requirements, and consistently remained within the boundaries of its authority. There was no overarching risk-based strategy to establish performance goals, objectives, and targets. There were no plans to resource, structure, and control statutory, regulatory, and procedural change. There were no quality measures, such as efficiency or timeliness, to understand the adequacy of OPLC support. Neither was there a performance measurement system to establish baseline process performance and measure the effect OPLC-initiated changes had on performance over time.

- Some OPLC control deficiencies were identified in earlier audits. However, management lacked a system to ensure defects leading to audit findings were remediated timely, and that processes remained under control. Some legacy control deficiencies affected Board operations.

- Systemic defects with records management made some controls, processes, practices, and transactions unauditable. Combined with responsible officials' inadequate understanding of operating procedures and practices, we were compelled to qualify our use of – and every conclusion resting on – the records and information we were provided during the audit. Some essential Board records could not be located, due in part to: 1) a lack of written procedures, 2) Board member and staff turnover, 3) inadequate information technology, and 4) not being held by the State.

Remedial Actions Required

Board noncompliance with statutory, regulatory, and other requirements may in part be attributable to insufficient support and organizational turbulence. Current Board members and OPLC managers did not create many of the defective controls we identified. While some defects were known, members and managers were either unaware of, or were unaware of the extent of, other defects. Regardless, current members and managers were responsible for effective and efficient control, and achieving expected outcomes. The Board was ultimately responsible for actions members, subordinate entities, or staff took on its behalf. The Board had to do more than assume everything that had to be done was done, and was done correctly.

Developing and implementing a well-controlled, efficiently supported regulatory program objectively shown to effectively achieve expected outcomes appears to be a multi-year undertaking. OPLC management reported reviewing its internal practices. Integration of Board and OPLC controls to help ensure defects are fully remediated and remain well controlled has reportedly begun. However, some Board responses to recommendations were inconsistent and many lacked enough detail to make clear whether, how, and when the Board will remediate defects. Some Board responses and our rejoinders show the Board inconsistently recognized limitations on its authority and it disagreed with the need to follow some fundamental State policy requirements. Consequently, we suggest the General Court consider how expanded oversight of the Board could help ensure it effectively carries out State policy and complies with limitations imposed upon it.

State Of New Hampshire
Liquor Commission,
Division of Enforcement and Licensing
Issued In February 2021
Audit Period: The Two Fiscal Years Ended June 30, 2019

The audit was planned and implemented to answer the following questions:

Did the Division effectively and efficiently regulate alcoholic beverages during State fiscal years (SFYs) 2018 and 2019?

We focused on Division management control systems over the Commission's primary duties to:

- optimize profitability,
- maintain proper controls,
- operate effectively and efficiently, and
- provide customer service.

We also examined Commission management control systems affecting the Division.

The audit contains 47 observations, 11 of which may require legislative action. The auditee concurred with 44 recommendations and concurred in part with 3.

Executive Summary

The Liquor Commission (Commission) lacked adequate management controls to ensure the Division of Enforcement and Licensing (Division) achieved expected outcomes. The Division was the State's agency dedicated to enforcing the provisions of liquor laws and rules, and was to help accomplish the Commission's basic statutory duties to: 1) optimize profitability, 2) ensure proper control of alcoholic beverages, 3) operate efficiently and effectively, and 4) provide good customer service. Commission data indicated the Division collected nearly $38.3 million in beverage taxes during calendar years (CY) 2017-2019, and during State fiscal years (SFY) 2018-2019 collected nearly $0.5 million in wine taxes and $9.4 million in licensing and permitting fees; oversaw 6,866 licensees and permittees; conducted 737 licensee examinations, 8,707 premises inspections, and 583 investigations; and levied 2,343 sanctions.

However, the Commission lacked a risk-based, data-informed strategy upon which the Division could base its strategy and plans, and lacked adequate rules to structure Division practices and regulate the alcoholic beverage industry. Division practices were neither objectively shown to be capable of producing expected outcomes nor able to demonstrate what outcomes were actually produced. The Division lacked a strategy or supporting plans; a cohesive approach to managing risk; performance goals, objectives, or targets; integration with relevant State strategies; adequate procedural and oversight controls; and integrated knowledge management practices to ensure it helped achieve expected outcomes. Deficient controls affected every Division function we reviewed—licensing, the Direct Shipper Program, examinations, and enforcement.

A well-designed regulatory program could have increased the likelihood that regulation of alcoholic beverages adequately protected the public and ensured other expected outcomes were achieved. While there were features of management controls present, there was no assurance: 1) each process was controlled, 2) controls were properly designed, 3) controls effectively cooperated, 4) controls were monitored in operation, 5) agency culture was control-focused, 6) operations complied with statute and rules, 7) performance was measured, and 8) controls were iteratively refined. Many existing Division control processes lacked a discernable design and the Division's legacy control framework was largely abandoned in CY 2014 when the Division stopped conforming to national law enforcement agency accreditation standards. No substitute control framework was implemented, and the Division instead relied on dated practices that lacked efficiency or effectiveness measures and were repeated as a matter of habit. Without a formal, objective risk assessment, there was no way to determine what risks these practices were designed to mitigate. Without any cost-benefit or similar analysis, there was no way to determine whether practices efficiently mitigated risks. Performance measurement centered on quantifying how many times a task was accomplished, not whether the right task was accomplished, or how well it was accomplished. Outcome achievement was based on qualitative impressions.

The Division was constituted as the regulatory agency intended to enforce liquor laws and rules and the only entity focused solely on systematically ensuring licensee and permittee compliance throughout the lifecycle of regulated activity. However, the Division's enforcement scope was knowingly expanded by past administrations, dissipating regulatory effort to the detriment of primary Division duties. Ineffective and inefficient deployment of resources, often outside the scope of the Division's responsibilities, led to uninspected and unexamined licensees while extra-jurisdictional tasks were accomplished.

Inefficiency compromised optimization of profitability. We found numerous inefficiencies, including some that were long-standing and identified in prior audits. Processes often involved decades-old manual practices augmented with unintegrated information technology systems. The statutory and regulatory framework was complex, at times unnecessarily so. There were 45 alcohol-related license and permit types with over 100 variations, or subtypes. Rules were poorly maintained and at times outdated, incomplete, and inaccurate, leading to broad, ad hoc rulemaking. Complexity, ad hoc rulemaking, and other defects in the control framework led to waste and abuse.

Knowledge management was inadequate. Division components collected operational data and information that often remained within that component. Data and information were undervalued and not leveraged to inform organizational management and help achieve expected outcomes. Inadequacies rendered many transactions unauditable. Records were inconsistently reliable to a degree that we qualify every conclusion resting on them. Documentation of management controls was inconsistent, particularly lacking for administrative functions. Employee descriptions of practices were insufficiently complete and accurate, compelling us to further qualify the content of this report.

Current Division management, in place since April 2017, did not create the defective control systems—many defects were long-standing, and some were commonly known. However, management was not aware of the extent of some of the defects we identified. As far back as CY 1994, we found retail operations were the Commission's focus and it struggled with its "status as a State agency," citing, among other things, "a cumbersome and inefficient organization without clear policies and procedures and without adequate planning and leadership." Commission management was made aware of several defective controls through numerous audits since CY 1994, but lacked a system to ensure the conditions leading to audit findings were resolved and processes remained under control and continuously monitored. Many issues re-emerged and some underlying defects were further exacerbated by practices during the current audit period. Defects led to persistent inefficiency, waste, and noncompliance; inhibited achievement of expected outcomes; and accommodated abuse. The Division monitoring for and sanctioning licensee and permittee noncompliance while not controlling its own compliance with statute, rule, and internal standards was incongruous.

Nonetheless, current management was responsible for effective management and reportedly focused on improving its field enforcement operations, which was believed to most immediately need attention. Management reported undertaking a review of internal practices, identifying some of the same issues we identified. However, there was no holistic approach to management control, risk management, strategy development, planning, and performance management that could help ensure the issues we presently identify will be fully remediated and remain effectively controlled. Developing such controls, including a risk-based, data-informed strategy and supporting plans, and detailed implementing procedures, will likely take a substantial amount of time and effort. Without these underpinnings, Division efforts to manage change run the risk of occurring in isolated components of the Division without obtaining measurable improvements in achieving expected outcomes. The Division also runs the risk of dissipating managerial and planning capacity by seeking to regain national accreditation under law enforcement agency standards at the same time it should be addressing the broader, more fundamental underlying conditions leading to the numerous findings related to its regulatory responsibilities.

State Of New Hampshire
Sununu Youth Services Center
Issued In March 2021
Audit Period: The Three Fiscal Years Ended June 30, 2020

The purpose of the audit was planned and implemented to answer the following question:

Did the SYSC adjust its operations in response to the requirements of Chapter 156, Laws of 2017?

We determined:

- how changes contained in Chapter 156, Laws of 2017 affected the SYSC population;
- how the types of services offered at the SYSC had changed since Chapter 156, Laws of 2017 was passed, and;
- how efficient were SYSC administrative operations.

The audit period was primarily State fiscal year (SFY) 2018 through SFY 2020, although some data may have been used prior to SFY 2018 to show trend information. We also used some data that included calendar year 2020.

This audit contains 10 observations, 3 of which may require legislative action. The auditee concurred with 10 recommendations.

Executive Summary

Recent statutory changes aimed at reducing the placement of juveniles who are not serious violent offenders at the Sununu Youth Services Center (SYSC) and limiting the amount of time juveniles spend there may have had the unintended consequence of changing the mission of the SYSC away from providing meaningful rehabilitation. The national move to keep juveniles who are not serious offenders out of correctional facilities was based on research demonstrating that most juveniles will naturally mature out of participation in illegal activity and that confinement of juveniles beyond the minimum amount of time necessary to provide sufficiently intense services does not appreciably reduce the likelihood of reoffending. However, the State's juvenile justice system allows offenders to be released by the Juvenile Parole Board (JPB) from the SYSC without demonstrating any progress towards rehabilitation. If they can keep out of serious trouble for a few months at the SYSC, committed juveniles will likely be released by the JPB. Additionally, not all SYSC services have been adapted to this new, short-term approach to commitment, nor are all services evidence-based.

Statutory Changes Reduced The SYSC Population

Chapter 156, Laws of 2017 introduced several significant changes and requirements affecting the juvenile justice system as a whole, and specifically the SYSC juvenile population and operations. The overarching goals of Chapter 156, Laws of 2017 were to ensure only the most serious offenders were committed to the SYSC, reducing both the number of juveniles placed at the SYSC and the amount of time they spend there, which appears to have been accomplished. The average daily census fell from 64 in State fiscal year (SFY) 2017 to 17 in SFY 2020, and the average length of stay dropped from 164.5 days in calendar year (CY) 2016 to 68.9 days in CY 2020. The population of the SYSC is now much smaller, but the juveniles placed there have been charged with more offenses and are more likely to be classified as serious violent offenders.

Unclear Whether All Services Were Effective

The services offered to juveniles at the SYSC have not changed as a result of Chapter 156, Laws of 2017, except that there are now fewer services available. Our review of juvenile case files showed the SYSC generally provided required assessments, mental health services, and behavioral treatment programming. The lack of outcome data, however, prevents an assessment of its success. Reportedly due to budget cuts, staff shortages, and insufficient time for juveniles to earn the trust necessary to participate, all vocational programs except for the culinary program were eliminated; other programs, such as the mentor program, and participation in programs that occurred outside of the SYSC facility, such as furloughs, were also eliminated or severely limited. We found the SYSC used evidence-based *practices*, but none of the four treatment *programs* were evidence-based specifically for juveniles. Because the programs were not evidence-based, they have not been proven to be effective by research.

We found the *Mental Health Assessment* form was not evidence-based, although the SYSC is reportedly working on a replacement for this form. All other assessments administered to juveniles were evidence-based. During the audit period, the SYSC contracted, for the first time, a psychologist, who reviewed the clinical assessments used by the SYSC and was actively working to obtain funding for new evaluations and assessments to ensure that the SYSC was utilizing the most appropriate instruments for screening and assessing the juveniles admitted to the SYSC.

Juveniles Released Regardless Of Treatment Progress

We found that statute governing the JPB and its parole of juveniles from the SYSC conflicted with the parole requirements introduced by Chapter 156, Laws of 2017, which specifically amended other statutes, but not that of the JPB. Nevertheless, the JPB was adhering to the requirements established by Chapter 156, Laws of 2017. We also found that this requirement to parole juveniles based solely upon the passage of time and a determination that they did not pose a current danger had unintended consequences. Because the JPB interpreted the requirements of Chapter 156, Laws of 2017 as superseding any conflicting requirements, it did not have the discretion to consider the probability that the juvenile would refrain from violating the law if released or whether parole was in the best interest of the juvenile or the public. This means that factors such as participation in SYSC programming or progress towards treatment goals had no bearing on whether a juvenile was released from the SYSC. Consequently, SYSC staff reported there was no incentive for juveniles to engage in treatment or to buy-in to programming, creating a mentality among the juveniles that they just needed to "do their time," and nothing else.

Need For Planning And Organizational Review To Focus SYSC Efforts

We found that: 1) although the SYSC is incorporated into the strategic plan for the Division for Children, Youth and Families (DCYF), the SYSC did not have a strategic plan or defined objectives of its own; 2) administration had recently discontinued its contract with a performance measurement organization and, consequently, the SYSC was left without a performance measurement system; 3) the SYSC did not have a formal staffing analysis or written staffing plan; and 4) administration had not reviewed its organizational structure.

Over the last few years, the SYSC has faced law changes, budget cuts, and layoffs that forced the DCYF and the SYSC to be reactive and attempt to make-do with what they have. Engaging in strategic planning, performance measurement, staffing analysis, and organizational review would place the SYSC administration in a better position to handle challenges that arise in the future. For the SYSC to move forward in an effective manner, and to develop and implement the most effective services and programs for its population, there must be a clear understanding of its role in the juvenile justice system from the Legislature. If the Legislature intends for the SYSC to provide meaningful treatment for the most troubled juveniles and attempt to rehabilitate them, then the SYSC will need resources and statutory support to achieve that mission.

State Of New Hampshire
Bureau of Vocational Rehabilitation
Issued In February 2021
Audit Period: The Two Fiscal Years Ended June 30, 2019

The audit was planned and implemented to answer the following question:

Did the NHVR's operations were efficient and effective during State fiscal years 2017 through 2019?

To determine, we focused on NHVR's activities and relevant internal controls, we:

- conducted reviews of both hardcopy and electronic case files of cases active during the audit period to determine whether decisions made pertaining to eligibility, individualized plan for employment (IPE) development, service provision, and case closure were consistent and compliant with federal, State, and NHVR requirements;
- analyzed unaudited NHVR data related to eligibility, IPEs, case closures, post-employment services, Social Security Administration billing, incentive payments, and unliquidated obligations to determine compliance with requirements or identify trends;
- analyzed training materials, policy documents, administrative rules, service agreements, and NHVR produced reports to determine consistency, comprehensiveness, and completeness;
- conducted a survey of NHVR counselors to solicit their input; and
- conducted a survey of nearby states' vocational rehabilitation agencies to determine vocational rehabilitation processes.

The audit contains 46 observations, 2 of which may require legislative action. The auditee concurred with 4 recommendations and concurred in part with 42.

Executive Summary

We found NHVR did not have an effective internal control system. An effective internal control system increases the likelihood an entity will achieve its goals, helps agencies safeguard assets, and helps managers achieve desired results through effective stewardship of public resources. However, NHVR's internal control system was not designed, implemented, and operating in a manner to ensure these objectives were consistently achieved. While NHVR had some internal controls and put additional controls in place during the OOS, these changes did not mitigate all existing weaknesses. NHVR did not have comprehensive administrative rules, clear policies and procedures, or consistent training and supervision. Additionally, NHVR's monitoring structure was limited in its ability to ensure noncompliance was identified and corrected timely. We also found inconsistent adherence to management directives and controls intended to ensure compliance with federal requirements. Some controls were bypassed by both staff and management through document backdating which allowed NHVR to appear compliant with federal time limits in some cases. Backdating, coupled with inconsistent maintenance of required documentation, made some program data unreliable and compromised mandatory federal reporting, information available to external stakeholders, and NHVR's ability to measure its own performance. These weaknesses undermined organizational accountability and allowed some cases to avoid supervisory controls. The Rehabilitation Services Administration, NHVR's federal oversight agency, also commented on inconsistent documentation in some of NHVR's case records. In its review of NHVR encompassing federal fiscal years (FFY) 2016 through 2018, federal reviewers noted that some case records were missing required documentation, or the documentation found in the case record did not fully support the information NHVR transmitted in its federal reports. Compounding these issues was management's assertion that scrutinizing costs at the individual case level was not their primary focus, which appeared to weaken fiscal controls. When addressing customers' immediate needs, some processes were in place to obtain a reasonable price. However, some processes were inconsistently followed and NHVR provided some services which appeared questionable for the customer to attain their employment goals. While addressing specific needs was critical to the customer's vocational rehabilitation process, ensuring all funds are used cost effectively was part of management's responsibility. Executive Summary 2 NHVR managed a complex mix of funding primarily consisting of federal funds and State general funds. It also had to ensure it met multiple federal financial requirements. Despite the complexity of its mix of funding, NHVR's financial activities operated with minimal oversight until Fall 2017. NHVR operated under the impression it had an excess of federal funds available for many years, and the NHVR Director reported providing little oversight over financial activities, as others within the DOE reportedly oversaw the program's financial personnel. In December 2017, DOE management started requiring quarterly reporting on NHVR's financial position. This increased oversight helped identify a probable shortfall, but did not fully identify the impending financial crisis until the early months of 2018. Periodic internal scrutiny earlier than fall 2017 would have likely revealed substantial flaws in NHVR's financial controls and could have resulted in an earlier detection of the impending financial crisis. NHVR's federal oversight agency made a similar finding, noting that NHVR did not maintain effective internal controls over some aspects of its federal grant to provide reasonable assurance that it was managing the grant in compliance with all federal laws and regulations. Legislative and public financial oversight was hindered because NHVR's budget in the State's accounting system inflated the amount of federal funds actually available by millions of dollars over multiple years, including SFYs 2017 through 2019. To an outside observer, this created the perception that more federal funds were available than actually were, making the risk of a budgetary crisis appear low. However, this issue was resolved in the State budget submitted for SFYs 2020 and 2021. In addition to an inflated State budget being submitted, NHVR's internal tracking of its primary federal grant also contained flaws. Prior to calendar year 2018, NHVR's internal records contained errors in the amount of federal award it carried over into the following FFY. Internal records projected that at the beginning of FFY 2013, NHVR would have carried over approximately \$8.3 million from the prior year into FFY 2014. In actuality, the carryover was approximately \$420,000 less. The discrepancy within the internal records expanded in subsequent FFYs. At the beginning of FFY 2017, NHVR's records projected it would carry over \$9.5 million from FFY 2016. However, its actual carryover balance was only \$5.7 million, approximately \$3.8 million less than internal records reflected. Carryover was needed to fund current year expenditures. By early 2018, NHVR's revised internal records appeared to reasonably reflect its actual carryover balance. These deficiencies in its critical responsibility to properly manage financial resources resulted in NHVR implementing an OOS quickly and the creation of a waitlist for the first time in NHVR's almost 100-year history. Although waitlists were common in other states, this was the first time New Hampshire had ever had one. After discovering its financial situation in early 2018, NHVR management reported determining it was overstaffed and had been overspending on customer services. We found NHVR and the DOE likely acted appropriately when they made the decision to implement an OOS. The information available to management at the time signaled an unsustainable fiscal situation requiring immediate action. NHVR projected that after using the current year's grant, State match, and program income, its SFY 2018 expenditures would produce an approximate $3.5 million deficit. The gap would need to be made up from its carryover, which would significantly deplete carryover funds. NHVR concluded this deficit would not be sustainable if immediate action was not taken. The OOS limited the number of customers NHVR served, ultimately decreasing its Executive Summary 3 spending on services. In addition, NHVR laid off employees or did not fill vacant positions, consolidated regional offices, and took other steps aimed at reducing spending. However, a year after estimating the near depletion of carryover funds in FFY 2018, NHVR's spending restrictions, combined with a reduction in customers being served and NHVR pursuing additional available federal funds, resulted in over $9.3 million of unspent federal funds in FFY 2019, which was carried over into FFY 2020. In December 2019, NHVR released all customers from the waitlist. As of November 2020, NHVR remained in an OOS but was able to serve all customers without first placing them on a waitlist. Beginning in fall 2017, NHVR made substantial improvements to internal controls over its financial operations but controls were still being developed through the rest of the audit period. Internal controls over NHVR's programmatic operations still needed improvement. This report presents 46 observations with recommendations that are intended to help NHVR improve its internal controls and culture of accountability moving forward as it continues to serve individuals with disabilities in New Hampshire.

Reports of Certified Public Accountants
Under contract to the Legislative Budget Assistant

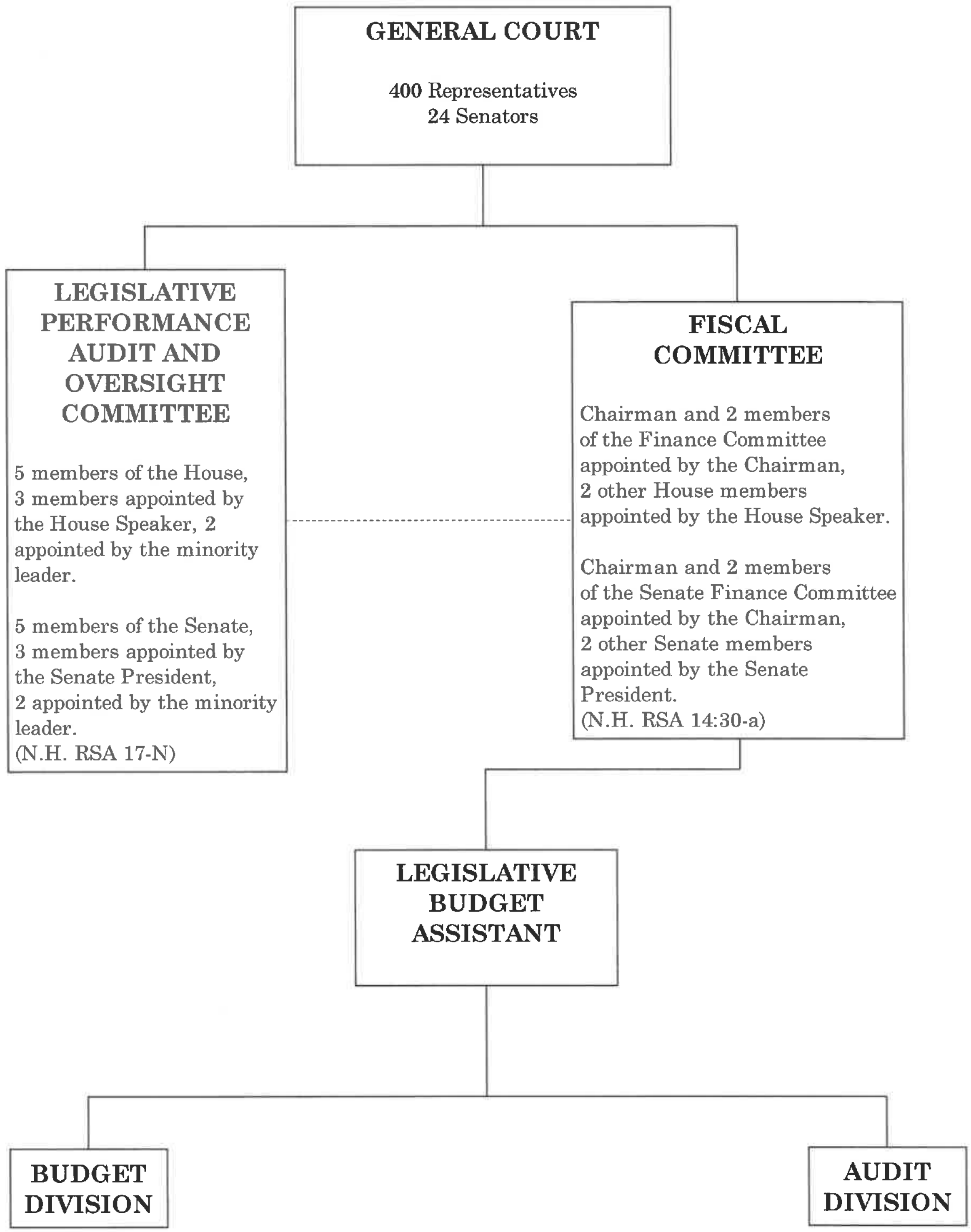
Auditor: KPMG, LLP

Description	Fiscal Year Ended
State Of New Hampshire Comprehensive Annual Financial Report	June 30, 2020
State Of New Hampshire Management Letter	June 30, 2020
State Of New Hampshire Annual Comprehensive Financial Report	June 30, 2021
State Of New Hampshire Management Letter	June 30, 2021
State Of New Hampshire Single Audit Of Federal Financial Assistance Programs	June 30, 2020
State Of New Hampshire Single Audit Of Federal Financial Assistance Programs	June 30, 2021
State Of New Hampshire Department Of Transportation Turnpike System Annual Financial Report	June 30, 2020
State Of New Hampshire Department Of Transportation Turnpike System Annual Financial Report	June 30, 2021

Auditor: Pricewaterhouse Coopers, LLP

Description	Fiscal Year Ended
The Fidelity Advisor 529 Plan Annual Report	September 30, 2020
The Fidelity Advisor 529 Plan Annual Report	September 30, 2021
The UNIQUE College Investing Plan Annual Report	September 30, 2020
The UNIQUE College Investing Plan Annual Report	September 30, 2021

Office of Legislative Budget Assistant Organization Chart



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Oversight Committees
2021 and 2022 Members

Fiscal Committee

The Fiscal Committee was created by the General Court in 1965 to consult with, assist, advise and supervise the work of the Legislative Budget Assistant. It may, at its discretion, investigate and consider any matter relative to the appropriations, expenditures, finances, revenues or any of the fiscal matters of the State. The committee also considers recommendations proposed to it by the Legislative Performance Audit and Oversight Committee.

The Fiscal Committee consists of five members of the House of Representatives (the chairman of the Finance Committee and two other members of the committee, appointed by the chairman; and two other Representatives appointed by the Speaker of the House) and five members of the Senate (the chairman of the Finance Committee and two other members of that committee, appointed by the chairman; and two other Senators appointed by the Senate president). The chairman of the House Finance Committee is the chairman of the Fiscal Committee. [RSA 14:30-a]

House Members	Senate Members
Representative Karen Umberger, **Chairman**	Senator Gary Daniels, **Vice-Chairman**
Representative Jess Edwards	Senator Chuck Morse
Representative Tracy Emerick	Senator James Gray
Representative Keith Erf	Senator Cindy Rosenwald
Representative Peter Leishman	Senator Lou D'Allesandro
Representative Bob Lynn, **Alternate**	
Representative Joseph Pitre, **Alternate**	
Representative Mary Jane Wallner, **Alternate**	**Alternate(s)** appointed as needed

Legislative Performance Audit and Oversight Committee

This committee was created by the 1987 General Court to consider the need to review state departments, boards, institutions, commissions and agencies and to make recommendations to the Fiscal Committee for such reviews.

The Legislative Performance Audit and Oversight Committee consists of five members of the House of Representatives, three appointed by the Speaker of the House and two appointed by the House minority leader; and five Senators, three appointed by the President of the Senate and two appointed by the Senate minority leaders. [RSA 17-N]

House Members	Senate Members
Representative Mary Jane Wallner	Senator John Reagan, **Vice Chair**
Representative Keith Erf	Senator Bob Giuda
Representative Ken Weyler	Senator Lou D'Allesandro
Representative Lucy Weber	Senator Jay Kahn
Representative Karen Umberger	Senator Erin Hennessey
Alternate(s) appointed as needed	**Alternate(s)** appointed as needed

Statutory Authority

RSA 14:31 Office of Legislative Budget Assistant; General Duties.

I. The office of the legislative budget assistant shall consist of 2 divisions, the audit division and the budget division.

II. The legislative budget assistant shall be responsible for the proper execution by the audit division and the budget division of their respective functions, as detailed in RSA 14:31, III, RSA 14:31-a, and RSA 14:31-b.

III. Both the audit division and the budget division shall conduct such investigations, analyses, or research into the financial activities and condition or the financial management procedures, or any specific area thereof, of any department, board, institution, commission, agency, political subdivision, or entity authorized to expend state funds for the information of the legislature, as the fiscal committee shall specifically direct. The authority of the legislative budget assistant to investigate, analyze, or research non-state agencies shall be limited to 5 entities in a 5-year period. In making any such investigation, analysis, or research, the legislative budget assistant, and any assistants appointed pursuant to RSA 14:34 and under the direction of the legislative budget assistant, shall have the power to examine whatever accounts or records of, or property or things of value held by, said department, board, institution, commission, agency, political subdivision, or entity authorized to expend state funds the fiscal committee shall deem useful to said investigation, analysis, or research.

III-a. No department, board, institution, commission, agency, or political subdivision shall assert the attorney-client privilege in response to a request for information or examination of operations, accounts, or records by the legislative budget assistant. The attorney-client privilege shall not be deemed waived by any department, board, institution, commission, agency, or political subdivision that provides attorney-client privileged materials to the legislative budget assistant pursuant to this section. Attorney-client communications obtained from any regulated entities shall not be disclosed to the legislative budget assistant.

IV. All state departments, boards, institutions, commissions, agencies, and political subdivisions, and other entities authorized to expend state funds, shall be required to furnish to the legislative budget assistant any information, including confidential information, he or she may request in the course of carrying out the duties as prescribed by this section, RSA 14:31-a, and RSA 14:31-b, including online access to such information in the state's integrated, multi-module, information technology system, and any related subsystems, except that access to records, files, returns, or information deemed confidential information maintained by the department of revenue administration shall be controlled solely by the provisions of RSA 21-J:14. If the legislative budget assistant requires access to confidential or privileged information, the state entity shall furnish the information. In such situations, the legislative budget assistant shall be subject to the same restrictions and penalties regarding disclosure of the information as the original custodian of the information. The work product of the legislative budget assistant shall also be confidential to the extent required to preserve confidentiality required by law. Disclosure of confidential information to the legislative budget assistant shall be only for the purpose of, and to the extent necessary for, conducting audits as are required or permitted by law. The legislative budget assistant shall notify the head of any state department, board, institution, commission, agency, or political subdivision, or other entity authorized to expend state funds, before requiring the state entity to furnish any confidential or privileged information which was obtained by the entity through an exchange of information agreement with another state or the federal government. This paragraph shall not be construed to authorize disclosure to any member of the legislature or to any expert consultants, including certified public accountants and data processing experts, hired by the legislative budget assistant to assist him or her in the carrying out of the duties, except such summaries and results which do not disclose any identity required by law to be confidential or privileged, including the attorney-client privilege. If any entity objects to providing confidential or privileged information under the provisions of this paragraph, the state entity may apply to the fiscal committee of the general court for disapproval of the request.

V. The commissioner of administrative services shall deliver to the legislative budget assistant the official financial information under the control of the commissioner as required by this section in a form unaltered from that which is finally reported in the state's integrated, multi-module, information technology system, including any related subsystems. The approval of the governor, the speaker of the house of representatives, and the senate president shall be required for delivery of any other information, other than the official financial information required by this section. The right of access to information under this section shall not arise until after each transaction or event subject to RSA 91-A has taken place. Such information shall be provided to the legislative budget assistant in a mutually agreeable and compatible format at the end of each business day. The legislative budget assistant shall be subject to the provisions of RSA 21-I:13-a, II. This paragraph shall not be construed as granting the legislative budget assistant access to any information or any information system relative to the internal functions of the office of the governor or any executive agency, department, board, commission, or institution.

VI. In addition to any other reports required by statute or by the fiscal committee to be submitted by the legislative budget assistant, he shall submit to the members of the finance and ways and means committees a report of the results of post-audits, program result audits, and investigations he or she has conducted since the date of his or her last such report. The fiscal committee shall determine which policy committees of both houses of the general court, in addition to those listed in this paragraph, shall receive reports pursuant to this paragraph. The report required by this paragraph shall be submitted not later than January 25 of each regular legislative session.

Source. 1953, 10:1, par. 34. RSA 14:31. 1969, 281:2. 1977, 217:1; 436:3. 1979, 179:2; 434:70. 1982, 42:179. 1983, 454:10. 1985, 399:29. 1987, 391:4, I, eff. Aug. 24, 1987; 416:8, eff. July 1, 1987. 2000, 239:11, eff. June 6, 2000; 239:12, eff. Dec. 31, 2001. 2006, 79:1, eff. July 1, 2007. 2011, 173:1, eff. Aug. 13, 2011. 2015, 185:2; 276:180, eff. July 1, 2015; 276:270, eff. Jan. 1, 2016.

RSA 14:31-a Audit Division.

I The audit division shall:

(a) Conduct post-audits of the accounts and records of any state department, board, institution, commission, agency, or political subdivision, or other entity authorized to expend state funds. The authority of the legislative budget assistant to conduct post-audits on non-state agencies shall be limited to 5 entities in a 5-year period. The legislative budget assistant may cooperate with federal officials and agencies in conducting said post-audits.

(b) Audit the accounts of the state treasurer at least once each fiscal year. The findings and report of a certified accountant, designated by the legislative budget assistant, may be accepted as fulfilling the requirements of this subparagraph.

(c) Submit a detailed report of every audit conducted pursuant to this section to the fiscal committee for its approval. After approval by the committee, a copy of the report shall be given to the governor; the speaker of the house of representatives; the president of the senate; the commissioner of the department of administrative services; and the executive officer of the department, board, institution, commission, agency, political subdivision, or entity authorized to expend state funds concerned. The executive officer shall have the right to submit a written statement explaining or rebutting the findings of the report to the fiscal committee.

(d) Conduct such program result audits of any department, board, institution, commission, agency, political subdivision, or entity authorized to expend state funds as the fiscal committee shall specifically direct. Program result audits shall include, but not be limited to, examinations and any determinations based upon the examinations as to whether the results contemplated by the legislature, or other authorizing body, have been and are being achieved by the department, board, institution, commission, agency, political subdivision, or entity authorized to expend state funds concerned, and whether such objectives could be obtained more effectively through other means. This paragraph shall not apply to constitutional officers in the execution of their constitutional duties. The fiscal committee may direct the legislative budget assistant to expand the scope of any program result audit to include such policy analysis as the fiscal committee may, in its discretion, designate. Such committee shall, at least once every 10 years, consider the necessity of the review, pursuant to this paragraph, of each department, board, institution, commission, agency, political subdivision, and entity authorized to expend state funds.

(e) Conduct audits of the compliance of state agencies with statewide information technology standards and procedures.

(f) [Repealed.]

II. The detailed reports of every audit conducted pursuant to this section shall become a public record upon approval by the fiscal committee. Audit work papers and notes are not public records. However, those materials necessary to support the compilations in the final audit report may be made available by majority vote of the fiscal committee after a public hearing showing proper cause. For the purposes of this section, work papers shall include, but are not limited to, all preliminary drafts and notes used in preparing the audit report.

Source. 1973, 376:62. 1987, 416:9. 1991, 346:4, eff. July 1, 1991. 1998, 222:5, eff. June 22, 1998. 2001, 289:1, eff. July 17, 2001. 2003, 319:41, I, eff. July 1, 2003. 2006, 79:2, eff. July 1, 2007.

RSA 14:31-b Budget Division.

I. The budget division shall:

(a) Provide technical staff assistance in the areas of finance, accounting and budgeting to the appropriations, finance, ways and means, and capital budget overview committees and such other committees, including joint committees, of the general court as the fiscal committee may from time to time designate, upon the request of any of such committees or the fiscal committee.

(b) Prepare fiscal notes and amendments to fiscal notes as required by RSA 14:44-47.

(c) Prepare fiscal impact statements as defined in RSA 541-A:1, VII.

(d) Conduct orientation programs and prepare and distribute summary materials regarding the budget and budget process to the full membership of the house and senate.

II. The legislative budget assistant shall attend all hearings on state budgets as provided for in RSA 9:7.

Source. 1987, 416:10. 1994, 412:2, eff. Aug. 9, 1994. 1998, 222:6, eff. June 22, 1998.

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
STAFF AS OF DECEMBER 31, 2022

LEGISLATIVE BUDGET ASSISTANT	Michael W. Kane, MPA
DEPUTY LEGISLATIVE BUDGET ASSISTANT	Christopher M. Shea, MPA, CIA

BUDGET DIVISION

SENIOR BUDGET OFFICER	Michael W. Hoffman, CPA, MBA Michael J. Landrigan, CPA
BUDGET OFFICERS	Kevin P. Ripple, MPA, CIA, CGFM Melissa A. Rollins
ADMINISTRATIVE ASSISTANT	Pamela Ellis

AUDIT DIVISION

DIRECTOR OF AUDITS	Stephen C. Smith, CPA, MS

AUDIT SUPERVISORS	Jean M. Mitchell, CPA Jay S. Henry, MPA, CIA, CGFM	**AUDITORS**	Emily Beaulieu, MBA Nicole K. Gaffen, MPP, CGAP Matthew Magoon Donna McFarland Audrey Mulliner, MA, JD Linda Phelps, MLIS Andrea Provost, MA Scott Shannon, MSA, CPA Nicholas A. Titus, MS Katie Vazquez Thomas Ward, MSA
SENIOR AUDIT MANAGERS	John M. Clinch, MPA, CIA, CISA Steven M. Grady, MPA, MSS James L. LaRiviere, CPA Vilay Skidds, MPA, CIA Christine L. Young, CPA Kimberly R. Bisson, CPA, MSA		
AUDIT MANAGER	Paige Lorenz, MPA, CGAP Collin W. Quinn, CPA, MS	**ADMINISTRATIVE ASSISTANT**	Denise Doyon