

LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE
MINUTES

June 19, 2018

The Legislative Performance Audit and Oversight Committee met on Tuesday, June 19, 2018 at 11:30 AM in Room 212 of the Legislative Office Building.

Members in attendance were as follows:

Rep. Lynne Ober, Chair
Rep. Richard Barry
Rep. Lucy Weber
Sen. Lou D'Allesandro
Sen. John Reagan
Sen. Jay Kahn

The meeting convened at 11:30 AM.

ACCEPTANCE OF MINUTES:

On a motion by Senator Reagan, seconded by Representative Weber, that the minutes of the March 9, 2018 meeting be accepted.

MOTION ADOPTED.

CURRENT STATUS OF ONGOING PERFORMANCE AUDITS:

Stephen Smith, Audit Division Director, briefed the Committee and responded to questions regarding ongoing performance audits.

Mr. Smith informed the Committee two performance audit reports had been completed and presented to the Fiscal Committee since the LPAOC's previous meeting; the Department of Information Technology (DoIT) and the Department of Environmental Services (DES), Air Resources Division.

Mr. Smith informed the Committee of three audits currently in process: the DES, Water Division; the Department of Corrections (DOC), Adult Parole Board; and the Police Standards and Training Council audits. Field work for the DES, Water Division audit was active, with completion targeted for the end of the calendar year. Entrance meetings had been held and scoping had begun for both the DOC, Adult Parole Board, and the Police Standards and Training Council audits. Scope statements for both audits were expected to be ready by the third or fourth week of July.

Mr. Smith informed the Committee there was one audit in the queue: the

Public Utilities Commission (PUC), Electric Company Restructuring audit; which would be discussed momentarily with a recommendation for suspension.

DISCUSSION OF PRELIMINARY FINDINGS ON THE PUC, ELECTRIC COMPANY
RESTRUCTURING AUDIT TOPIC:

Jay Henry, Performance Audit Supervisor; and John Clinch, Senior Audit Manager and in-charge auditor of the PUC, Electric Company Restructuring audit; briefed the Committee regarding preliminary audit findings.

Mr. Clinch concluded that the status of the electric company restructuring was substantially complete, and requested the audit be terminated.

Chairwoman Ober requested a motion to terminate the PUC, Electric Company Restructuring audit.

On a motion by Senator Reagan, seconded by Representative Barry.

MOTION ADOPTED.

Chairwoman Ober requested a letter be drafted to be sent to the Fiscal Committee to notify them of the audit termination.

OTHER BUSINESS:

Mr. Henry notified the Committee of the need for new audit topics by the fall. He requested the Committee begin to consider potential audit topics for the next meeting.

Chairwoman Ober shared an audit topic requested by a House member: the Department of Education (DOE), Bureau of Vocational Rehabilitation.

The Committee generally discussed thoughts and concerns regarding the DOE's vocational rehabilitation program.

On a motion by Representative Weber, seconded by Senator D'Allesandro, that the DOE, Bureau of Vocational Rehabilitation be added to the audit topic list.

Mr. Henry requested clarification as to whether the audit topic should be added to the potential audit topic list, or whether the topic should be added to the audit queue.

Chairwoman Ober clarified that the topic should be added to the queue, and the audit should begin as soon as possible.

MOTION ADOPTED.

Chairwoman Ober requested Committee members ask constituents, or fellow Representatives or Senators for new audit topics; and the LBA Audit Division make suggestions as well.

PRESENTATIONS OF THE DoIT AND THE DES, AIR RESOURCES DIVISION AUDITS:

John Clinch, Senior Audit Manager and in-charge auditor for the DoIT audit, briefed the Committee and responded to questions regarding the final results of the DoIT audit report.

The Committee members generally discussed the audit's findings.

Vilay Skidds, Senior Audit Manager and in-charge auditor for the DES, Air Resources Division audit, briefed the Committee and responded to questions regarding the final results of the DES, Air Resources Division audit report.

The Committee members generally discussed the audit's findings, and expressed concerns regarding repeat observations on the topic of succession planning over the past years.

Mr. Henry reminded the Committee that a performance audit had been conducted on the topic of succession planning back in 2008.

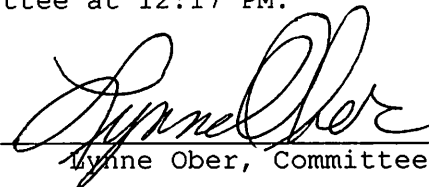
Representative Barry suggested that the 2008 Succession Plan audit be considered as a potential audit topic.

Chairwoman Ober requested Mr. Henry email all Committee members a copy of the 2008 Succession Plan audit.

DATE OF NEXT MEETING AND ADJOURNMENT:

Next meeting will be Monday, July 23, 2018 at 11:30 AM.

Chairwoman Ober adjourned the Committee at 12:17 PM.



Lynne Ober, Committee Chairwoman