

LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE
MINUTES

March 9, 2018

The Legislative Performance Audit and Oversight Committee met on Friday, March 9, 2018 at 1:30 PM in Room 212 of the Legislative Office Building.

Members in attendance were as follows:

Rep. Lynne Ober, Chair
Rep. Lucy Weber
Rep. Raymond Gagnon
Sen. John Reagan
Sen. Bob Giuda
Sen. Lou D'Allesandro

The meeting convened at 1:30 PM.

ACCEPTANCE OF MINUTES:

On a motion by Senator Reagan, seconded by Representative Weber, that the minutes of the November 1, 2017 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 one performance audit report had been completed and presented to the Fiscal Committee since the LPAOC's previous meeting, the Controlled Drug Prescription Health and Safety Program.

Mr. Smith informed the Committee the Department of Information Technology report had been completed and mailed to the Fiscal Committee members the previous day, with the intention of presenting it at the next Fiscal Committee meeting on Friday, March 16th.

Mr. Smith informed the Committee of three audits currently in process: the Department of Environmental Services (DES), Air Resources Division; the DES, Water Division; and the Public Utilities Commission (PUC), Electric Company Restructuring audits. The field work for the DES, Air Resources Division audit had been concluded; and the report was in the process of being drafted. An entrance meeting had been held for the DES, Water Division audit and the scope statement was to be discussed momentarily for approval and consideration; audit planning

had already begun. Some preliminary scoping was under way on the PUC, Electric Company Restructuring audit. The Fiscal Committee presentation of the DES Air Resources Division audit was targeted for the April meeting. The completion target for the DES, Water Division audit was mid to late fall.

Mr. Smith reminded the Committee there were two audits in the queue: 1) the Department of Corrections, Adult Parole Board; and 2) the Police Standards and Training Council. No work had begun on the audits.

DISCUSSION AND APPROVAL OF THE PROPOSED SCOPE STATEMENT FOR THE DEPARTMENT OF ENVIRONMENTAL SERVICES, WATER DIVISION PERFORMANCE AUDIT:

Steven Grady; Senior Audit Manager and in-charge auditor of the DES, Water Division audit; briefed the Committee and responded to questions regarding the draft scope statement on the DES, Water Division audit.

Senator Giuda discussed the concerns of his district and shared potential points of focus within the audit:

- Analyze clarity of definition as to which types of permits apply to which types of regulated activity, and the incidence of required permit changes during a project
- Analyze the need for and impact of peer review on projects on permitting requirements, permitting changes, and resultant delays, and cost to the applicant
- Analyze organization – who is manager of LRM, what are the duties of that position, and have they been fulfilled?
- Analyze objectivity of process and consistency of rules application and permitting outcomes for similar types of projects

Senator Giuda, based on received input; requested the DES, Water Division audit be focused specifically on the Wetlands Bureau.

Eugene Forbes, Water Pollution Division Director at the DES, responded to Senator Giuda's questions and concerns.

Chairwoman Ober requested Mr. Grady specifically identify and outline all applicant costs associated with the permitting process within the audit's scope statement.

Representative Weber suggested all specific issues raised by Senator Giuda be analyzed as part of the reporting process, and be reflected in the meeting's minutes.

After continued discussion, the Committee expressed its preference to narrow the scope statement to focus solely on the Wetlands Bureau.

Chairwoman Ober requested a motion to narrow the scope statement for the performance audit of the DES, Water Division.

On a motion by Senator Giuda, seconded by Senator Reagan.

MOTION ADOPTED.

Chairwoman Ober requested a motion for preliminary acceptance of the scope statement for the performance audit of the DES, Water Division.

On a motion by Representative Weber, seconded by Senator Giuda.

MOTION ADOPTED.

OTHER BUSINESS:

Chairwoman Ober requested that Jay Henry, Performance Audit Supervisor, update the Committee on his findings regarding actions and responsibilities that follow a completed performance audit.

Mr. Henry responded that a document containing his findings had been emailed to the Committee members.

PRESENTATION OF THE CONTROLLED DRUG PRESCRIPTION HEALTH AND SAFETY PROGRAM AUDIT:

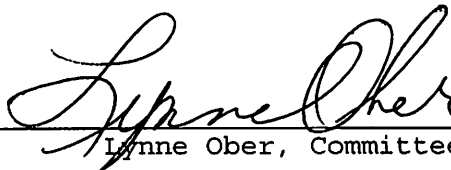
Steven Grady, in-charge auditor for the Pharmacy Board's Prescription Drug Monitoring Program (PDMP) audit, briefed the Committee and responded to questions regarding the final results of the PDMP audit report.

The Committee members generally discussed the audit's findings and expressed the importance of performance audits.

DATE OF NEXT MEETING AND ADJOURNMENT:

Next meeting will be at the call of the Chairwoman.

Representative Ober adjourned the Committee at 2:06 PM.



Lynne Ober, Committee Chairwoman