

**MINUTES**  
**Legislative Post Audit Committee**  
**January 15, 2014**

**Call to Order**

**Welcome by the Chair.** The meeting was called to order by Chair Mast at 12:03 p.m. in Room 118-N of the Statehouse. Committee members present:

Representative Peggy Mast, Chair	Senator Jeff Longbine, Vice-Chair
Representative John Barker	Senator Anthony Hensley
Representative Tom Burroughs	Senator Laura Kelly
Representative Virgil Peck, Jr.	Senator Julia Lynn
Representative Ed Trimmer	Senator Michael O'Donnell

**Approval of Minutes.** Representative Barker moved approval of the December 30, 2013, minutes. Senator Kelly seconded the motion; motion carried.

**Performance Audit Topics**

**Legislator First-Time Requests for Audits.** Justin Stowe, Deputy Post Auditor, reviewed for the Committee two new audit requests:

- *Audit of the state's use of federal funds.* Senator Mary Pilcher-Cook spoke briefly in support of her request.
- *Audit of the state's current pharmacy benefits management system.* Representative Mast spoke in support of her request.

Mr. Stowe noted that these topics were originally on the agenda for the December 30, 2013, meeting. Because of the lack of a quorum at that meeting, the matter was held over to today's meeting.

After discussion, Senator Longbine moved to put the two audit requests on the list for future consideration, rather than preempt an already-approved audit project. Senator Lynn seconded the motion. During discussion, members asked for additional information on the state's current contract terms with CVS-Caremark and what types of federal money would be included in Senator Pilcher-Cook's audit request. Motion carried.

## **School District Efficiency Audits**

**School District Appeal.** Scott Frank, Legislative Post Auditor, reminded members that K.S.A. 46-1133 requires the division to audit three school districts a year (a small, a medium, and a large) for four fiscal years (2014-2017).

The committee's selection process allows a district that has been randomly selected for an audit to appeal the selection and request a delay until the next fiscal year. On December 30, Legislative Post Audit received a formal request from the Auburn-Washburn school district to delay the efficiency audit until fiscal year 2015 due to an ongoing audit by the Internal Revenue Service which has consumed a significant amount of staff time.

Dr. Brenda Dietrich, superintendent of the Auburn-Washburn school district, addressed the committee regarding the appeal.

During discussion, Senator Longbine cautioned that the committee should be judicious in granting appeals, but he was supportive of this request.

Senator Kelly moved to accept the appeal, Representative Trimmer seconded the motion. Motion carried.

## **Committee Organization**

**Electing New Committee Leadership.** Scott Frank reminded members that K.S.A. 46-1101 requires the Legislative Post Audit Committee to organize itself at the commencement of each regular session of the Legislature, and that the committee would need to select a chairperson, vice chairperson, and an additional member of the Contract Audit Committee.

Senator Lynn nominated Senator Longbine to be Chair. Senator O'Donnell seconded the motion; motion carried unanimously. Representative Mast then passed the chairmanship to Senator Longbine, who ran the remainder of the meeting.

Chair Longbine called for nominations for Vice-Chair. Representative Mast nominated Representative Barker, seconded by Senator Kelly. Motion carried unanimously.

Senator Kelly nominated Senator Hensley to be the Contract Audit Committee member. Representative Mast seconded the motion. Motion carried unanimously.

## Wrap-Up

**Additional Business.** The following items were addressed:

- Scott Frank briefed the committee on plans to send a weekly e-mail to the committee during the session. Topics will include: upcoming meetings, the status of committee bills, the status of the LPA budget, and any other items that seem important.
- Mr. Frank told members that representatives of the new contracted audit firm, CliftonLarsonAllen, were in town for meetings with auditees, and if any members were interested in meeting with the auditors, he would make the arrangements.
- Senator Longbine thanked Representative Mast for her leadership during the past year.
- Representative Mast thanked Cox Communications for providing members' lunch.

**Date of Next Meeting.** Mr. Frank told members that the committee will need to have several meetings over the next few weeks for audit presentations, as well as a meeting around the time of the veto session to consider audit topics and other committee business. Unless otherwise specified, the plan is to hold all of the committee's meetings during the session on Wednesdays at noon in Room 118-N.

## Adjournment

The meeting adjourned at 12:38 p.m.

  
Stacie Thurman, Secretary  
Legislative Post Audit Committee

3/6/14  
date

*All handouts and other documents referred to in these minutes are on file with Legislative Post Audit. Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim and have not been submitted to the individuals appearing before the committee for editing or corrections.*