

**Minutes**  
**Contract Audit Committee**  
**August 29, 2013**

**Call to Order**

**Welcome.** The meeting was called to order by Representative Peggy Mast, Chair, at 12:00 noon in Room 159-S at the Statehouse.

Members present: Representative Peggy Mast, Chair  
Senator Jeff Longbine, Member  
Legislative Post Auditor Scott Frank, Member  
Acting Secretary of Administration Jim Clark, Member

**Awarding Audit Contracts**

**Statewide financial audit contract.** Julie Pennington, Financial-Compliance Audit Manager, Legislative Post Audit, briefed the committee on staff's analysis and rankings of the audit bids.

Bidder representatives made brief presentations. Representatives present:

**KPMG** (*provided handout*)

- Shelly Stromp
- Susan Eickhoff
- Jeffrey Markert
- David Seay
- Cassandra Meschke

**BKD**

- Barry Davis
- Angela Miratsky-Figas

**CliftonLarsonAllen**

- Sean Walker
- Paul Niedermuller

**RubinBrown**

- Kaleb Lilly

Mr. Frank asked the bidder representatives about what communication problems they had encountered in similar audits, and how they had handled those problems.

After discussion, Representative Mast moved that the contract be awarded to CliftonLarsonAllen. Senator Longbine seconded the motion; motion carried.

**KPERS financial audit contract.** Ms. Pennington briefed the committee on staff's analysis and rankings of the audit bids. The committee was joined by Jeffrey Markert of KPMG, the firm currently consulting with KPERS on compliance with GASB 67 and 68, new pension standards that likely will affect the work done under this contract. Mr. Markert was not a voting member of the committee. DeAnn Hill, Department of Administration Chief Financial Officer, took Mr. Clark's place as his designee as he left to fulfill another commitment.

Bidder representatives made brief presentations. Representatives present:

**Eide Bailly**

- Lealan Miller

**CliftonLarsonAllen** (*provided handout*)

- Thomas Rey

**BKD**

- Barry Davis
- Angela Miratsky-Figas

Members asked questions of the bidders. After discussion, Senator Longbine moved that the contract be awarded to CliftonLarsonAllen. Mr. Frank seconded the motion; motion carried.

**Lottery financial audit contract.** Ms. Pennington briefed the committee on staff's analysis and rankings of the audit bids.

Bidder representatives made brief presentations. Representatives present:

**RubinBrown**

- Kaleb Lilly

**Eide Bailly**

- Lealan Miller

**Berberich Trahan**

- Karen Linn

**CliftonLarsonAllen**

- Jack Reagan

**Cochran Head Vick**

- Dave Cochran

Members asked questions of the bidder representatives. After discussion, Mr. Frank moved that the contract be awarded to RubinBrown, with the stipulation that the draft report be reviewed by the staff of one of the firms in its network that has lottery expertise. Senator Longbine seconded the motion; motion carried.

**Lottery security audit contract.** Ms. Pennington briefed the committee on staff's analysis and rankings of the audit bids.

Bidder representatives made brief presentations. Representatives present:

**Gaming Laboratories International** (*had handout*)

- Kevin Mullally

**Delehanty and Associates** (*had handout*)

- Herb Delehanty

Members asked questions of the bidder representatives. After discussion, Mr. Clark moved that the contract be awarded to Delehanty and Associates. Mr. Frank seconded the motion; motion carried.

**911 performance audit contract.** Ms. Pennington briefed the committee on staff's analysis and rankings of the audit bids.

One bidder representative was present and made a brief presentation:

**Stone Carlie** (*had handout*)

- Jeffrey Ward

Members asked questions of the bidder representative. After discussion, Senator Longbine moved that the contract be awarded to Stone Carlie. Jim Clark seconded the motion; motion carried.

**Adjournment.** Representative Mast adjourned the meeting at 2:47 p.m.

*(All handouts and other documents referred to in these minutes are on file with Legislative Post Audit.)*