

MINUTES
Legislative Post Audit Committee
6/1/20

Call to Order

Welcome by the Chair. The meeting was called to order by Chair Lynn at 9:32 a.m. in Room 346-S of the Statehouse. Committee members present:

Sen. Julia Lynn, Chair	Rep. Kristey Williams, Vice-Chair
Sen. Dinah Sykes, Ranking Minority	Rep. John Barker (via phone)
Sen. Elaine Bowers	Rep. Jim Gartner
	Rep. John Toplikar

Fiscal Year 2021 Audit Selection –Review Proposals. Chair Lynn explained to the committee the audit proposal that was emailed to members Friday 5/29 regarding the Department of Labor’s response to the influx of unemployment claims resulting from COVID-19. Committee rules specify that proposals be submitted 7 days prior to a scheduled meeting for consideration at that meeting. Chair Lynn asked the committee to suspend that rule, so this proposal could be considered today when the committee is selecting proposals for fiscal year 2021. Representative Williams made such a motion, Representative Toplikar seconded, and motion carried. The proposal was added to the list of topics for consideration.

Chris Clarke, Deputy Post Auditor, said that staff recommended the following process:

1. Staff present the proposals and answer questions.
2. Members discuss and make motions for the proposals they are interested in.

Ms. Clarke reviewed the list of audit requests for members and suggested they select about 6 proposals.

Economic Development Proposal. Ms. Clarke reminded members that this audit proposal is intended to satisfy statutory requirements for ongoing economic development evaluations. Senator Sykes made a motion to approve and Representative Toplikar seconded. Motion carried.

The Chair entertained motions to authorize audit projects for the coming year.

1 **2L Evaluating County Government Procurement and Contracting Practices**– Representative Toplikar made a motion to approve and Representative Barker seconded. Motion carried.

2 **4L Foster Care and Adoption: Reviewing Case Plan Tasks and Adoption**

Rates – Senator Bowers made a motion to approve and Representative Gartner seconded. Motion carried.

3 **10L Department of Agriculture: Evaluating the Department's Price Verification Inspection Process** – Senator Bowers made a motion to approve and Senator Sykes seconded. Motion carried.

4 **16E Reviewing Agencies' Implementation of Selected Performance Audit Recommendations** – Representative Toplikar made a motion to approve and Senator Bowers seconded. Motion carried.

5 **18L Kansas Department of Labor's COVID-19 Unemployment Claim Response** – Representative Williams made a motion to approve and Representative Toplikar seconded. Motion carried.

6 Staff agreed to work on editing the scope and wording on proposals **11L Evaluating Mental Health and Substance Abuse Initiatives to Improve Outcomes** and **15E Reviewing State Fair Board Financial Controls**. The committee will review the reworked proposals as well as others at a future meeting.

Presentation of IT Monitoring Report

Kansas Bureau of Investigation ABIS project.

Katrin Osterhaus, IT Audit Manager summarized the report for the committee. Kirk Thompson, Director of the KBI, addressed the committee and answered questions. This report will be distributed to the Joint Committee on Information Technology.

Presentation of IT Security Audits

Judiciary IT Security Audit:

Representative Williams made the following motion:

I move to recess this open meeting for a closed meeting pursuant to K.S.A. 75-4319(a) to discuss matters relating to security measures that protect the information systems of the Kansas judiciary under the justification listed in K.S.A. 75-4319(b)(12)(C) because discussion of such matters in an open meeting would jeopardize such security measures; to resume the open meeting in Room 346-S at 11:07 and to record this motion, if adopted, as a part of the committee's permanent records.

Representative Gartner seconded the motion; motion carried. Adopted at 10:52 am. The Chair asked Justin Stowe, Legislative Post Auditor, to enumerate the individuals authorized to remain in the room during executive session. Officials

from each covered agency were only present in the executive session for discussion of their own agency's findings.

Judiciary

- Stephanie Bunton, Chief Financial Officer, Judiciary
- Kelly O'Brien, IT Director, Judiciary and Judicial Branch CITO

Legislative Post Audit

- Justin Stowe, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager

The open meeting resumed at 11:07 am. Because of their confidential nature, copies of IT security audits are not distributed to any committees. Staff previously notified the Joint Committee on Information Technology and the Joint Committee on Kansas Security that the IT audit has been completed and can be presented in executive session.

Department of Transportation IT Security Audit:

Representative Williams made the following motion:

I move to recess this open meeting for a closed meeting pursuant to K.S.A. 75-4319(a) to discuss matters relating to security measures that protect the information systems of the Kansas department of transportation under the justification listed in K.S.A. 75-4319(b)(12)(C) because discussion of such matters in an open meeting would jeopardize such security measures; to resume the open meeting in Room 346-S at 11:23; and to record this motion, if adopted, as a part of the committee's permanent records.

Motion adopted at 11:09. The Chair asked Justin Stowe, Legislative Post Auditor, to enumerate the individuals authorized to remain in the room during executive session. Officials from each covered agency were only present in the executive session for discussion of their own agency's findings.

KDOT

- Jeff Neal, Chief, Information Officer, KDOT
- Jeff Maxon, Interim Chief Information Security Officer, State of Kansas

Legislative Post Audit

- Justin Stowe, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager

The open meeting resumed at 11:24 am. Because of their confidential nature, copies of IT security audits are not distributed to any committees. However, as required per statute, the executive-branch Chief Information Technology Officer and Chief Information Security Officer with OITS received a confidential report, and Governor Laura Kelley will receive a confidential report after the LPAC meeting. Additionally, staff previously notified the Joint Committee on

Information Technology and the Joint Committee on Kansas Security that the IT audit has been completed and can be presented in executive session.

Consent Calendar

Chris Clarke, Deputy Post Auditor, reviewed for members the items on the consent calendar:

- Approval of Minutes
- Approval of Limited Scope Audit

No motions to object were offered on the minutes, so they were considered approved. Representative Gartner objected to the limited-scope audit proposal. The committee then voted to incorporate the work in the larger audit that was approved regarding Kansas Department of Labor. Motion to do so made by Representative Williams, seconded by Senator Bowers, motion carried.

Wrap-Up

Additional business. Mr. Stowe recognized staff for some milestones – Chris Clarke 25 years and Meghan Flanders 5 years working at Legislative Post Audit.

Date of next meeting. The next meeting of the committee will be determined, at a later date.

Adjournment

The meeting adjourned at time 11:37 a.m.



9/8/2020

Nicole Blanchett, Secretary
Legislative Post Audit Committee

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.