

*The minutes below are in draft form, subject to approval by the
Legislative Post Audit Committee at a later meeting.*

**DRAFT
MINUTES
Legislative Post Audit Committee
9/2/2020**

Call to Order

Welcome by the Chair. The meeting was called to order by Chair Williams at 9:31 a.m. in Room 346-S of the Statehouse. Committee members present:

Sen. Dinah Sykes, Ranking Minority	Rep. Kristey Williams, Chair
Sen. Elaine Bowers	Rep. John Barker
Sen. Anthony Hensley	Rep. Jim Gartner
Sen. Dennis Pyle	Rep. John Toplikar
	Rep. Burroughs

Presentation of Performance Audits

Kansas Department of Agriculture: Evaluating the Economic Impact of Hemp Production in Kansas. This audit was presented by Matt Etzel, Principal Auditor. All legislators will be notified of the audit's release.

Evaluating Association Membership Fees and Dues and Lobbyist Payments. This audit was presented by Meghan Flanders, Senior Auditor. All legislators will be notified of the audit's release.

KPERS: Evaluating the Deferred Retirement Option Program. This audit was presented by Andy Brienzo, Principal Auditor. Alan Conroy, KPERS director made brief remarks. All legislators will be notified of the audit's release.

K-12 Education: Evaluating Bilingual Funding and Expenditures. This audit was presented by Heidi Zimmerman, Principal Auditor. All legislators will be notified of the audit's release.

Presentation of IT Monitoring Report

Kansas Bureau of Investigation ABIS Project. The monitoring report was

presented by Sagar Bhatia, Senior IT Auditor. This report will be distributed to the Joint Committee on Information Technology.

Audit Selection–Review Proposals

At the June 1, 2020 committee asked staff to modify two proposals and present them at a later meeting. Ms. Clarke reviewed the two proposals that the committee wanted amended. Those were:

- *Reviewing State Fair Board Financial Controls and Resources*
- *Evaluating Mental Health and Substance Abuse Initiatives to Improve Outcomes*

Representative Williams also requested amending an already approved audit titled *Kansas Department of Labor’s COVID-19 Unemployment Claim Response*. The amendment would include a look at possible fraud claims and the department’s controls to prevent and detect fraud.

The committee made the following motions:

- To amend the current Department of Labor scope to include fraud, and to make it a priority in the schedule. Representative Barker made the motion, and Senator Bowers seconded. Motion carried.
- To approve both the State Fair and Substance Abuse/Mental Health initiatives proposals. Representative Barker made the motion, Representative Gartner seconded. Motion carried.

Legislative Post Audit Operations

Consideration of Budget. Justin Stowe, Legislative Post Auditor explained the FY 2021 and FY 2022 budget request.

Representative Gartner made a motion to approve the budget as presented. Representative Burroughs seconded the motion; motion carried.

Proposed Legislation. Justin Stowe, Legislative Post Auditor explained to the committee the staff’s rationale for requesting several bills for the upcoming legislative session.

Representative Burroughs made a motion to approve the bills. Senator Sykes seconded the motion; motion carried.

Proposed Rules Change. Justin Stowe, Legislative Post Auditor explained to the committee the proposed Committee rules change.

Representative Gartner made a motion to approve. Representative Barker seconded the motion; motion carried.

Consent Calendar

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

- Approval of Minutes from 6/1/20 meeting
- Acceptance of 4 Completed Performance Audits presented today
- Approval of Limited-Scope Audit titled *Highway Patrol Personnel Actions*

No motions to object were offered on the items, so they were considered approved.

Presentation of IT Security Audits

Topeka Correctional Facility IT Security Audit

Senator Sykes 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 Topeka Correctional Facility 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 12:13 pm; 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 11:53 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.

Topeka Correctional Facility

- Harold Sass, KDOC CIO
- Randy Bowman, Executive Director of Public Affairs
- Jeff Maxon, E-CISO

Legislative Post Audit

- Justin Stowe, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager
- Alex Gard, Principal IT Auditor
- Sagar Bhatia, Senior IT Auditor

The open meeting resumed at 12:13 pm. Because of their confidential nature, copies of IT security audits are not distributed to any committees.

Kansas Board of Regents IT Security Audit:

Senator Sykes 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 Board of Regents 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 12:23 pm; and to record this motion, if adopted, as a part of the committee's permanent records.

Senator Pyle seconded the motion; motion adopted at 12:13 pm. 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.

KBOR

- Steve Funk, CIO
- Elaine Frisbie

Legislative Post Audit

- Justin Stowe, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager
- Alex Gard, Principal IT Auditor
- Sagar Bhatia, Senior IT Auditor

The open meeting resumed at 12:23 p.m. Because of their confidential nature, copies of IT security audits are not distributed to any committees.

IT Security Follow-up Audit

Senator Sykes 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 state agencies that were audited in 2019 by the legislative division of post audit at the direction of the legislative post audit committee 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 12:30 p.m.; and to record this motion, if adopted, as a part of the committee's permanent records.

Senator Pyle seconded the motion; motion adopted at 12:25 p.m. No agency officials were in attendance.

Legislative Post Audit

- Justin Stowe, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager
- Alex Gard, Principal IT Auditor
- Sagar Bhatia, Senior IT Auditor

The open meeting resumed at 12:30 p.m. Because of their confidential nature, copies of IT security audits are not distributed to any committees.

Adjournment

The meeting adjourned at 12:30 p.m.

Nicole Blanchett, Secretary

date

Legislative Post Audit Committee

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.