

Minutes
LEGISLATIVE AUDIT COMMISSION
April 17, 2013

Members Present:

Representative Michael Beard
Representative Sondra Erickson
Representative Andrew Falk
Representative Rick Hansen
Representative Mary Liz Holberg
Representative Steve Simon

Senator Michelle Benson
Senator Mary Kiffmeyer
Senator James Metzen
Senator Roger J. Reinert
Senator Ann H. Rest

Members Absent:

Senator Warren Limmer

Senator Roger Reinert, Chair, called the Legislative Audit Commission (LAC) meeting to order at 9:45 a.m. The purpose of the meeting was to approve the evaluation topics selected by the Evaluation Subcommittee.

Representative Hansen, Chair of the Evaluation Subcommittee, moved to adopt the list suggested by the subcommittee. Senator Rest requested a summary of the choices from Representative Hansen prior to a vote being taken. Representative Hansen ran through the list of small and large topics. He said all of the small topics were approved by a unanimous vote, and the first four large topics were approved by unanimous vote. He noted that the fifth large topic was approved after some debate between several of the remaining topics.

Senator Reinert asked Jim Nobles from the Office of the Legislative Auditor (OLA) to explain the difference between the small and large topics. Mr. Nobles thanked the members of the evaluation subcommittee for their work on the process, and thanked Judy Randall for managing the process for him. He then explained the difference between the small and large topics was the amount of time needed to complete them. Senator Rest questioned why several of the topics had been rejected by the subcommittee when they were ranked as “more promising” by OLA. Mr. Nobles said that sometimes the commission agrees with OLA, and sometimes it does not. He explained that by law, the LAC has the authority to choose topics even if OLA feels they will not necessarily have the most impact.

The meeting turned to a discussion about the suggestion to evaluate the Agricultural Commodity Councils. Several members expressed concern that it was chosen even though there are no state dollars involved. Mr. Nobles explained that statutes allow OLA to review agencies that are established in law even if no state dollars are used. He said as an example, OLA has evaluated the Minnesota State High School League several times over the years. Members mentioned that even though the Department of Agriculture reviews the commodity councils’ financial records, it does not seem able to answer legislator’s questions. In response to a question on how evaluations are scoped, Mr. Nobles explained that OLA performs open and informal roundtables to gain information on the specific issues. He added that once the scope is determined on an evaluation, the work is completed independently by OLA and is not influenced by any outside sources. Representative Hansen pointed out that *Minnesota Statutes* 17.51 established the Agricultural Commodities Promotion Act in 1969, yet the programs created by this act have never been evaluated.

Senator Rest requested that a brief summary of each topic be given. Ms. Randall ran through the lists of both small and large topics, giving a brief statement on each. Senator Reinert moved to adopt the entire list of topics suggested by the Evaluation Subcommittee, which were the following:

Administration of Unclaimed Property
Agricultural Commodity Councils

Councils of Color
Forest Management
Managed Care Organizations' Administrative Expenses
Medical Services in State Correctional Facilities
MnDOT Pavement Selection Process
MnDOT Sound Barrier Policy
State Employee Union "Fair Share" Calculations

Hearing no discussion, the motion prevailed. With no further business, Senator Reinert adjourned the meeting at 10:13 a.m.

Senator Roger J. Reinert, Chair

Shelly Watterud, Recording Secretary