

Minutes
LEGISLATIVE AUDIT COMMISSION
June 8, 2015

Members Present

Representative Sondra Erickson
Representative Rick Hansen
Representative Phyllis Kahn
Representative Linda Runbeck
Senator Michelle Benson
Senator Mary Kiffmeyer
Senator James Metzen
Senator Ann H. Rest

Members Absent

Representative Connie Bernardy
Representative Duane Quam
Senator Warren Limmer
Senator Roger J. Reinert

Representative Sondra Erickson, Chair, called the Legislative Audit Commission (LAC) meeting to order at 1:07 p.m. The purpose of the meeting was to (1) confirm the appointment of the new Deputy Legislative Auditor for the Office of the Legislative Auditor (OLA) Program Evaluation Division and (2) discuss the 2015 legislative session impacts on OLA.

Representative Erickson introduced Jim Nobles, Legislative Auditor. Mr. Nobles said that state law allows the legislative auditor to appoint two deputies, one for the Financial Audit Division and one for the Program Evaluation Division; both appointments require LAC approval. Each deputy serves a term coterminous with the legislative auditor. The legislative auditor, by law, serves a six-year term. Mr. Nobles reminded the commission that in 2003 he had taken over serving as both the legislative auditor and the deputy of the Program Evaluation Division (PED). However, he determined that a deputy is now needed. He said that he had chosen Judy Randall to be the new PED deputy, introduced Ms. Randall, and gave a brief overview of her skills and experience. After some discussion, Representative Runbeck moved to confirm Mr. Nobles' decision for Ms. Randall to be the new Program Evaluation Division deputy, and the motion prevailed.

The meeting then turned to a discussion about the memo from Mr. Nobles explaining the 2015 legislative session impacts on OLA. Mr. Nobles said that he would personally complete the review of the efficiency of the State Auditor's examinations, along with help from the Financial Audit Division; no program evaluation staff would be used to complete this review. The other changes in law included the following: (1) a request for OLA to conduct a special review of the Department of Veterans Affairs' financial management of Minnesota veteran homes; (2) a requirement for OLA to conduct or contract for financial audits of managed care organizations and county-based purchasing plans; and (3) a requirement for OLA and the LAC to establish a mechanism in the evaluation topic selection process to annually identify economic development incentive programs for OLA to evaluate. Representative Hansen moved that a memo be written to all committee chairs and legislative staff asking them to respect the process established by the LAC and to stop placing requirements in bills instead of following the process established by the LAC. The motion prevailed. Senator Rest moved for a rule change to be made so that any language that would require action by OLA would go through the LAC before being added to a bill. The motion prevailed.

With no further business, the meeting was adjourned at 2:13 p.m.

Representative Sondra Erickson, Chair

Shelly Watterud, Recording Secretary