

**Minutes**  
**LEGISLATIVE AUDIT COMMISSION**  
**January 14, 2016**

Members Present

Representative Sondra Erickson, Chair  
Representative Connie Bernardy  
Representative Rick Hansen  
Representative Phyllis Kahn  
Representative Duane Quam  
Representative Linda Runbeck  
Senator Michelle Benson  
Senator Warren Limmer  
Senator Ann H. Rest

Members Absent

Senator Mary Kiffmeyer  
Senator James Metzen  
Senator Roger J. Reinert

Representative Sondra Erickson, Chair, called the Legislative Audit Commission (LAC) meeting to order at 3:32 p.m. The purpose of the meeting was to (1) approve the Evaluation Plan for evaluations of economic development incentive programs by the Office of the Legislative Auditor (OLA), and (2) approve the economic development incentive program for evaluation by OLA in 2016.

Representative Erickson introduced Judy Randall, Deputy Legislative Auditor, and asked her to explain the Evaluation Plan. Ms. Randall said that *Minnesota Statutes* 2015, 3.9735, subd. 4, provides a deadline of February 1, 2016, for establishing a plan that identifies elements that the legislative auditor must include in evaluations of general incentive and exclusive incentive programs. She briefly explained the details of the Evaluation Plan. She said that the plan does not limit what can be done, but rather it is a framework or foundation for the evaluations. Representative Hansen moved that the LAC approve the Evaluation Plan; the motion prevailed.

The meeting turned to a brief discussion about the economic development incentive program that was chosen by the Evaluation Subcommittee: Research and Development Credit. Representative Hansen moved that the Research and Development Credit be approved for evaluation by OLA in 2016; the motion prevailed.

In response to Representative Hansen's question about the difference between the types of reviews OLA conducts, Ms. Randall briefly described the three: (1) program evaluations, (2) financial audits, and (3) investigations or special reviews. Representative Hansen requested that OLA send out a one-page document explaining the types of reviews to all legislators.

With no further business, the meeting was adjourned at 4:11 p.m.

---

Representative Sondra Erickson, Chair

---

Shelly Watterud, Recording Secretary