

Minutes
LEGISLATIVE AUDIT COMMISSION
November 9, 2017

Members Present:

Representative Connie Bernardy
Representative Sondra Erickson
Representative Rick Hansen
Representative Tina Liebling
Representative Duane Quam
Senator Michelle Benson
Senator Nick A. Frenz
Senator Mary Kiffmeyer
Senator Matt D. Klein
Senator Warren Limmer
Senator Ann H. Rest

Members Absent:

Representative Nels Pierson

Senator Kiffmeyer, Chair, called the Legislative Audit Commission (LAC) meeting to order at 10:08 a.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's (OLA's) Financial Audit Division (FAD), (2) discuss the topic selection process, and (3) discuss how the Governor's veto of appropriations for the House and Senate might affect OLA's budget.

Senator Kiffmeyer noted for the record that a quorum was present and then introduced Jim Nobles, Legislative Auditor. Mr. Nobles said that he was seeking approval of his selection of Chris Buse to be the new FAD deputy. He explained the requirements of this position, and said that Mr. Buse fully meets these qualifications. He gave a brief overview of Mr. Buse's career with the state, and asked him to give a statement. Mr. Buse expressed his excitement about the opportunity to return to OLA and said that he has always believed in and supported the mission of OLA. After some discussion and positive feedback from members, Senator Benson moved to confirm Mr. Nobles' decision for Mr. Buse to be the new Deputy Legislative Auditor for the Financial Audit Division; the motion unanimously prevailed. In light of this approval, Senator Rest stated that she intends—as the chair of the LAC Audit Subcommittee—to have more frequent meetings to review FAD audits.

The meeting turned to the topic selection process. Judy Randall, Deputy Legislative Auditor for the Program Evaluation Division (PED), said that PED staff developed three options for the commission to consider. She explained that these options were based on the suggestions made by members at the October 17, 2017, LAC meeting. She briefly described the difference in the three options, including the impact each would have on PED staff. After some discussion, members supported the option that includes the least impact on staff resources and provides for an earlier legislative survey. Seeing that Option 1 seemed to best fit these criteria, Representative Hansen moved to adopt it. The motion was approved by a unanimous vote. Option 1 will provide preliminary background information on selected topics prior to the legislative survey being distributed to legislators. The preliminary background information will include a grid ranking each topic against the commission's topic selection criteria, along with a short paragraph summarizing each topic's key issues.

The meeting moved to a brief discussion on how the Governor's veto of appropriations for the House and Senate might affect OLA's budget. Mr. Nobles explained that if funding is taken from OLA and he is forced to layoff staff, the state's credit rating and ability to obtain federal funds could be jeopardized. He said that the Legislative Coordinating Commission would have to meet and formally vote to transfer OLA's carryforward monies and appropriation to the House and Senate. Mr. Nobles said that he thought it was important to make the LAC members aware that the Governor's veto is now

threatening OLA, along with the rest of the Legislative branch. The LAC requested that Mr. Nobles send a copy of his official affidavit to the members.

With no further business, Senator Kiffmeyer adjourned the meeting at 11:17 a.m.

Senator Mary Kiffmeyer, Chair

Shelly Gilb, Recording Secretary