

**MINUTES**  
**Legislative Post Audit Committee**  
**September 4, 2015**

**Call to Order**

**Welcome by the Chair.** The meeting was called to order by Chair Barker at 9:13 a.m. in Room 118-N of the Statehouse. Committee members present:

|                                   |                                       |
|-----------------------------------|---------------------------------------|
| Representative John Barker, Chair | Senator Michael O'Donnell, Vice-Chair |
| Representative Tom Burroughs      | Senator Anthony Hensley               |
| Representative Peggy Mast         | Senator Laura Kelly                   |
| Representative Virgil Peck, Jr.   | Senator Jeff Longbine                 |
| Representative Ed Trimmer         |                                       |

**Approval of Minutes.** Representative Trimmer moved approval of the July 29 minutes. Representative Mast seconded the motion; motion carried.

**Presentation of Staff Audits**

***KPERS: Evaluating Controls to Detect and Prevent Fraud and Abuse.*** This audit was presented by Laurel Murdie, Principal Auditor.

Alan Conroy, KPERS Executive Director, delivered brief comments. Also present from KPERS were Mary Beth Green, Chief Benefits Officer; Judy McNeal, Chief Fiscal Officer; Faith Loretto, Planning and Research Officer, Jarod Waltner, Assistant Planning and Research Officer.

During discussion, Senator O'Donnell requested that Mr. Conroy provide follow up information to the committee on what actions it plans to take to investigate and correct instances where teachers working for NEA or KNEA received service credits. Mr. Conroy said KPERS currently is looking at this issue and will report back to the committee when the investigation is completed.

Representative Trimmer made a motion to accept the audit. Senator O'Donnell seconded the motion; motion carried. All legislators will receive the audit highlights document and the following committees will be notified that the committee thought the report might be special interest:

*House Committees*

- Pensions and Benefits
- General Government Budget

*Senate Committees*

- Select Committee on KPERS
- Ways & Means Subcommittee on General Government, Legislative and Elected Officials

*Other Committees*

- Joint Committee on Pensions, Investments and Benefits

***Department of Corrections: Evaluating Safety Issues at the Kansas Juvenile Correctional Complex.*** This audit was presented by Matt Etzel, Senior Auditor.

In response to a question from Representative Peck, Mr. Frank said that staff can review the survey results to try and identify any indications of interference, pressure, or coercion to answer survey questions in a particular way.

Ray Roberts, Secretary of Corrections, and Terry Williams, Deputy Secretary, each delivered brief comments. Also present were Kyle Rohr, KJCC Superintendent, and Megan Miller, KJCC Deputy Superintendent.

Senator Hensley asked about the KJCC turnover rate; Deputy Secretary Williams said she would have to get the exact figures.

Senator Hensley made a motion to accept the audit. Senator O'Donnell seconded the motion; motion carried. All legislators will receive the audit highlights document and the following committees will be notified that the committee thought the report might be special interest:

*House Committees*

- *Corrections and Juvenile Justice*
- *Transportation and Public Safety Budget*

*Senate Committees*

- *Corrections and Juvenile Justice*
- *W&M Subcommittee on Corrections and Juvenile Justice*

*Other Committees*

- *Joint Committee on Corrections and Juvenile Justice Oversight*

## Completed IT Security Audits

The committee took up consideration of two confidential IT security audits:

- *State Agency Information Systems: Reviewing Security Controls in Selected State Agencies – Department on Aging and Disability Services (KDADS)*
- *State Agency Information Systems: Reviewing Security Controls in Selected State Agencies – Kansas Commission on Peace Officers' Standards and Training (KS-CPOST)*

Senator O'Donnell made the following motion:

I move that the open meeting of the Legislative Post Audit Committee in Room 118-N of the Statehouse be recessed for a closed, executive meeting to commence immediately in Room 118-N of the Statehouse pursuant to subsection (b)(13) of K.S.A. 2014 Supp. 75-4319, as amended by section 16 of Chapter 68 of the 2015 Session Laws of Kansas, for a discussion of the security of the information systems of selected state agencies which is under consideration by the Legislative Post Audit Committee, because open discussion would jeopardize the security of the information systems, that the Legislative Post Audit Committee resume the open meeting in Room 118-N of the Statehouse at 11:25 a.m. and that this motion, if adopted, be recorded in the minutes of the Legislative Post Audit Committee and be maintained as a part of the permanent records of the committee.

Representative Mast seconded the motion. Adopted at 10:40 a.m. on September 4, 2015. At the chair's request, Scott Frank, Legislative Post Auditor, enumerated the Post Audit and agency staff who were needed in the executive session:

### *Legislative Division of Post Audit:*

- Scott Frank, Legislative Post Auditor
- Justin Stowe, Deputy Post Auditor
- Katrin Osterhaus, IT Audit Manager
- Alex Gard, Senior IT Auditor
- Clyde-Emmanuel Meador, IT Auditor

### *Department on Aging and Disability Services (KDADS)*

- Brad Ridley, Chief Financial Officer
- Henry Mace, Chief Information Officer
- Susan Andrews, Chief Legal Counsel
- Kelli Ludlum, Assistant Director

- Kahlea Porter, Legal Counsel

*Kansas Commission on Peace Officers' Standards and Training (KS-CPOST):*

- Gary Steed, Executive Director
- Matt Deffner, Central Registry Manager
- David Thompson, Special Investigator

The open meeting resumed at 11:25 a.m.

Because of their confidential nature, these reports are not publicly available, but staff have notified the chair of the Joint Committee on Information Technology that they are available to be presented in executive session after today's meeting.

### **Legislative Post Audit Operations**

#### **Consideration of Legislative Post Audit's FY 2016-2017 Budget Request.**

K.S.A. 46-1103 requires the Legislative Post Auditor to prepare the division's annual budget request and submit it to the Legislative Post Audit Committee for approval. Once approved by the committee, the budget request is submitted to the Legislative Coordinating Council for its consideration, along with the other legislative branch budget requests.

Mr. Frank told members that the Legislative Post Audit executive committee met on August 28 and reviewed and approved the budget request. It also reviewed the division's staffing level and concluded that the division should include a \$61,570 enhancement to the FY 2017 request to bring the agency up to full staffing. This enhancement would allow the division to continue school efficiency audits without affecting the other audits.

After discussion, Representative Trimmer moved approval of the division's enhanced budget request. Representative Mast seconded the motion. Motion carried.

**Update on Potential Rules Changes and Legislation.** Mr. Frank told members that the executive committee had considered a number of proposed changes to the Legislative Post Audit Committee rules, and possible new legislation. Mr. Frank and Scott Wells, Revisor of Statutes Office, will collaborate on developing language for the committee's consideration at the December meeting.

**Follow-Up Items.** Rick Riggs, Administrative Auditor, updated the committee on items of interest. He also reviewed the third-quarter follow-up report, sent to members in August. Representative Mast asked that a letter be sent to the

Office of Attorney General asking for a progress report on implementation of the recommendations in the March 2014 audit, *CDDOs: Reviewing Issues Related to Community Services Provided for Individuals with Disabilities*.

**Results of the 2015 Survey of Legislators.** Mr. Riggs told the committee that in July 2015 Legislative Post Audit asked all 165 Kansas legislators to complete a survey on how well the Division is fulfilling its mission of supporting the Legislature's work. He briefly reviewed the results. In all, 32 of 165 legislators responded to the survey, a response rate of about 19%.

**Evaluation of the Post Auditor.** Representative Trimmer made the following motion:

I move that the open meeting of the Legislative Post Audit Committee in Room 118-N of the Statehouse be recessed for a closed, executive meeting to commence immediately in Room 118-N of the Statehouse pursuant to subsection (b)(1) of K.S.A. 2014Supp. 75-4319, as amended by section 16 of Chapter 68 of the 2015 Session Laws of Kansas, for a discussion of personnel matters of nonelected personnel relating to the annual evaluation of the Legislative Post Auditor which is under consideration by the Legislative Post Audit Committee, to protect the privacy interests of the individual, that the Legislative Post Audit Committee resume the open meeting in Room 118-N of the Statehouse at 12:16 and that this motion, if adopted, be recorded in the minutes of the Legislative Post Audit Committee and be maintained as a part of the permanent records of the committee.

Senator O'Donnell seconded the motion. Adopted at 11:46 a.m. on September 4, 2015. At the chair's request, Scott Frank, Legislative Post Auditor, was asked to join the executive session.

At 12:16 p.m. the open meeting resumed.

## Wrap Up

**Additional Business.** Mr. Frank updated members on several pieces of additional business:

- **School district audits.** Mr. Frank gave members an update on the upcoming selection of school districts for the next round of school efficiency audits.
- **New staff.** He also introduced three new staff members: Meghan Flanders, Tian (Betty) Liu, and Daria Milakhina. He also noted that Katrin Osterhaus has been promoted to IT Audit Manager.
- **Date of the Next Meeting.** The next meeting is set for December 10-11, 2015.

**Adjourn**

The Chair adjourned the meeting at 12:27 p.m.



Nicole Blanchett, Secretary  
Legislative Post Audit Committee

12-10-15

date

*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.*