

ARIZONA STATE LEGISLATURE

JOINT LEGISLATIVE AUDIT COMMITTEE

Minutes of the Meeting
Thursday, October 6, 2011
11:00 a.m., Senate Hearing Room 109

Members Present:

Senator Rick Murphy, Chair 2011
Senator Olivia Cajero Bedford

Representative Carl Seel, Vice-Chair
Representative Justin Olson
Representative Bob Robson
Representative Anna Tovar

Members Absent:

Senator Andy Biggs
Senator Rich Crandall
Senator Kyrsten Sinema
President Russell Pearce, Ex-officio

Representative Eric Meyer
Speaker Andrew Tobin, Ex-officio

Staff:

Bill Ritz, Senate Research Analyst

Chairman Murphy called the meeting to order at 11:12 a.m. and attendance was noted.

APPROVAL OF MINUTES

Senator Murphy stated that without objection, the minutes of October 26, 2010 were approved.

Assignment of Sunrise Reports to Committees of Reference

Kim Hildebrand, Manager, Office of the Auditor General, distributed a report by the Office of the Auditor General (OAG) (Attachment A) and stated the Committee received four sunrise applications which are detailed in the OAG report (tab two). She stated that the Joint Legislative Audit Committee (JLAC) is required by statute to assign the sunrise reports to a Committee of Reference. Ms. Hildebrand added that the President of the Senate recommended that the reports be assigned to the Senate Healthcare and Medical Liability Reform Committee of Reference and the Speaker of the House recommended the reports be assigned to the House Health and Human Services Committee of Reference.

Representative Seel moved that JLAC assign the sunrise reports to the Committees of Reference (COR) as presented. The motion CARRIED by voice vote.

Assignment of Mandated Health Coverage Report to Committees of Reference

Kim Hildebrand, Manager, Office of the Auditor General, provided background information for the Committee of Reference assignment of the Mandated Health Coverage Report. She noted the recommendations from the President of the Senate and the Speaker of the House were included in the OAG report (Attachment A – tab three).

Representative Seel moved JLAC assign the Mandated Health Coverage Report for the American Lung Association of the Southwest to the Senate Banking and Insurance Committee of Reference and the House of Representatives Banking and Insurance Committee of Reference. The motion CARRIED by voice vote.

Consideration and Approval of Four Sunset Reviews

Dale Chapman, Performance Audit Director, Office of the Auditor General, provided background information (Attachment A – tab four) for the assignments of the Department of Juvenile Corrections, the Department of Housing, the Military Affairs Commission and the Public Safety Communications Advisory Commission to the Committees of Reference.

Representative Seel moved JLAC assign the sunset reviews of the Department of Juvenile Corrections, the Department of Housing, the Military Affairs Commission and the Public Safety Communications Advisory Commission to the Committees of Reference. The motion CARRIED by voice vote.

Consideration and Approval of Committees of Reference Assignments for the 2011, 2012 and 2013 Performance Audit and Sunset Review Schedules

Dale Chapman, Performance Audit Director, Office of the Auditor General, explained the assignment of the departments listed (Attachment A – tab five) to the appropriate Committees of Reference for 2011, 2012 and 2013.

Debbie Davenport, Auditor General, answered questions posed by the committee.

Representative Seel moved JLAC approve the Committees of Reference assignments for the 2011, 2012 and 2013 Performance Audit and Sunset Review schedules as presented. The motion CARRIED by voice vote.

Presentation of Financial Audit Schedule and Consideration of Cost Reimbursement Audits for Fiscal Year 2012

Jay Zsorey, Financial Audit Division Director, Office of the Auditor General, explained that the Auditor General's Office can be reimbursed for certain audits by the federal government. He discussed which audits were involved (Attachment A – tab six) and asked that JLAC approve the same.

Representative Seel moved JLAC approve the Auditor General's Financial Audit Division to perform federally mandated work on a cost reimbursement basis. The motion CARRIED by a voice vote.

Presentation and Status Update of School-wide Audit Team Schedule for 2011-2012

Ross Ehrick, Division of School Audits Director, Auditor's General Office, provided background information (Attachment A – tab seven) of the school audit system, the 2011, 2012 and 2013 schedule and the recommendation process.

Debbie Davenport, Auditor General, answered questions posed by the committee.

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Shelley Ponce
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azleg.gov>)