

ARIZONA STATE LEGISLATURE

JOINT LEGISLATIVE AUDIT COMMITTEE

Minutes of the Meeting
September 14, 2016
10:00 a.m., House Hearing Room 1

Members Present:

Senator Nancy Barto
Senator Judy Burges
Senator Lupe Contreras
Senator David C. Farnsworth

Representative John M. Allen, Chairman-2016
Representative Debbie McCune Davis
Representative Rebecca Rios
Representative Kelly Townsend

Members Absent:

Senator Andy Biggs, Ex-Officio
Senator Lynne Pancrazi

Representative David M. Gowan, Ex-officio
Representative Regina Cobb

Staff:

Sharon Carpenter, House Research Analyst
Robin Hillyard, Senate Research Analyst

Chairman Allen called the meeting to order at 10:25 a.m. and attendance was noted.

APPROVAL OF MINUTES

Representative Allen stated without objection, the Joint Legislative Audit Committee minutes of November 5, 2015 stand approved as written.

Opening Remarks

Representative Allen gave opening remarks.

2018-2019 School District Performance Audit Schedule

Senator Burges moved that JLAC add the Special Audit of the Joint Technical Education Districts to the 2016-2017 School District Performance Audit schedule.

Debra Davenport, Auditor General, distributed and explained a handout entitled "Joint Legislative Audit Committee; Arizona Auditor General, Making a Positive Difference" (Attachment A, tab 2) and gave an overview on incorporating Joint Technical Education Districts (JTEDs) into the Performance Audit Schedule of the school districts.

Senator Don Shooter testified on the Special Audit of the JTEDs School District Performance Audit and answered questions posed by the Committee.

Gretchen Jacobs, JTEDs Consortium, testified on the Special Audit of the JTEDs School District Performance Audit and answered questions posed by the Committee.

Ms. Davenport made additional comments on the Special Audit of the JTEDs School District Performance Audit.

Committee Discussion

The Committee discussed how to move forward.

Senator Burges made a substitute motion to the original motion to adjourn to a recess. The motion CARRIED by voice vote.

RECESS

At 10:42 a.m. the Committee recessed to the sound of the gavel.

RECONVENE

At 10:52 a.m. the Committee was reconvened.

Representative Allen stated that the Special Joint Technical Education District Performance Audit Schedule will be reconsidered at the next scheduled meeting.

Overview of Auditor General's Office

Debra Davenport, Auditor General, gave an overview of the Office of the Auditor General's (Office) and referred to the handout (Attachment A, tab 1).

2016 Legislation Impacting Auditor General's Office Workload

Debra Davenport, Auditor General, gave an overview of the 2016 Legislation Impacting the Auditor General's Office Workload illustrated in (Attachment A, tab 2) and answered questions posed by the Committee.

Consideration and Approval of Changes to 2016-2017 Performance Audit and Sunset Review Schedule

Dale Chapman, Director, Performance Audit Division, (Office), gave a presentation on the Consideration and Approval of Changes to 2016-2017 Performance Audit and Sunset Review Schedule and referred to (Attachment A, tab 3).

Sharon Carpenter, House Research Analyst, answered questions posed by the Committee.

Senator Burges moved that the Committee approve the changes to the proposed 2016-2017 Performance Audit and Sunset Review Schedule as presented. The motion CARRIED by voice vote.

Consideration and Approval of Additions to 2017 Committee of Reference Assignments

Dale Chapman, Director, Performance Audit Division, (Office), gave a presentation on the Consideration and Approval of Additions to 2017 Committee of Reference Assignments and referred to (Attachment A, tab 4).

Senator Burges moved that the Committee approve the additions to the Committee of Reference assignments for the 2017 Performance Audit and Sunset Review Schedule as presented. The motion CARRIED by voice vote.

Consideration and Approval of 2018-2019 Proposed Performance Audit and Sunset Review Schedule

Dale Chapman, Director, Performance Audit Division, (Office), gave a presentation on the Consideration and Approval of 2018-2019 Proposed Performance Audit and Sunset Review Schedule and referred to (Attachment A, tab 5).

Senator Burges moved that the Committee approve the proposed 2018-2019 Performance Audit and Sunset Review Schedule as presented. The motion CARRIED by voice vote.

Consideration and Approval of 2018-2019 Committee of Reference Assignments

Dale Chapman, Director, Performance Audit Division, (Office), gave a presentation on the Consideration and Approval of 2018-2019 Committee of Reference Assignments and referred to (Attachment A, tab 6).

Senator Burges moved that the Committee approve the Committees of Reference assignments for 2018 and 2019 Performance Audit and Sunset Review Schedules as presented. The motion CARRIED by voice vote.

Fiscal Year 2017 Financial and Compliance Audit Schedule and List of Entities to Bill for Federally Mandated Audit Work

Jay Zsorey, Director, Financial Audit Division, (Office), gave a presentation on the Fiscal Year 2017 Financial and Compliance Audit Schedule and List of Entities to Bill for Federally Mandated Audit Work, referred to (Attachment A, tab 7) and answered questions posed by the Committee.

Senator Burges moved that the Committee approve the Auditor General to bill entities for federally mandated audit work. The motion CARRIED by voice vote.

Overview of Special Investigative Unit in Auditor General's Office

Lindsey Perry, Manager, Special Investigative Unit, (Office), gave a presentation on the Overview of Special Investigative Unit in Auditor General's Office and referred to (Attachment A, tab 8). Ms. Perry distributed and explained handouts entitled "Fraud Prevention Alert" (Attachment B) and "Show Low Fire District" (Attachment C). Ms. Perry answered questions posed by the Committee.

2018-2019 School District Performance Audit Schedule and Status Update of 2016-2017 Schedule

Vicki Hanson, Director, Division of School Audits, (Office), gave a presentation on Status Update of 2016-2017 School District Performance Audit Schedule and New 2018-2019 Schedule, referred to (Attachment A, tab 9) and answered questions posed by the Committee.

Ms. Carpenter answered additional questions posed by the Committee.

Assignment of Legislative Proposal Establishing a Presumption of Compensability for Cardiovascular Disease for Fire Fighters and Peace Officers

Sharon Carpenter, House Research Analyst, explained the Assignment of Legislative Proposal Establishing a Presumption of Compensability for Cardiovascular Disease for Fire Fighters and Peace Officers, referred to (Attachment A, tab 10) and answered questions posed by the Committee.

Assignment of Legislative Proposal Expanding the Cancer Presumption of Compensability for Fire Fighters and Peace Officers

Sharon Carpenter, House Research Analyst, explained the Assignment of Legislative Proposal Expanding the Cancer Presumption of Compensability for Fire Fighters and Peace Officers, referred to (Attachment A, tab 11) and answered questions posed by the Committee.

Representative Allen gave remarks.

Public Testimony

Joe Hester, Professional Fire Fighters of Arizona, testified in support of the Legislative Proposal Establishing a Presumption of Compensability for Cardiovascular Disease and Cancer for Fire Fighters and Peace Officers.

Mike Colletto, Professional Fire Fighters of Arizona, testified in support of the Legislative Proposal Establishing a Presumption of Compensability for Cardiovascular Disease and Cancer for Fire Fighters and Peace Officers.

Assignment of Legislative Proposal Establishing a Presumption of Compensability for Cardiovascular Disease for Fire Fighters and Peace Officers

Senator Burges moved the written report be assigned to the House Insurance and Senate Commerce Committee of Reference. The motion CARRIED by voice vote.

Assignment of Legislative Proposal Expanding the Cancer Presumption of Compensability for Fire Fighters and Peace Officers

Senator Burges moved the written report be assigned to the House Insurance and Senate Commerce Committee of Reference. The motion CARRIED by voice vote.

Attached is a list noting the individuals who registered their position on the agenda items (Attachment D).

There being no further business, the meeting was adjourned at 11:54 a.m.

Respectfully submitted,

Toy Brown
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>)