

**MINUTES  
AUDIT SUBCOMMITTEE  
OF THE  
LEGISLATIVE MANAGEMENT COMMITTEE**

The Audit Subcommittee of the Legislative Management Committee met in Room W110, State Capitol Complex, Salt Lake City, Utah, January 25, 2008, from 2:00 p.m. until 3:30 p.m.

Committee Members Present:

Speaker Greg J. Curtis, Co-Chairman  
President John L. Valentine, Co-Chairman  
Senator Mike Dmitrich  
Representative David Litvack

Legislative Audit Staff:

John Schaff, Auditor General  
Rick Coleman, Deputy Auditor General  
Tim Osterstock, Audit Manager  
Darin Underwood, Audit Manager  
Lynda Maynard, Recording Secretary  
Nancy Johnson, Legis Secretary  
James Behunin, Audit Supervisor  
Janice Coleman, Audit Supervisor  
Kade Minchey, Audit Supervisor  
Deanna Herring, Audit Supervisor  
Broc Christensen, Sr Performance Auditor  
Chris Otto, Sr Performance Auditor  
Tim Bereece, Sr Performance Auditor  
Benjamin Buys, Performance Auditor

Other Interested Parties:

John English, General Mgr/CEO, Utah Transit Authority  
Orrin T. Colby, Jr., President, UTA Board of Trustees  
Dallas Earnshaw, Director, Utah State Hospital  
Mark Ward, Deputy Director, Dept of Human Services  
Michelle Beck, Director, Committee of Consumer Service  
Brenda Hales, Assoc Superintendent, USOE  
Tom Patterson, Exec Director, Utah Dept Of Corrections  
Vaughn Emitt, UDOC  
John Njord, Executive Director, UDOT  
Jacque VanOrman, UPEA  
Amanda Viana, UPEA  
Louenda Downs, Davis County Commissioner  
Bret Millburn, Davis County Commissioner  
Andrea Packer, UTA  
Carrie Bohnsack-Ware, UTA  
Karen Silver, SL Community Action Program  
Betsy Wolf, SL Community Action Program  
William Cox, UAC  
Senator Sheldon Killpack  
Carson Howell, Budget Analyst, GOPB

Steve Jardine, Budget Analyst, GOPB  
Jan Ferre, LCPD  
Loretta Park, *The Standard Examiner*  
Nicole Warburton, *Deseret Morning News*  
Brandon Loomis, *SL Tribune*  
Lisa Schmaker, *SL Tribune*  
Chris Vanocur, *KTVX 4*  
*And, others as listed*

## 1. Call to Order

President Valentine called the meeting to order at 2:00 p.m.

## 2. Approval of Minutes

Speaker Curtis made a motion that the minutes from the December 18<sup>th</sup> meeting be approved. The motion passed unanimously.

### 3a. A Performance Audit of the Utah Transit Authority (UTA)

(Report #2008-03)

Presented by James Behunin, Audit Supervisor

#### Discussion following Presentation

John English, General Manager/CEO, Utah Transit Authority responded to the audit findings. Mr. English told the Audit Subcommittee that UTA appreciated the extensive effort of the audit team and appreciate that the audit recognized that transit growth is outpacing population and traffic growth.

Orrin Colby, President, UTA Board of Trustees, echoed the sentiments of Mr. English and added that the board will deal with the audit recommendations in detail as quickly as they can.

Mr. Colby concluded by saying that the board has tried to comply with statutes and has been vigorous in seeking ways to make sure they stay within the bounds of statute.

Motion: Speaker Curtis made a motion that the **Performance Audit of the Utah Transit Authority** (Report No. 2008-03) be accepted and referred to the Transportation, Environmental Quality and National Guard Appropriations Subcommittee, the Senate Transportation, Public Utilities and Technology Standing Committees and the House Transportation Committee. The motion passed unanimously.

### 3b. A Performance Audit of the Utah State Hospital

(Report #2008-04)

Presented by Janice Coleman, Audit Supervisor

#### Discussion following Presentation

Dallas Earnshaw, Superintendent, Utah State Hospital, addressed his comments to the Audit Subcommittee and

thanked the auditors for being very knowledgeable and thorough. Superintendent Earnshaw appreciated the input from Dr. Joe Dvoskin, a nationally recognized expert.

Superintendent Earnshaw concurs with the audit findings and indicated that staff have already begun to address the recommendations. A plan has been formulated to implement the feedback given by Dr. Dvoskin and the Department of Human Services and the Division of Substance Abuse and Mental Health are addressing the larger system issues.

Motion: Speaker Curtis made a motion that the **Performance Audit of the Utah State Hospital** (Report No. 2008-04) be accepted and referred to the Health and Human Services Appropriations Subcommittee and the Senate and House Health and Human Services Standing Committees. The motion passed unanimously.

### **3c. A Performance Audit of the Committee of Consumer Services**

(Report #2008-01)

Presented by Brian Dean, Audit Supervisor

#### **Discussion following Presentation**

Michelle Beck, Director, Committee of Consumer Services (CCS), told the Audit Subcommittee members that CCS is very pleased with the overall findings, which confirm their effectiveness in representing small consumers. Ms. Beck said that the Committee members strongly support some of the recommendations; however, there is concern about—

- A recommendations to consider a change from a policy board to an advisory board
- An option presented for organizational placement of the Committee to report directly to the Governor's Office

Motion: Speaker Curtis made a motion that the **Performance Audit of the Committee of Consumer Services** (Report No. 2008-01) be accepted and referred to the Commerce and Workforce Services Appropriations Subcommittee and the Senate and House Business and Labor Standing Committees. The motion passed unanimously.

### **3d. A Performance Audit of the Carson Smith Scholarship for Students with Special Needs**

(Report #2008-02)

Presented by Deanna Herring, Audit Supervisor

## Discussion following Presentation

Brenda Hales, Associate Superintendent, Utah State Office of Education (USOE), addressed the audit concerns. Ms. Hales explained that Superintendent Patti Harrington was unable to attend the meeting due to an accident. Ms. Hales said that USOE concurs with the recommendations made in the audit and they are ready to assist the Legislature in any decision that affects the future of the Carson Smith Scholarship program.

Motion: Speaker Curtis made a motion that the **Performance Audit of the Carson Smith Scholarship for Students with Special Needs** (Report No. 2008-02) be accepted and referred to the Public Education Appropriations Subcommittee and the House and Senate Education Standing Committees. The motion passed unanimously.

### 3e. Follow-Up of A Performance Audit of the Utah Department of Corrections

(Report #2008-05)

Presented by Kade Minchey, Audit Supervisor

## Discussion following Presentation

Tom Patterson, Executive Director, Utah Department of Corrections (UDOC), responded to the audit and highlighted the following:

- UDOC has appreciated the interaction they have had with the audit team.
- The audit team's approach has been professional and very helpful and UDOC has used it as a blueprint as they have identified ways to change a culture that needs changes.
- The changes have involved their entire department which has included hard work and the dedication of all employees.
- UDOC will continue to move forward as these improvements are an ongoing endeavor.

Motion: Speaker Curtis made a motion that the **Performance Audit of the Utah Department of Corrections** (Report No. 2008-05) be accepted and referred to the Executive Offices and Criminal Justice Appropriations Subcommittee, the Senate Judiciary Law Enforcement and Criminal Justice Standing Committee and the House Law Enforcement and Criminal Justice Standing Committee. The motion passed unanimously.

John Schaff, Auditor General, explained that the Auditor General was asked to provide information relative to a House Bill that approved budget increases and bonuses to educators. The **Limited Survey of Educator Classifications** (Report No. ILR2008-A), is the result of that request.

Motion: Speaker Curtis made a motion that **Limited Survey of Educator Classifications** (Report No. ILR2008-A) be accepted and referred to the Public Education Appropriations Subcommittee. The motion passed unanimously.

#### **4. New Audit Requests**

Because the Audit Subcommittee has the authority to approve and change the scope of any audit that comes before the committee, Mr. Schaff asked the committee to change the scope of a previously requested audit of School Busing.

Motion: Speaker Curtis made a motion that the following four audits be moved from Previous Request on the Audits in Process List to the Approved Future Audits section and placed in the following order behind the two audits already approved: (3) School Busing Cost, (4) Economic Development/Uintah Basin, (5) Utah Retirement System Administrative Functions, and (6) Utah Sports Commission Funding. The motion passed unanimously

#### **4. Adjournment**

President Valentine adjourned the meeting at 3:30 p.m.

