

**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, August 27, 2008 from 10:00 a.m. until 11:40 a.m.

Committee Members Present:

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

Excused

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  
Tim Bereece, Sr Performance Auditor  
Brian Dean, Audit Supervisor  
Kade Minchey, Audit Supervisor  
August Lehman, Sr Performance Auditor  
Chris Otto, Sr Performance Auditor

Other Interested Parties:

Tom Patterson, Executive Director, Ut Dept of Corrections  
Angie Welling, UDOC  
Mike Haddon, Deputy Director, Admin., UDOC  
Vaughn Emett, Director, Internal Audit, UDOC  
Wade Faraway, Asst Attorney General, UAG  
Marty Kelly, Coordinator, Adult Education, USOE  
Gary Syphus, Legislative Fiscal Analyst  
Mike Richardson, Director of State, Dept of Workforce Services  
Ric Cantrell, Chief Deputy, Utah State Senate  
Allison Rowland, Voices for Utah Children  
Ben Winslow, *Deseret Morning News*  
Wendy Leonard, *Deseret News*  
Elizabeth Zil, *KCPW*  
Steve Gehrke, *SL Tribune*  
Brock Vergakis, *Associated Press*

## 1. Call to Order

2.

President Valentine called the meeting to order at 10:00 a.m.

## 2. Approval of Minutes

Representative Litvack made a motion that the minutes from the July 3<sup>rd</sup> meeting be approved. The motion passed unanimously.

### 3a. A Performance Audit of Utah's Jail Contracting Program

(Report #2008-08)

Presented by Kade Minchey, Audit Supervisor

#### Discussion following Presentation

Tom Patterson, Executive Director, Department of Corrections, began by expressing his gratitude to the staff for their professionalism and to thank them for assisting his department in identifying critical issues.

Mr Patterson continued by telling the Audit Subcommittee that this is a good opportunity for the Department of Corrections to improve their relationships with the counties and be more accountable, which will be a benefit to both the State of Utah and local governments and concluded by saying that county facilities, for the most part, are well managed; although, Corrections has identified some vulnerabilities that have occurred and will require some improvements through the system.

Motion: Speaker Curtis made a motion that the **Performance Audit of Utah's Jail Contracting Program** (Report No. 2008-08) be accepted and referred to the Law Enforcement and Criminal Justice Interim Committee and the Executive Offices and Criminal Justice Appropriations Subcommittee. The motion passed unanimously.

### 3b. A Performance Audit of Adult Education Services

(Report #2008-07)

Presented by Tim Bereece, Sr. Performance Auditor

#### Discussion following Presentation

Marty Kelly, Director, Adult Education, State Office of Education (USOE), responded to the audit findings. Mr. Kelly said that Superintendent Harrington's response was attached to the back of the audit report and that USOE was moving forward to complete the recommendations set forth in the report.

Mr Larry Shumway, Deputy Superintendent, USOE, addressed the questions President Valentine had concerning the double funding for students who received both their GED (General Education Development Certificate) and a high school diploma. Mr. Shumway said that although this had only happened on a small scale, it would be reviewed to make sure resources are being used the best way possible.

Motion: Speaker Curtis made a motion that the **Performance Audit of Adult Education Services** (Report No. 2008-09) be accepted and referred to the Education Interim Committee and

the Public Education Appropriations Subcommittee. The motion passed unanimously.

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

John Schaff, Auditor General, requested the members of the Audit Subcommittee to formally prioritize the audit request for the School Land Trust Program. A discussion had been held previously with the co-chairs of the committee but needed a motion to formalize the approval.

Motion: Speaker Curtis made a motion that the following audits be moved from Previous Requests and New Requests into the Approved Future Audits list, below the three audits already prioritized as follows:

#4 Post-Retirement Re-employment in Public Education

#5 Department of Technology Services

#6 Valley Emergency Communications Center (VECC).

Also that the audit request for the School Land Trust Program be approved and left under Audits in Process. The motion passed unanimously.

Representative Litvack stated that as a current employee of Salt Lake County he would declared a conflict of interest in the audit request for Valley Emergency Communications Center (VECC).

#### **4. Adjournment**

President Valentine adjourned the meeting at 11:40 a.m.

