

The minutes below are in draft form, subject to approval by the Legislative Post Audit Committee at a later meeting.

**DRAFT
MINUTES
Legislative Post Audit Committee
April 24, 2024**

Call to Order

Welcome – The meeting was called to order by Chair Caryn Tyson at 10:01 a.m. in Room 546-S of the Statehouse. Committee members present:

Sen. Caryn Tyson, Chair	Rep. Shannon Francis, Vice Chair
Sen. Mike Petersen	Rep. Jason Probst
Sen. Usha Reddi*	Rep. Tom Sawyer
Sen. Mike Thompson	Rep. Sean Tarwater
Sen. Mary Ware	Rep. Kristey Williams

*Senator Reddi was temporarily appointed to replace Senator Corson.

Follow Up on 2023 Election Security Audit

Chair Tyson introduced the committee to Debbie Cox, Ford County Clerk, and Connie Pretzer, Chase County Clerk. They answered questions from the committee about LPA’s 2023 audit of counties’ election security policies and processes. The committee directed staff to draft two limited-scope audit proposals related to Ford County’s election procedures in the 2024 primary and general elections. The committee will consider the proposals at their next meeting.

Performance Audits and Evaluations

Motor Vehicle Sales and Use Taxes – Macie Smith, Senior Auditor, presented the findings from the audit and answered questions from the committee. Mark Burghart, Secretary of the Kansas Department of Revenue, and John Peterson, Taxation Division Customer Relations Manager at the Kansas Department of Revenue, answered questions from the committee.

Louisburg School District (Limited Scope) – Heidi Zimmerman, Principal Auditor, presented the findings from the audit and answered questions from the committee. Pat Apple, USD 416 Board Member, provided verbal testimony and Dr. Brian Biermann, Louisburg School District

Superintendent, provided written testimony to the committee. Mr. Apple, Dr. Biermann, and Frank Harwood, Deputy Commissioner of Fiscal and Administrative Services at the Kansas State Department of Education, answered questions from the committee.

These audits will be distributed to all legislators.

IT Monitoring Reports

Automated Biometric Identification System (ABIS) Monitoring Memo – Katrin Osterhaus, IT Audit Manager, presented the findings from the monitoring memo.

KDHE Early Childhood Data Integration and System Enhancement IT Project Monitoring Memo – Katrin Osterhaus, IT Audit Manager, presented the findings from the monitoring memo and answered questions from the committee.

These memos will be distributed to all legislators.

Executive Session – IT Security Audit

Individuals allowed to remain in the executive session for the IT security report of the Kansas State Board of Indigents' Defense were:

Legislative Post Audit

- Chris Clarke, Legislative Post Auditor
- Katrin Osterhaus, IT Audit Manager
- Alex Gard, Principal IT Auditor
- Kenzie Wilson, IT Auditor

Kansas State Board of Indigents' Defense

- Heather Cessna, Executive Director
- Kim Mason, Assistant Director/ISO/CFO
- Michael Troxell, Lead Technology Consultant
- Brandon Barrett, General Counsel/Assistant Director
- Jeff Maxon, Chief Information Technology Officer, OITS

Representative Francis made the following motion:

I move to recess this open meeting for a closed meeting pursuant to K.S.A. 75-4319(a) to discuss matters relating to the security measures that protect the information systems of the Kansas state board of indigents' defense under the justification listed in K.S.A. 75-

4319(b)(12)(C) because discussion of such matters in an open meeting would jeopardize such security measures; to resume the open meeting in Room 546-S at 12:09 p.m.; and to record this motion, if adopted, in the minutes as a part of the committee's permanent records.

Senator Peterson seconded the motion. Motion carried. Open meeting resumed at 12:09 p.m. Representative Francis renewed the motion to return to executive session until 12:16 p.m. Senator Peterson seconded the motion. Motion carried. Open meeting resumed at 12:16 p.m.

Because of their confidential nature, copies of IT security audits are not distributed to any committees. Staff previously notified the Joint Committee on Information Technology and the Joint Committee on Kansas Security that this IT audit has been completed and can be presented in executive session.

The committee recessed for a short break and resumed the meeting at 12:30 p.m.

Consent Calendar

Kristen Rottinghaus, Deputy Post Auditor, reviewed the consent calendar. The consent calendar included four items. It included:

- approval of the February 21 and February 28 meeting minutes,
- acceptance of the completed performance audits and IT security audit presented at today's meeting,
- approval of a limited-scope audit of the water operator certification program, and
- rescission of two audits the committee previously approved but that LPA had not started before today's meeting. That included an audit of hospitals' compliance with the Caregiver Act and a limited-scope audit request of the Department of Commerce's transparency database.

There were no objections, so the meeting minutes, performance and IT audits, and limited-scope audit proposal were approved. The two other audits were rescinded and added to the list of topics for the committee to consider at today's meeting.

Performance Audit Requests for the Upcoming Year

Kristen Rottinghaus, Deputy Post Auditor, explained to the committee that it needed to consider two items as part of its selection of audit topics for

the upcoming year. She explained that the passage of House Bill 2483 resulted in LPA no longer being statutorily required to review all economic development incentives on a 3-year cycle. However, she explained the committee needed to decide how it wants staff to proceed with the economic development evaluation proposal the committee approved in 2022 because it would affect how many performance audit requests it could approve. The committee decided it wants LPA to continue its work on the Alternative Fuel Tax Credit and Community Service Tax Credit the committee previously approved, but to remove the remaining incentive evaluations not yet started.

Representative Tarwater made a motion to remove the Aviation and Aerospace Tax Credit. Representative Sawyer seconded. Motion carried.

Representative Sawyer made a motion to remove the Credit for Taxes Paid to Another State. Senator Ware seconded. Motion carried.

Representative Francis made a motion to remove the Technical and Community College Tax Credit and Targeted Employment Tax Credit. Senator Peterson seconded. Motion carried.

Representative Probst made a motion to remove the Eisenhower Foundation Tax Credit and Friends of Cedar Crest Tax Credit. Senator Ware seconded. Motion carried.

Kristen then reviewed for members the 14 performance audit requests submitted during the session and suggested they select about 10 proposals. Chair Tyson entertained motions to authorize audit projects for the coming year. The committee made the following selections:

8L – Evaluating Hospitals' Compliance with the Kansas Lay Caregiver Act and 9L – Evaluating Whether the Department of Commerce's Economic Development Transparency Database Includes the Required Information. Senator Thompson made a motion to approve the audits with a conceptual amendment to 9L to also evaluate whether the database has reasonable functionality to comply with state law. Representative Williams seconded. Motion carried.

7L – Evaluating Staff Safety at Osawatomie State Hospital and 2L – Reviewing Veterans' Claims Assistance Program Matching Requirements. Senator Tyson made a motion to approve the audits. Representative Probst seconded. Motion carried.

6L – Review of the Central Plains School District's Adult Virtual School

Funding. Representative Williams made a motion to approve the audit with a conceptual amendment to include a few additional items. The audit would review an additional three to four adult virtual school programs, the accuracy of districts' billing for credit hours, and reviewing the consistency of KSDE's auditing process. Representative Probst seconded. Motion carried.

14E – Reviewing Agencies' Implementation of Selected Performance Audit Recommendations. Senator Peterson made a motion to approve the audit. Senator Thompson seconded. Motion carried.

12E – Evaluating State Agencies' Registries of Perpetrators of Abuse, Neglect, and Exploitation of Persons with Disabilities. Senator Thompson made a motion to approve the audit. Senator Peterson seconded. Motion carried.

4L – Reviewing Select Cities' Use of Transient Guest Tax Revenues. Representative Tarwater made a motion to approve the audit. Representative Sawyer seconded. Motion carried.

5L – Comparing Kansas's Hemp Requirements to Requirements in Other States. Senator Ware made a motion to approve the audit with a conceptual amendment to ensure Idaho and Nebraska are two of the comparison states. Representative Sawyer seconded. Motion carried.

10E – Reviewing Free-Lunch Student Counts Used as the Basis for At-Risk Funding. Representative Probst made a motion to approve the audit with a conceptual amendment to include two additional items. The audit also would include a review of how the free-lunch process has changed since the COVID-19 pandemic and, if data is available, the number of qualifying students by citizenship status. Representative Tarwater seconded. Motion carried.

Additional Business

Next Meeting Date – Chris Clarke, Legislative Post Auditor, said the next meeting will be later this summer. She will work with the chair to schedule the date for that meeting and other meetings for the remainder of 2024.

Adjournment

The meeting adjourned at 2:20 p.m.

Nicole Blanchett, Secretary
Legislative Post Audit Committee

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.