



OFFICE OF THE STATE AUDITOR



Legislative Audit Committee January 25, 2022 Minutes

The Legislative Audit Committee (LAC) convened a hearing on January 25, 2022, at 8:33 a.m. in the Colorado State Capitol, Old Supreme Court Chambers. Senator Jim Smallwood called the meeting to order. Roll was called with the following members present:

Committee Members

Representative Rod Bockenfeld (arrived 8:40 a.m.), Representative Andrew Boesenecker (remote), Senator Julie Gonzales, Representative Colin Larson (arrived 9:20 a.m.), Representative Dafna Michaelson Jenet (remote), Senator Robert Rodriguez (remote), Senator Rob Woodward (remote and in-person), Senator Jim Smallwood (Chair)

The following Office of the State Auditor (OSA) staff and others attended:

OSA

Kerri L. Hunter, State Auditor; Michelle Colin, Deputy State Auditor; Marisa Edwards, Deputy State Auditor (remote); Lynn Obremski

Other Attendees

Department of Agriculture

Scott Stoller, General Manager, State Fair Authority

KERRI L. HUNTER, CPA
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Governor's Office of Economic Development and International Trade

Jeff Kraft, Deputy Director of OEDIT and Director of Business Funding and Incentives Division (remote)

Sonya Guram, Deputy Director of Business Funding and Incentives Division at OEDIT (remote)

Other General Assembly Member

Donald Valdez, Colorado State Representative

Eide Bailly LLC

Kimberley Higgins, CPA, Partner

Alex Arndt, CPA, Manager

8:34 a.m.

Colorado State Fair Authority, Financial and Compliance Audit, Fiscal Years Ended June 30, 2021 and 2020

Senator Gonzales made a motion to release the *Colorado State Fair Authority, Financial and Compliance Audit, Fiscal Years Ended June 30, 2021 and 2020*. Senator Woodward seconded the motion, and the motion passed unanimously.

Ms. Edwards introduced self, staff, and contractor.

Mr. Stoller (*Colorado State Fair Authority*) introduced self.

Ms. Higgins (*Eide Bailly LLC*) presented an overview of the report.

Discussion ensued regarding cash flows from non-capital financing, changes in operating expenses, and capital improvements.

8:55 a.m.

Minutes

Senator Gonzales made a motion to approve the January 18, 2022, LAC hearing minutes. Senator Rodriguez seconded the motion, and the motion passed unanimously.

8:55 a.m.

Enterprise Zone Annual Report, State Fiscal Year 2021

Mr. Kraft (*Governor's Office of Economic Development and International Trade*) introduced self and staff, and presented introductory comments.

Ms. Guram (*Governor's Office of Economic Development and International Trade*) presented an overview of the report.

Discussion ensued regarding the alignment of enterprise zones.

9:16 a.m.

Audit Requests

Colorado Public Utilities Commission Gas Pipeline Safety Program

Ms. Colin presented an overview of the OSA research regarding the audit request for the *Colorado Public Utilities Commission Gas Pipeline Safety Program*.

Senator Gonzales made a motion to move forward with the audit request. Senator Rodriguez seconded the motion.

A roll call was partially conducted and the results were as follows:

Representative Bockenfeld – Yes

Representative Boesenecker – Yes

Senator Gonzales – Yes

9:20 a.m.

Recess

9:20 a.m.

Audit Requests

Colorado Public Utilities Commission Gas Pipeline Safety Program

The roll call vote was continued from prior to the recess, and the motion passed unanimously. The results were as follows:

Representative Larson – Yes

Representative Michaelson Jenet – Yes

Senator Woodward – Yes

Senator Rodriguez - Yes

Senator Smallwood – Yes

Behavioral Health Care Services Oversight

Auditor Hunter presented an overview of the audit request.

Representative Michaelson Jenet made a motion to approve the requested preliminary research time regarding the audit request for the *Behavioral Health Care Services Oversight*. Representative Bockenfeld seconded the motion. A roll call vote was conducted, and the motion passed unanimously. The results were as follows:

Representative Bockenfeld – Yes
Representative Boesenecker – Yes
Senator Gonzales – Yes
Representative Larson – Yes
Representative Michaelson Jenet – Yes
Senator Woodward – Yes
Senator Rodriguez - Yes
Senator Smallwood – Yes

Colorado COVID Testing Programs

Auditor Hunter presented an overview of the audit request.

Senator Woodward discussed the details of the audit request.

Discussion ensued regarding a December presentation to the Joint Executive Committee.

Representative Bockenfeld made a motion to approve the requested preliminary research time regarding the audit request for the *Colorado COVID Testing Programs*. Representative Larson seconded the motion. A roll call vote was conducted, and the motion failed on a tie vote. The results were as follows:

Representative Bockenfeld – Yes
Representative Boesenecker – No
Senator Gonzales – No
Representative Larson – Yes
Representative Michaelson Jenet – No
Senator Woodward – Yes
Senator Rodriguez - No
Senator Smallwood – Yes

9:31 a.m.

Reports Released Without a Hearing

Senator Gonzales made a motion to release the *Reports Released Without a Hearing*. Representative Michaelson Jenet seconded the motion, and the motion passed unanimously.

Ms. Edwards presented an overview of the reports.

Hearing adjourned at 9:32 a.m.

Minutes submitted by:

Jayne Watson

Executive Assistant, Office of the State Auditor