



OFFICE OF THE STATE AUDITOR



We Set the Standard for Good Government

Legislative Audit Committee

February 23, 2016

Minutes

DIANNE E. RAY, CPA

STATE AUDITOR

A meeting of the Legislative Audit Committee (LAC) was convened on February 23, 2016, at 8:00 a.m., in Hearing Room B (Audit Hearing Room), Legislative Services Building. Chair Nordberg called the meeting to order. The roll was called with the following result:

PRESENT: Senator Holbert (arrived at 8:16 a.m.), Senator Jahn, Senator Neville (arrived at 8:09 a.m.), Representative Nordberg, Representative Primavera, Representative Ryden, Representative Saine

EXCUSED: Senator Carroll

The following legislator, Office of the State Auditor (OSA) staff, and agency staff were in attendance:

OTHER Representative Tracy Kraft-Tharp

LEGISLATOR

PRESENT:

OSA STAFF Dianne E. Ray, State Auditor; Monica Bowers, Matt Devlin, Kerri Hunter, Deputy State Auditors; Crystal Dorsey, Scott Reid, Michelle Colin, Jenny Page, Andrew Knauer, Lynne Steketee, Stelios Pavlou

AGENCY STAFF

PRESENT:

Tammy Nelson, Bob Jaros, Karoline Clark, Office of the State Controller; Ed Peterson, Colorado Transportation Commission; Michael Lewis, Josh Laipply, Colorado Department of Transportation; Mike Dixon, Tony Anderson, Department of Revenue; Irv Halter, Chantal Unfug, JoAnn Groff, Department of Local Affairs

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8:00 a.m. – Cash Funds Uncommitted Reserves
8:20 a.m. Fiscal Year Ended June 30, 2015
Performance Audit, February 2016

A motion was made by Vice-Chair Ryden and seconded by Representative Saine to release the *Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2015, Performance Audit* (February 2016). The motion passed by a vote of 5-0.

Following introductions and opening remarks, Kerri Hunter, Crystal Dorsey, and Scott Reid provided an overview of the audit.

8:09 a.m. Senator Neville arrived.

Recommendation 1 was reviewed, discussed, and agreed to by staff from the Office of the State Controller (OSC). Further discussion ensued regarding the temporary Colorado Labor Allocation System (CLAS) and the intent of the State to implement a new Human Resources Information System (HRIS) which will include a labor allocation module.

8:16 a.m. Senator Holbert arrived.

8:20 a.m. GENERAL BUSINESS

Minutes

A motion was made by Representative Saine and seconded by Vice-Chair Ryden to approve the Minutes from February 9, 2016. The motion passed by a vote of 7-0.

Status Reports

Following introductions and opening remarks, Matt Devlin and Michelle Colin reviewed highlights from the *Collection and Usage of the FASTER Motor Vehicle Fees, Funding Advancements for Surface Transportation and Economic Recovery (FASTER) Act, Performance Audit* (August 2015).

The Colorado Department of Transportation (CDOT) provided an overview of the implementation status of recommendations addressed to CDOT for FASTER. Further discussion ensued regarding the implementation of SAP (CDOT's Enterprise Resource Planning System) codes and CDOT's "Bustang" ridership numbers and fare box recovery percentages.

The Department of Revenue (DOR) provided an overview of the implementation status of recommendations addressed to DOR for FASTER.

Following introductions and opening remarks, Monica Bowers and Jenny Page reviewed highlights from the *Gaming Impact Grants, Department of Local Affairs & Department of Human Services, Performance Audit* (August 2015). The status report from the Department of Human Services will be presented during the summer of 2016.

The Department of Local Affairs (DOLA) provided an overview of the implementation status of recommendations addressed to DOLA for the Local Government Limited Gaming Impact Program (Program). Further discussion ensued regarding how the State can ensure that Program grants are awarded specifically based on impacts from gaming.

Proposed 2016 Interim Legislative Audit Committee Calendar

State Auditor Dianne E. Ray provided an overview of the proposed 2016 Interim LAC Calendar. Two members requested changes to the calendar.

Report Released Without a Hearing

A motion was made by Senator Holbert and seconded by Representative Saine to release:

- Colorado Educational and Cultural Facilities Authority, 2015 Annual Report

The motion passed by a vote of 7-0.

Ms. Hunter provided an overview of the report

Other Business

Andrew Knauer and JoAnn Groff, Property Tax Administrator, DOLA, provided an overview of a proposed conceptual amendment to House Bill 16-1175, *Concerning the Administration of the Property Tax Exemptions for Qualifying Seniors and Disabled Veterans*:

- 1) Move the timing of the second DOLA review of each counties' property tax exemption eligibility list to prior to when each county sends out property tax bills to residents.

There was no opposition from the Committee to the conceptual amendment.

