

LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE MINUTES

August 27, 2024

The Legislative Performance Audit and Oversight Committee met on Tuesday, August 27, 2024 at 10:00 AM in the LOB Room 212.

Members in attendance were as follows:

Rep. Gerald Griffin
Rep. Lucy Weber
Rep. Keith Erf
Rep. Mary Jane Wallner
Sen. Cindy Rosenwald, Chair
Sen. Rebecca Whitley
Sen. Howard Pearl
Sen. Timothy Lang

The meeting was called to order by Senator Rosenwald at 10:00 AM.

VOTE ON ACCEPTANCE OF THE APRIL 29, 2024 MEETING MINUTES:

On a motion by Senator Lang, seconded by Representative Griffin, that the minutes of the April 29, 2024 meeting be accepted. **MOTION ADOPTED.**

STATUS OF ONGOING PERFORMANCE AUDITS:

Christine Young, Director of Audits, and Jay Henry, Supervisor of Performance Audits, provided the Committee with updates of ongoing performance audits:

- NH Commission for Human Rights – The Commission received a draft copy of the audit report on April 9th, and met with the LBA in May to discuss the report. Changes were made to the draft following new information received, and a new draft was sent to the Commission in June. A July 15th deadline has been set for auditee responses. Auditors were informed that the Commission’s executive director would not be returning to work until late August at the earliest due to an emergency. The audit is on pause until responses are received from the Commission.
- State Oversight of Special Education – The audit is currently halfway through fieldwork, and the audit team is drafting observations for completed portions of the work. Five observations have been sent to the department, and another set of observations is expected to be drafted by late September. The report is estimated to have over fifty observations, and a full draft is not expected to be completed until early 2025, at the earliest.

- Education Freedom Account Program – The scope statement has been drafted and was presented by Paige Lorenz, Performance Audit Manager, for your consideration and approval. Paige Lorenz reviewed the scope statement with the Committee. The audit period is for State fiscal years 2022-2024 but may go beyond this if needed to meet audit objectives. A report is expected to be presented to the Fiscal Committee in spring 2025.

Scope limitations were discussed. The Committee expressed their concerns and asked if the LBA is unable to comply with statute, given the limitations set in place by the Department of Education. Paige Lorenz stated the auditors will move forward with the audit plan and request what is needed for the audit. The Department will inform the LBA as to what information is and isn't available for audit.

On a motion by Senator Lang, seconded by Representative Weber, the scope statement of the Education Freedom Accounts Program was proposed for approval. **MOTION ADOPTED.**

- Interplay between the DHHS Division of Children, Youth, and Families and the Bureau of Children's Behavioral Health when placing children out of state – An entrance conference was scheduled with the DHHS for July 31st, and shortly thereafter the auditors identified a federal lawsuit against the Governor and several DHHS officials. While the lawsuit relates to foster care placements - and not the juveniles placed in Tennessee - there could be some overlap. The LBA and DHHS believe that the audit and lawsuit could interfere with one another. As a result, the entrance conference was cancelled.

On a motion by Senator Lang, seconded by Senator Pearl, the topic Interplay between the DHHS Division of Children, Youth, and Families and the Bureau of Children's Behavioral Health when placing children out of state was suspended. **MOTION ADOPTED.**

- The Doorway Program – This audit is anticipated to begin in the next month or so, once staff is available. Representative Weber expressed a desire to see a scope statement before the end of the year.

SUSPENDED, TABLED, AND POTENTIAL AUDIT TOPICS:

No changes were made with regards to the following audit topics:

- DHHS Bureau of Elderly and Adult Services – will remain suspended
- DHHS Bureau of Developmental Services – remained on the list of potential audit topics.
- DHHS Contract Management – remained on the list of potential audit topics.

DATE OF NEXT MEETING AND ADJOURNMENT:

Next meeting is tentatively scheduled for the first week of December. Senator Rosenwald adjourned the meeting at 10:48 AM.


Sen. Cindy Rosenwald, Chair