

**JOINT LEGISLATIVE AUDITING COMMITTEE
MEETING SUMMARY
February 23, 2017**

Members in attendance:

Senator Debbie Mayfield, Chair
Senator Dennis Baxley
Representative Tracie Davis
Representative Randy Fine
Representative Joe Gruters
Representative Roy Hardemon
Senator Kathleen Passidomo
Representative Cyndi Stevenson
Senator Perry E. Thurston, Jr.

Vice Chair Representative Daniel Raulerson and Senator Audrey Gibson were excused

Annual audit of the Department of the Lottery:

Presentation of the Department's financial statements

Joan Schoubert, Deputy Secretary of Administration, Department of the Lottery, presented the Department's financial statements.

Presentation of the Auditor General's audit of the Department's financial statements

Kathryn Walker, Audit Manager, Office of the Auditor General, presented the Auditor General's report (2017-103) of the Department of the Lottery.

Mike Manley, Director of Legislative Affairs, Department of the Lottery, also spoke regarding the Auditor General's audit.

Presentation of OPPAGA's review of the Department

Becky Vickers, Chief Legislative Analyst, OPPAGA, presented OPPAGA's review of the Department of the Lottery.

Consideration of the Department's audit for the 2016-17 fiscal year

Chair Mayfield discussed the procedures for directing the annual Auditor General audit and the annual OPPAGA review.

Representative Fine moved that the Committee direct the Auditor General and OPPAGA to conduct the audit of the Department of the Lottery for the 2016-17 fiscal year.

The Auditor General will be responsible for the financial statements, internal control, and compliance issues. The Auditor General may also use her discretion to include operational topics.

OPPAGA will be responsible for developing recommendations to enhance the earning capability of the lottery and to improve the efficiency of the department's operations.

The motion was adopted.

Consideration of a request for an Auditor General audit of the City of Opa-locka received from Representative Raulerson

Amber Smith, Legislative Assistant to Representative Raulerson, presented his request for an audit of the City of Opa-locka.

Melinda Miquel, Chief Inspector General and Chair of the Financial Emergency Board, answered questions from the Committee members regarding the City of Opa-locka and its current financial condition.

Yolanda Jackson, attorney, and Bishop Lee Variety, Director General, USA-Haiti Consortium of Churches, spoke to the Committee as concerned citizens.

Senator Passidomo moved that the Committee direct the Auditor General to perform an operational audit of the City of Opa-locka.

The Auditor General, pursuant to the authority provided in Section 11.45(3), *Florida Statutes*, shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Representative Raulerson are considered.

In addition, the Auditor General should be allowed to set the timing of the audit as audit resources are available, consistent with her work plan and so as not to jeopardize the timely completion of statutorily mandated assignments.

The motion was adopted.

The Committee is expected to consider taking action against educational and local governmental entities that have failed to take full corrective action in response to repeat audit findings, pursuant to ss. 11.45(7)(j) and 218.39(8), F.S.

Chair Mayfield called on Debbie White, CPA, Committee staff, to explain the list of educational entities and local governmental entities with audit findings that have been reported in at least three successive audit reports.

Representative Davis moved that the Committee accept staff recommendations and direct staff to send a letter to the entities that have been reported to the Committee by the Auditor General for failing to correct audit findings, unless a more recent audit report is available and it shows the findings have since been corrected.

These entities shall be required to provide a written statement to the Committee explaining why full corrective action has not been taken, or, if the governing body intends to take full corrective action, describing the corrective action to be taken and when it will occur.

In addition, the staff shall send a letter to any entity for which the Auditor General reports uncorrected audit findings to the Committee for late-filed 2014-15 audit reports and request a similar statement.

The motion was adopted.

Lobbying firm quarterly compensation report audits:

Overview and results of 2015 audits

Chair Mayfield called on Kathy DuBose, Coordinator, to give an overview and results of the audits of the 2015 lobbying firm quarterly compensation reports.

Senator Thurston moved to adjourn.