

MINUTES

Legislative Post Audit Committee March 12, 2008

The meeting was called to order by Chair Schmidt at 12:13 PM in Room 526-S of the Statehouse. Committee members present:

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| Senator Derek Schmidt, Chair | Representative Virgil Peck, Jr., Vice-Chair |
| Senator Les Donovan | Representative John Grange |
| Senator Nick Jordan | Representative Peggy Mast |
| Senator Chris Steineger | |

Approval of Minutes

Senator Donovan moved approval of the February 20, 2008, minutes. Representative Mast seconded the motion; motion carried.

Legislative Post Audit Operations

Screening the list of potential audit topics focused on efficiency and cost savings to be considered at the next meeting. Barb Hinton, Legislative Post Auditor, briefed the Committee on the Division's process for developing the list of potential topics, and on the status of the Division's outreach efforts. Leo Hafner, Deputy Post Auditor, briefly took members through the list.

The Chair then opened a discussion by members of potential efficiency or cost-savings audit topics. After discussion, staff was directed to prepare scope statements on the following:

- **Agricultural agencies:** What efficiencies could be achieved by bringing the Animal Health Department under the Department of Agriculture? Could Department of Agriculture lab functions be combined with agriculture functions in other agencies?
- **Financial regulatory agencies:** Could the offices of Banking Commissioner and Securities Commissioner, and the Credit Union Department, be consolidated?

- **Employee overtime:** To what extent are agencies incurring unnecessary overtime costs? Could agencies save money by hiring additional staff to reduce the need for overtime?
- **Highways construction and maintenance:** Do KDOT's practices effectively contain costs? Could KDOT contain costs by more effectively managing change orders?
- **State cell phone plans:** Are State agency cell phone arrangements as cost-effective as they could be? Could agencies save money by using cell phones instead of land lines?
- **Department of Commerce administration:** Does the Department devote too many resources to central administration?
- **Regents institutions:** What factors are contributing to recent sharp increases in the overall cost of higher education?
- **Prescription drugs:** Can the State better contain costs for drug purchases?

Date of the Next Meeting

The next meeting is set for March 19, 2008.

(All handouts and other documents referred to in these minutes are on file with Legislative Post Audit.)