



LEGISLATIVE AUDIT COMMITTEE

68th Montana Legislature

SENATE MEMBERS

Jason Ellsworth
Pat Flowers
Chris Friedel
Denise Hayman
Kathy Kelker
Forrest Mandeville

HOUSE MEMBERS

Lyn Hellegaard
SJ Howell
Emma Kerr-Carpenter
Fiona Nave
Jerry Schillinger
Laura Smith

COMMITTEE STAFF

Angus Maciver - Legislative Auditor
Candace Radovich - Secretary
Ken Varns - Attorney

MINUTES LOG

April 23, 2024
Room 172
Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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MEMBERS PRESENT:

Sen. Jason Ellsworth, Chair (R)
Rep. Laura Smith, Vice Chair (D)
Sen. Pat Flowers (D)
Sen. Chris Friedel (R)
Sen. Denise Hayman (D)
Rep. Lyn Hellegaard (R)
Rep. SJ Howell (D)
Sen. Kathy Kelker (D)
Rep. Emma Kerr-Carpenter (D)
Sen. Forrest Mandeville (R)
Rep. Fiona Nave (R)
Rep. Jerry Schillinger (R)

MEMBERS EXCUSED:

STAFF PRESENT:

Angus Maciver, Legislative Auditor
Candace Radovich, Secretary
Kenneth E. Varns, Attorney

VISITORS' LIST ([Attachment 3](#))

CALL TO ORDER

09:01:59 Chair Ellsworth called the meeting to order at 9:01 a.m.

EVALUATING EDUCATION AND TRAINING OPPORTUNITIES IN MONTANA'S PRISONS (22P-04)

09:02:07 Presented by Alyssa Sorenson, Management & Program Analyst Supervisor
([EXHIBIT 8](#)) power point

09:04:09 Present from agency: Brian Gootkin, Director; Scott Eychner, Rehabilitation & Program Chief Executive Officer
Cynthia Wolken, Deputy Director
Natalie Smitham, Chief Financial Officer

Committee Questions of Staff

09:16:50 Rep. Nave asked Ms. Sorenson several question via the analysis. **Committee Request:** Rep. Nave asked for a copy of the survey questions themselves.

09:23:02 Legislative Auditor Maciver spoke on methodology.

09:26:32 Sen. Friedel asked Ms. Sorenson about industries vocational education.

09:27:46 Vice Chair Smith thanked Ms. Sorenson for her work and asked about legally allowed PIECP.

09:29:07 Vice Chair Smith asked Ms. Sorenson about contract requirements. Date range for contracts.

09:30:29 Vice Chair Smith asked Ms. Sorenson ensuring copy of contracts.

09:31:20 Chair Ellsworth asked Ms. Sorenson about the recommended dollar amount.

09:33:39 Rep. Kerr-Carpenter asked Ms. Sorenson for more context regarding what money was being used where and the agency reorganization.

Agency Response

09:34:43 Presented by Director Gootkin

Committee Questions of Agency

09:37:40 Rep. Kerr-Carpenter asked Director Gootkin what recommendation the agency was not aware of.

09:38:07 Rep. Kerr-Carpenter asked Director Gootkin to explain the what the agency has done to rectify recommendations via fines. The question was deferred to Ms. Smitham and Mr. Eychner.

09:41:22 Sen. Kelker asked Director Gootkin several intake questions regarding strengths/weaknesses.

09:43:12 Sen. Kelker asked Director Gootkin about trained staff to help inmates with specific needs.

09:46:16 Sen. Kelker asked Director Gootkin about ability to move inmates to get them where they need to go for specific education needs.

09:48:27 Rep. Howell asked Director Gootkin about the contracted facilities.

09:51:15 Vice Chair Smith asked Director Gootkin for number of fines assessed. The question was deferred to Ms. Smitham.

09:54:00 Vice Chair Smith asked Mr. Gootkin if the agency would modify contracts moving forward.

09:54:45 Rep. Nave asked several questions.

09:58:41 Rep. Nave asked about the Arizona vs Shelby contract, if they had the same education requirements.

- 10:07:50 Rep. Nave noted disappointment in the report.
- 10:10:32 Chair Ellsworth noted committee ability to continue asking questions for the department.
- 10:11:12 Requested: follow-up from the department in six months.
- 10:11:38 Sen. Friedel asked Director Gootkin conversations about reevaluating market needs.
- 10:14:43 Vice Chair Smith asked about survey responses via intake questions.
- 10:18:18 **Committee Request:** Vice Chair asked Ms. Smitham about differences between contracted facilities and the state prison.
- 10:19:05 **Committee Request:** Chair Ellsworth insisted the department appear before the committee in six months with progress made and proof those things are being done. Tangible document request.

Public Comment

- 10:23:59 **(EXHIBIT 9)** written testimony
- 10:25:53 Sarah Swanson

Motion

- 10:34:06 Sen. Flowers moved move the Committee acknowledge receipt of the audit report, that it was reviewed by the Committee, filed, and that copies of the audit report be distributed in accordance with law
- 10:34:17 **Vote:** Carried unanimously by voice vote.

10:34:34 Break

BOARD OF HOUSING (23-07)

- 10:45:31 Presented by Renee Luster, Associate Financial-Compliance Auditor
(EXHIBIT 10) power point
- 10:47:33 Present from agency:
Cheryl Cohen, Executive Director
Vicki Bauer, Accounting & Finance Manager
Eric Tarr, IT Security Specialist, SITSD;
Brian Granville, IT Security Specialist, SITSD.

Committee Questions of Staff

none

Agency Response

- 10:54:21 Presented by Executive Director Cohen.

Committee Questions of Agency

- 11:02:17 Sen. Mandeville asked Director Cohen if training for division directors was available for state agencies.
- 11:03:37 Sen. Hayman asked Director Cohen about limits for board members via bonds.
- 11:05:29 Chair Ellsworth asked Director Cohen to address the fix for board members via disclosures.
- 11:08:39 **Committee Request:** Sen. Ellsworth requested a copy of what the board members vote on.

Public Comment

11:09:20

Motion

11:10:18 Rep. Hellegaard moved move the Committee acknowledge receipt of the audit report, that it was reviewed by the Committee, filed, and that copies of the audit report be distributed in accordance with law.

11:10:30 **Vote:** Carried unanimously by voice vote.

MONTANA'S MILK INDUSTRY: AN ANALYSIS OF THE STATE REGULATED MARKET (23SP-13)

11:10:52 Presented by Julia Connelley, Senior Management & Program Analyst

Agency Response

11:16:56 Presented by Mr. Simonson and Mr. Mitchell.

11:21:07 Present from agency:
Brian Simonson, Deputy Executive Officer
Michele Satre, Milk Control Manager
Scott Mitchell, Member, Board of Milk Control.

Committee Questions of Agency

11:22:56 Rep. Nave asked Mr. Mitchell why the decrease in milk.

11:24:11 Chair Ellsworth asked Mr. Mitchell what happened to excess milk.

Public Comment

None

FLY THE BIG SKY: DIVISION OF AERONAUTICS AND YELLOWSTONE NATIONAL AIRPORT OPERATIONS (24SP-09)

11:26:02 Presented by Kenneth Noddings, Associate Management & Program Analyst

11:26:51 Present from Department of Transportation:
Tim Conway, Aeronautics Division Administrator
Bill Lepper, Chair, Board of Aeronautics

Committee Questions of Staff

11:33:44 Rep. Nave asked Legislative Auditor Maciver about what repercussions there were when an agency won't implement a recommendation.

Agency Response

11:36:07 Presented by Mr. Conway and Mr. Lepper

Committee Questions of Agency

11:47:50 Chair Ellsworth asked Mr. Conway for dollar amount via grant funds.

11:48:55 Vice Chair Smith asked Mr. Conway about documentation for substantial state funds. The question was deferred to Mr. Lepper.

11:51:48 **Committee Request:** Invite Agency to the September LAC meeting to provide an update, specifically documented system has been put in place for making the awards.

11:52:27 Sen. Hayman asked Mr. Conway about airport increase in air transportation.

11:56:21 Sen. Hayman commented on the need for more staff.

11:57:11 Sen. Flowers commented on accountability and encouraged the board to pursue rule making and formalize the scoring system.

11:58:34 Sen. Flowers asked Mr. Conway to elaborate on additional ways to increase accountability.

12:05:50 Sen. Flowers spoke on dissatisfaction with the audit.

Motion

12:06:19 Sen. Flowers moved the committee get a report from the department by the next LAC meeting with details of steps actually being taken to address the issues as defined by the audit.

12:06:26 **Vote:** Carried unanimously by voice vote.

Public Comment

None

EGOVERNMENT SERIES: SECURITY CONSOLIDATION (23SP-17)

12:07:40 Presented by Deborah Stratman, Associate Information Technology Auditor

12:08:47 Present from agency:
Michelle Snowberger, Deputy CIO

Committee Questions of Staff

none

Agency Response

12:11:29 Presented by Ms. Snowberger

Committee Questions of Agency

none

Public Comment

none

RESEARCH & EVALUATION MEDTHODOLOGIST - POSITION TASKS AND RESPONSIBILITIES

12:14:08 Presented by Amber Robbins, Research & Evaluation Methodologist
(EXHIBIT 11) power point

Committee Questions of Staff

12:20:59 Sen. Hayman asked Ms. Robbins to give an example of her work during an audit.

12:21:56 Sen. Flowers supports the position.

Public Comment

none

12:23:12 Legislative Auditor Maciver noted we would skip committee education and try again in June.

FINANCIAL AUDIT STATUS UPDATE

12:24:01 Presented by Cindy Jorgenson, CPA, Deputy Legislative Auditor (EXHIBIT 12)

PERFORMANCE AUDIT STATUS UPDATE

12:27:52 Presented by William Soller, Deputy Legislative Auditor (EXHIBIT 13)

Committee Questions of Staff

12:30:11 Sen. Hayman asked Mr. Soller about the DEQ Opencut.

12:31:58 Mr. Soller reminded committee members about the prioritization process for perf audit at the June meeting.

12:32:55 Vice Chair Smith suggested a performance audit of the contracted facilities at Corrections. Behavioral Health in those facilities as well.

12:34:22 Legislative Auditor Maciver touched on electronic use for performance prioritization voting.

INFORMATION TECHNOLOGY & ANALYTICS STATUS UPDATE

12:37:01 Presented by Miki Cestnik, CISA, CRISC, Deputy Legislative Auditor
(EXHIBIT 14)

JUNE LAC DATE CHANGE

12:40:10 Proposed June 20 or 21, 2024. Likely we will only need one day and trying to incorporate into Leg Days. (Exhibit 15)

Public Comment

12:43:31 Kristen Corbin

12:59:17 Ken Ketchum via zoom (EXHIBIT 16)

13:01:39 Jennifer Knoetgen via zoom

13:03:20 Sen. Flowers requested property value be a part of the audit for DEQ Opencut program.

13:05:20 Rep. Nave requested that in requested audits, the request letter be included in the report along with a received date, and the time period the audit took place.

13:09:35 Sen. Hayman noted that the committee does receive those letters during prioritization.

ADJOURNMENT

13:12:06 With there being no further business, the committee adjourned.

Secretary:



Sen. Chris Friedel