

## MINUTES

### Legislative Post Audit Committee February 9, 2007

The meeting was called to order by Chair Mast at 12:05 p.m. in Room 423-S of the Statehouse. Committee members present:

Representative Peggy Mast, Chair  
Representative Tom Burroughs  
Representative John Grange

Senator Chris Steineger

#### Approval of Minutes

Because there was not a quorum present, approval of minutes will be taken up at a later date.

#### Completed Performance Audits

*Wireless Enhanced 911: Reviewing Implementation of the 2004 Act.* This audit was presented by Lisa Hoopes, Auditor. In 2004, the Wireless Enhanced 911 Act was passed to encourage local Public Safety Answering Points (PSAPs) to update their emergency phone systems to handle calls from wireless phones. In all, officials from 61 of the State's 115 PSAPs said they expected to have fully implemented a wireless E-911 system by the end of 2006, and all but one said they would complete implementation by 2010. Fees imposed on wireless subscribers under the Act generated approximately \$21 million between July 2004 and November 2006. Through June 2006, PSAPs reported spending \$6.7 million of that fee money, slightly more than half of which was spent on equipment, monitors, and software. Auditors identified very few problems with the way fee moneys were spent. An early assessment of the adequacy of wireless E-911 funding had to involve many estimates, projections, and assumptions. Within the limitations those factors create, it appears that, on a Statewide basis, revenues generated between 2007 and June 30, 2010 (when the funding structure for the system changes) would far exceed estimated expenditures. Although many individual PSAPs would have difficulty covering all their estimated expenditures, there's likely to be more than enough money in the Wireless Enhanced 911 Grant Fund to cover those shortfalls.

Juliene Maska, Governor's Grants Program Administrator, was available for questions.

Acceptance of this audit will be taken up at the next Committee meeting when a quorum is present. The report will be distributed to each legislator.

**K-12 Education: Comparing the Centralization of School District Accounting in Different States (limited-scope audit).** This audit was presented by Molly Coplen, Auditor. The purpose of accounting systems is to communicate financial information about an organization. For that information to be valuable, it must be understandable, reliable, relevant, timely, consistent, and comparable. For many years, legislators have expressed concerns that it's difficult to meaningfully compare expenditures for different school districts.

When auditors looked at the accounting systems used in 20 states, none used a centralized accounting system, where all districts are required to uniformly record data into a single (central) computer system. Fourteen states have standardized accounting systems (where districts are required to uniformly record data into their own computer systems). Six states and Kansas have adopted a uniform chart of accounts for districts to use in reporting their accounting data, but not when recording transactions. Ms. Coplen answered members' questions.

Dale Dennis, Interim Commissioner of Education, answered members' questions. Veryl Peter, Director of School Finance, also was present to answer questions.

Acceptance of this audit will be taken up at the next Committee meeting when a quorum is present. The audit will be distributed to the House and Senate Education Committees, the 2010 Commission, the Senate Ways and Means Subcommittee on the Department of Education, and the House Education Budget Committee.

### **Date of Next Meeting**

The Chair set the next meeting for Wednesday, February 14, 12:00 Noon - 1:00 p.m in Room 241-N. The meeting adjourned at 12:30 p.m. The following audit reports will be presented at that meeting:

- *Department of Wildlife and Parks: Reviewing Its Lease of the Campus House for Its Northeast Regional Office (limited-scope audit)*
- *K-12 Education: Alternative Models for Organizing Middle Schools and High Schools*
- *Financial-Compliance Audit of the State's Financial Statements: Fiscal Year 2006*

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