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Memorandum May 16, 2018

TO:

Members, Joint Legislative Audit Committee

FROM:

Assemblymember Al Muratsuchi, Chair

RE:

Results of the May 16, 2018, Committee Hearing

CC:

Elaine Howle, State Auditor

The following members were present at the May 16, 2018, committee hearing in State Capitol Room 126; Assemblymembers: Chair Muratsuchi, Acosta, Baker, Nazarian, Obernolte, Rubio, and Wood. Senators: Vice Chair Roth, Allen, Beall, Cannella, Fuller, and Lara.

The hearing commenced at 9:05 a.m. A quorum was established at 9:37 a.m. (Chair Muratsuchi, Acosta, Baker, Obernolte, and Wood. Senators: Vice Chair Roth, Allen, Beall, Fuller, and Lara).

Regular Order of Business

Of the 12 action items on the agenda, 4 were approved on the Consent Calendar. The remaining 8 were presented, 7 of which were approved and 1 was retained for future consideration.

Consent Calendar

The following 4 items on the consent calendar were approved:

2018-112: Department of Veterans Affairs and Department of General Services—Veterans' Homes Leases

Assemblymember Irwin

Request to audit leases managed by the Department of General Services and other third-party uses of state property at veterans homes operated by the Department of Veterans Affairs.

Motion to approve consent calendar was made by Senator Lara, seconded by Assemblymember Acosta, and passed 11-0 (Assembly 7-0, Senate 4-0).

2018-114: Department of General Services and Department of Veterans Affairs—Disabled Veteran Business Enterprise Program

Senator Newman

Request to audit the Disabled Veteran Business Enterprise program, including follow-up work pertaining to issues identified in the California State Auditor's report released in February 2014. *Motion to approve consent calendar was made by Senator Lara, seconded by Assemblymember Acosta, and passed 11-0 (Assembly 7-0, Senate 4-0).*



2018-118: California Public Utilities Commission—Water Rate-Setting Process

Senator Wilk and Assemblymember Lackey

Request to audit the California Public Utilities Commission's water rate-setting process. *Motion to approve consent calendar was made by Senator Lara, seconded by Assemblymember Acosta, and passed 11-0 (Assembly 7-0, Senate 4-0).*

2018-803: High-Risk Local Government Agency Audit Program: City of Lynwood California State Auditor

Request to audit the city of Lynwood to confirm whether it is a high-risk entity. *Motion to approve consent calendar was made by Senator Lara, seconded by Assemblymember Acosta, and passed 11-0 (Assembly 7-0, Senate 4-0).*

Audits Presented by Requesting Members

The following 8 items were presented, of which 7 were approved and 1 was retained for future consideration:

2018-110 City of Lincoln—Administration of Public Funds

Senator Gaines

Request to audit information related to the administration of public funds and assets by the City of Lincoln.

Motion to approve audit request 2018-110 was made by Assemblymember Baker, seconded by Assemblymember Obernolte, and passed 12-0 (Assembly 7-0, Senate 5-0).

2018-111 Department of Health Care Services—Medi-Cal Children's Access to Care & Preventative Services

Assemblymember Wood and Senator Cannella

Request to audit the oversight by the Department of Health Care Services of timely access to care and the use of preventative health care services for children enrolled in Medi-Cal Motion to approve audit request 2018-111 was made by Assemblymember Baker, seconded by Assemblymember Rubio, and passed 12-0 (Assembly 7-0, Senate 5-0).

2018-113 California Department of Corrections and Rehabilitation—In-prison Rehabilitation Programs Assemblymembers Jones-Sawyer and Calderon

Request to audit the effectiveness of state funded in-prison rehabilitation programs at the California Department of Rehabilitation.

Motion to approve audit request 2018-113 was made by Assemblymember Nazarian, seconded by Chair Muratsuchi, and passed 12-0 (Assembly 7-0, Senate 5-0).

2018-115 Department of Health Care Services—Oversight of the Health Plan of San Joaquin Senator Galgiani

Request to audit the oversight by the Department of Health Care Services of the Health Plan of San Joaquin.

Motion to approve audit request 2018-115 was made by Assemblymember Rubio, seconded by Senator Fuller and passed 12-0 (Assembly 7-0, Senate 5-0).

2018-116 City & County of San Diego—Hepatitis A Outbreak Management **Assemblymember Gloria**

Request to audit the extent to which both the county of San Diego and the city of San Diego identified, contained, and treated the recent hepatitis A virus outbreak in accordance with statutory requirements and recommended procedures.

Motion to approve audit request 2018-116 was made by Assemblymember Rubio, seconded by Senator Fuller and passed 12-0 (Assembly 7-0, Senate 5-0).

2018-117 City & County Jails—Contracts with U.S. Immigration and Customs Enforcement **Senator Lara**

Request to audit city, county, or other local government detention centers that contract with the U.S. Immigration and Customs Enforcement.

Motion to approve audit request 2018-117 was made by Assemblymember Rubio, seconded by Chair Muratsuchi and passed 10-2 (Assembly 5-1, Senate 5-1).

2018-802 High-Risk Local Government Agency Audit Program: City of Montebello California State Auditor

Request to audit the city of Montebello to confirm whether it is a high-risk entity. *Motion to approve audit request 2018-802 was made by Assemblymember Rubio seconded by Assemblymember Acosta, and passed 13-0 (Assembly 7-0, Senate 6-0).*

2018-804 High-Risk Local Government Agency Audit Program: City of Atwater California State Auditor

Request to audit the city of Atwater to confirm whether it is a high-risk entity.

Motion to retain audit request 2018-803 for future consideration was made by Senator Roth, seconded by Assemblymember Rubio, and passed 11-0 (Assembly 7-0, Senate 4-0).

THE HEARING ADJOURNED AT 12:04 P.M.