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## LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE

Tuesday, July 7, 2020

Due to public health considerations and in accordance with Executive Order 2020-16, a meeting room will not be available to the public for this meeting. A live stream of the meeting will be available to the public at: <http://video.legis.nd.gov>. Written comments regarding the committee's agenda topics may be submitted in advance of the meeting to [cjkadrm@nd.gov](mailto:cjkadrm@nd.gov).

Committee members have the option of attending the meeting remotely or in person. Each committee member is asked to notify the Legislative Council at [cjkadrm@nd.gov](mailto:cjkadrm@nd.gov) at least 1 week before the meeting date to indicate whether the member plans to attend the meeting remotely or in person. Staff will provide committee members with call-in or meeting room information before the meeting.

10:00 a.m. Call to order  
Roll call  
Consideration of the minutes of the November 6, 2019, meeting

### PRESENTATION OF REPORTS

10:05 a.m. Distribution by Legislative Council staff of a memorandum entitled *Summary of Major Items in Audit Reports to be Presented at the July 7, 2020, Meeting*

10:10 a.m. Presentation by a representative of the State Auditor's office regarding the performance audit of North Dakota University System nonresident tuition

10:20 a.m. Comments by a representative of the University System office regarding the performance audit of University System nonresident tuition

10:35 a.m. Presentation by a representative of the State Auditor's office of the following performance audit followup reports:

- Minot State University emergency preparedness (March 17, 2020)
- University of North Dakota continuity of operations planning (March 17, 2020)

10:45 a.m. Presentation by a representative of the State Auditor's office of the internal control and compliance report on the audit of the general purpose financial statements included in the June 30, 2019, annual financial report for the University System

10:55 a.m. Presentation by a representative of the University System office of the annual financial report for the University System for the fiscal year ended June 30, 2019

11:05 a.m. Presentation by a representative of the State Auditor's office of the following audit reports:

- Mayville State University (June 30, 2019 and 2018)
- North Dakota State College of Science (June 30, 2019 and 2018)

11:15 a.m. Presentation by a representative of the State Auditor's office of the following audit reports:

- Department of Career and Technical Education (June 30, 2019 and 2018)
- Department of Corrections and Rehabilitation (June 30, 2019 and 2018)
- State Department of Health (June 30, 2019 and 2018)
- Governor's office (June 30, 2019 and 2018)
- Forest Service (June 30, 2019 and 2018)
- Office of Management and Budget (June 30, 2019 and 2018)
- State Water Commission (June 30, 2019 and 2018)
- Tax Commissioner (June 30, 2019 and 2018)
- State Treasurer's office (June 30, 2019 and 2018)
- Department of Human Services (June 30, 2019)
- Veterans' Home (June 30, 2019 and 2018)
- Judicial branch (June 30, 2019 and 2018)

### **OTHER INFORMATION**

- 11:45 a.m. Presentation by the State Auditor regarding the status of performance audits and an update on planned performance audits and future agency audits
- 11:50 a.m. Committee discussion regarding state auditor fees and the impact to state agencies and other public entities
- 12:00 noon Recess

### **PRESENTATION OF REPORTS**

- 1:00 p.m. Presentation by a representative of the State Auditor's office of the internal control and compliance report on the audit of the basic financial statements included in the *State of North Dakota Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019*
- 1:10 p.m. Presentation by a representative of the Office of Management and Budget of the *State of North Dakota Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019 and 2017-19 Biennium Budget and Actual Detail for the Biennium Ended June 30, 2019*
- 1:20 p.m. Presentation by a representative of Eide Bailly LLP, Certified Public Accountants, of the following audit reports:
- Bank of North Dakota (December 31, 2019 and 2018)
  - Beginning farmer revolving loan fund (December 31, 2019 and 2018)
  - Community water facility loan fund (December 31, 2019 and 2018)
  - Guaranteed student loan program (December 31, 2019 and 2018)
  - North Dakota development fund (June 30, 2019 and 2018)
  - Legislative Assembly (June 30, 2019 and 2018)
  - Legislative Council (June 30, 2019 and 2018)
  - State Auditor's office (June 30, 2019 and 2018)
  - State Fair Association (September 30, 2019 and 2018)
- 1:45 p.m. Presentation by a representative of Brady, Martz & Associates PC, Certified Public Accountants, of the audit of the Public Finance Authority (December 31, 2019 and 2018)
- 1:55 p.m. Presentation by a representative of Haga Kommer, Certified Public Accountants, of the audit of the North Dakota Stockmen's Association (December 31, 2019 and 2018)

- 2:05 p.m. Presentation by a representative of the Bank of North Dakota, of the audit of the College SAVE plan (December 31, 2019 and 2018)
- 2:10 p.m. Distribution of a Department of Financial Institutions' examination report of the Bank of North Dakota (December 31, 2019) pursuant to North Dakota Century Code Section 6-09-29
- 2:15 p.m. Committee discussion and staff directives
- 2:35 p.m. Adjourn

#### **Committee Members**

Senators: Jerry Klein (Chairman), David A. Clemens, John Grabinger, Jordan Kannianen, Gary A. Lee, Judy Lee, Jim P. Roers

Representatives: Mary Adams, Patrick Hatlestad, Mary Johnson, Keith Kempenich, Gary Kreidt, Vernon Laning, Scott Louser, Mike Nathe, Marvin E. Nelson, Jim Schmidt, Luke Simons, Wayne A. Trottier

Staff Contacts: Chris Kadrmas, Fiscal Analyst  
Allen H. Knudson, Legislative Budget Analyst and Auditor