



JOINT LEGISLATIVE AUDIT COMMITTEE
AL MURATSUCHI, CHAIR

Memorandum
June 29, 2017

TO: Members, Joint Legislative Audit Committee

FROM: Assemblymember Al Muratsuchi, Chair

RE: Results of the June 28, 2017, Committee Hearing

CC: Elaine Howle, State Auditor

The following members were present at the June 28, 2017, hearing in State Capitol Room 447:
Assemblymembers: Chair Muratsuchi, Acosta, Baker, Nazarian, Obernolte, Rubio, and Wood.
Senators: Vice Chair Roth, Atkins, Beall, Cannella, Fuller, Lara, and Mendoza.

The hearing commenced at 9:46 a.m. A quorum was established at 10:00 a.m. (Chair Muratsuchi, Baker, Obernolte, Rubio, and Wood. Senators: Vice Chair Roth, Fuller, Lara, and Mendoza).

Regular Order of Business

Of the 9 action items on the agenda, 2 were approved on the Consent Calendar. The remaining 7 were presented, 5 of which were approved and 2 failed.

Consent Calendar

Waiver of Committee Rules 13 & 15

The waiver of committee rules 13 & 15 allows the consent calendar to be voted on and the State Auditor's analyses to be publicly released without committee discussion.

Motion to waive rules 13 & 15 was made by Senator Roth, seconded by Assemblymember Rubio, and passed 14-0 (Assembly 7-0, Senate 7-0).

The following 2 items on the consent calendar were approved:

2017-117: Mental Health Services Act—Administration and Oversight

Senator Beall et al.

Request to audit state and local administration and oversight of the Mental Health Services Act.

Motion to approve consent calendar was made by Senator Roth, seconded by Assemblymember Rubio, and passed 14-0 (Assembly 7-0, Senate 7-0).

2017-118: Regional Water Boards—Storm Water Management and Permitting Processes

Assemblymember Muratsuchi

Request to audit the storm water permitting process at the Los Angeles, San Francisco, and Central Valley Regional Water Quality Control Boards.

Motion to approve consent calendar was made by Senator Roth, seconded by Assemblymember Rubio, and passed 14-0 (Assembly 7-0, Senate 7-0).

Audits Presented by Requesting Members

The following 7 items were presented, of which 5 were approved and 2 failed:

2017-109 California Department of Health Care Services, Office of Statewide Health Planning and Development, and California Department of Public Health—Brius Healthcare

Senator McGuire and Assemblymember Wood

Request to audit oversight, data reported, and costs of services for Brius Healthcare.

Motion to approve audit request 2017-109 was made by Senator Roth, seconded by Assemblymember Obernolte, and passed 12-0 (Assembly 6-0, Senate 6-0).

2017-110 University of California Office of the President—Forensic Audit of Expenditures

Assemblymember Acosta

Request for a forensic audit of the University of California Office of the President's expenditures.

Motion to approve audit request 2017-110 was made by Senator Fuller, seconded by Assemblymember Baker, and failed 4-5 (Assembly 3-2, Senate 1-3).

2017-112 Los Angeles Homeless Services Authority—Distribution of Funding

Senator Wilk

Request to audit the administration of public funds by the Los Angeles Homeless Services Authority.

Motion to approve audit request 2017-112 was made by Senator Roth, seconded by Assemblymember Baker, and passed 14-0 (Assembly 7-0, Senate 7-0).

2017-113 South Orange County Wastewater Authority—Accountability and Governance Structure

Senator Bates and Assemblymember Brough

Request to audit the South Orange County Wastewater Authority's financial management and governance structure.

Motion to approve audit request 2017-113 was made by Senator Roth, seconded by Assemblymember Rubio, and passed 14-0 (Assembly 7-0, Senate 7-0).

2017-114 Metropolitan Transportation Commission, Bay Area Toll Authority, and California Department of Transportation—Project Costs

Assemblymember Levine

Request to audit construction project costs at the Metropolitan Transportation Commission, Bay Area Toll Authority, and the California Department of Transportation.

Motion to approve audit request 2017-114 was made by Assemblymember Baker, seconded by Senator Fuller, and failed 7-0 (Assembly 6-0, Senate 1-0).

2017-116 California Department of Education—Community Child Care Council of Santa Clara County

Senator Beall et al.

Request to audit the Community Child Care Council of Santa Clara's expenditures, internal controls, and external oversight.

Motion to approve audit request 2017-116 was made by Senator Roth, seconded by Senator Fuller, and passed 14-0 (Assembly 7-0, Senate 7-0).

2017-119 California State University—Laboratory Safety

Assemblymember Wood

Request to audit health and safety compliance at the California State University Channel Islands, Sacramento, San Diego, and Sonoma campuses.

Motion to approve audit request 2017-119 was made by Senator Roth, seconded by Assemblymember Nazarian, and passed 11-0 (Assembly 6-0, Senate 5-0).

THE HEARING ADJOURNED AT 1:45 P.M.