



**Audit Work Group**  
**September 17, 2025**  
**11:00 AM - 12:00 Noon**  
**Virtual Only**

**In Attendance:**

Bob Fernandez, Chair of the Audit Work Group  
Lauren Gauthier  
Donna Karnes  
Thomas Ahneman

Gregory Daniels, Executive Director  
Aaron Felman, Staff Attorney  
Carmen Hufcut, Trainer Specialist  
Samson Anderson, Research Analyst  
Aleshia Hall, Administrative Assistant

**MINUTES**

1. **Call to Order:** The meeting was called to order by Chair Bob Fernandez at 11:02 a.m.
  - Roll Call of Training Work Group Members.

2. **Approval of Minutes from the meeting on July 16, 2025**

**A motion to approve the minutes as written was made by:** Thomas Ahneman

**The motion was seconded by:** Lauren Gauthier

**Discussion:** Ms. Gauthier wished to note that draft minutes posted to the website should be noted as such if they have not yet been approved by the committees.

**The motion was passed unanimously.**

3. **Status of Audits:**

- A. **Completed Audits**

- i. **Office of Policy and Management (OPM)**

- Accounts Examiner Lopez explained that the audit report was sent to Work Group members on August 22, 2025. To date, she has not received any feedback from Work Group members. She availed herself to answer questions.

- **At the request of Chair Fernandez, a motion to elevate the three completed audits to the Board for approval was made by:** Donna Karnes

**The motion was seconded by:** Thomas Ahneman

**Discussion:**

- Ms. Gauthier referenced that during the July 2025 meeting, she requested that additional content regarding non-competitive waivers be added to the audits and additional time was afforded to do so; however, the additional content does not appear in the audits. Additionally, the name of a vendor, KeyBanc, no longer appears in the document although other vendor names do appear; she requested that



the name be added back in. Accounts Examiner Lopez agreed to add the name back in and confirmed that she spoke to OPM and they provided the information requested.

- Ms. Gauthier sought clarification of the meaning of “this value” in the audit. Accounts Examiner Lopez explained “value” represents the amount that the contract is worth. She further clarified that both of were business unit contracts. Ms. Lopez will rewrite the sentence to provide clarification.
- Ms. Gauthier requested that the audit checklist be attached to all three of these audits. Accounts Examiner Lopez explained that doing so would lead to inconsistencies between these audits and the first eleven (11) audits that were completed in this triennial cycle and does not see the benefit of adding them but will follow the direction of the Work Group Chair. Alternatively, Ms. Lopez recommended adding information into the body of the audit and consider adopting these new procedures in the next cycle. Ms. Gauthier did not agree with changing the language in the audit as this would delay the process.

Ms. Gauthier believes that when we identify a deficiency it should be rectified immediately. Mr. Ahneman does not see any problem with adding the checklist and believes that the Work Group can decide to add or subtract from the audits at any time. Ms. Karnes also supports adding the checklist to these and future audits.

Mr. Fernandez stressed the need to codify the Agency’s audit policy and believes that a subcommittee should be formed to work with the staff to clarify what is being audited and ensure that we are meeting our statutory requirements.

Mr. Fernandez believes that the current instrument is more of a self-audit.

Mr. Ahneman agreed that we should consider future additions but does not believe we should change the audits that are completed now. He recommends that this Work Group move these audits forward to the Board as currently presented. Mr. Fernandez agreed that the current reports do not need to be changed, but that the Work Group needs to provide clear expectations to the staff going forward.

Mr. Fernandez directed Accounts Examiner Lopez to include the checklist instrument into each of these three reports rather than adding it to the body. Ms. Lopez will attach the checklists as directed.

Ms. Lopez referred to the questionnaire that was created by this group prior to development of the checklist. In response to Chair Fernandez’s inquiry, Executive Director Daniels clarified that only the checklist should be added. Ms. Gauthier believes that all this documentation is public information and should be included in the report. Executive Director Daniels explained that the questionnaire is not being tested.



Chair Fernandez again mentioned the need for this Work Group to address how and why this agency completes audits. He agrees with Mr. Ahneman, Executive Director Daniels, and Accounts Examiner Lopez that only the checklist should be attached to each of the three existing reports and moving these to the Board.

In response to Ms. Karnes, Accounts Examiner Lopez clarified that agencies being audited are normally requested to reply to the audit inquiry within 30 days.

ii. **Department of Administrative Services (DAS)**

- a. Accounts Examiner Lopez referenced the two DAS-IT contracts that were audited and welcomed questions.

Mr. Ahneman asked how many procurement staff were at DAS. Research Analyst Samson provided the response that 42 DAS staff members are assigned to the procurement department; however, there is no way for us to know how many staff worked on these individual contracts.

Chair Fernandez directed Accounts Examiner Lopez to add the checklist to this audit.

iii. **Department of Social Services (DSS)**

- a. Accounts Examiner Lopez explained that there were six contracts audited, including one rental/lease agreement; there were no findings. She welcomed questions but none were asked.

Chair Fernandez directed Accounts Examiner Lopez to add the checklist to this audit as well.

After withdrawing his earlier motion, a **new motion was made by Chair Fernandez that these three audits be moved to the Board for approval.**

**The motion was seconded by:** Donna Karnes

**The motion was approved** with one abstention from Lauren Gauthier.

iv. **Audits in Process:**

- i. Department of Administrative Services (DAS-PSX)  
Accounts Examiner Lopez is currently drafting the final DAS-PSX audit and will be concluded shortly. In response to Ms. Gauthier, Ms. Lopez confirmed that this is the last audit being completed for the first year of this first triennial audit cycle.

Chair Fernandez directed Accounts Examiner Lopez to add the checklist to this audit as well.

v. **Upcoming Audits FY'25/Year Two**

i. **Department of Administrative Services (DAS)**

ii. **Department of Developmental Services (DDS)**



**iii. Department of Mental Health and Addiction Services (MHA)**

**iv. State Department of Education (DOE)**

- a. Accounts Examiner Lopez shared that engagement letters were sent to these four agencies in April 2025. The Department of Education (DOE) has replied. She is following up on the other agency requests.
- b. In response to Mr. Ahneman's inquiry, Executive Director Daniels explained that DAS is being repeatedly audited because, not only do they complete procurement on behalf of a lot of smaller agencies, they also inherited many legacy and other contracts from restructured agencies. The DAS-IT and DAS-PSX are examples of contracts that were created in the past with agencies that have been restructured such as BEST (Bureau of Enterprise Systems and Technology) which is now BITS (Bureau of Information Technology Systems). All those contracts default to DAS. Additionally, DAS assumes responsibility for procurement for agencies that are not staffed to do so. Since DAS often works in different capacities with different agencies, they are being audited repeatedly.
- c. Ms. Gauthier sought clarification on when new audits for FY'26 will be initiated. Chair Fernandez responded that, as they both agreed in a conversation yesterday, the agency is going to hold off on initiating any FY'26 audits until this Audit Work Group has had a chance to look at how the audit process should move forward. After an audit instrument is agreed upon, audits will resume.

**4. Current Auditing Process:**

Accounts Examiner Lopez shared the Audit process manual that she has created to detail the procedures of the current audit process. The audit processes are explained through the use of phases and flow charts.

Mr. Fernandez noted that the CPO position has been opened. In response to his inquiry, Executive Director Daniels confirmed that the new CPO will have input into this process.

In response to Mr. Ahneman's inquiry regarding technology best practices, Accounts Examiner Lopez shared that she has been working with Trainer Specialist Hufcut to automate the way agencies can submit information in a more efficient manner and surveys and additional tools are being developed. Ms. Lopez also explained that she works closely with Research Analyst Anderson to pull information and details from the audits to create reference and research data. An example of this was earlier in this meeting when Research Analyst Anderson was able to provide the number of DAS procurement employees.

Ms. Karnes recommended the use of AI in compiling data. Executive Director Daniels confirmed that the agency is pursuing that option. Ms. Lopez explained that this manual is a working document that will continually be updated and will be shared with the new CPO.

**5. Ideas for Audits**



**A. Audit Course:** Trainer Specialist Hufcut explained that the staff work closely together to create material for the trainings, and she has already begun developing a training course specific to the audit process. Ms. Hufcut explained that she gathers information and puts it into a format that is easy for the lay user to follow. Ms. Hufcut looks forward to working with this Work Group to further develop the audit procedures and create a training module that ensures everyone has a clear understanding of the processes.

Chair Fernandez directed Trainer Specialist Hufcut to suspend work on developing a training course for the audit program until it can be revised and clarified. Again, Chair Fernandez emphasized the importance of codifying procedures and looks forward to welcoming input on this process. Chair Fernandez intends to propose to Chair Palache that a subcommittee be formed for this purpose. Trainer Specialist Hufcut agreed and shared that Accounts Examiner Lopez has taken the audit program from nothing to a great start that can be built upon. Mr. Fernandez agreed and believes that Board members want this agency to succeed.

**B. Drafting DAS Purposes Only Checklist**

Accounts Examiner Lopez has found that using one checklist for every agency is not practical, particularly as it applies to DAS. She would like to work with the Board and Work Group on this and asked for their feedback.

**C. Updating Current Checklist**

Ms. Lopez would like to work with the Board and Work Group on this and asked for their feedback.

**D. Improving Triennial Report**

Recommendations for improvement will be discussed in future meetings.

**E. Adjournment**

**A motion to adjourn was made at 12:02 pm by:** Chair Fernandez

**The motion was seconded by:** Thomas Ahneman

**The motion passed unanimously.**

Respectfully submitted,

Aleshia M. Hall  
Administrative Assistant