



Office of Missouri State Auditor
Nicole Galloway, CPA

General Assembly and Supporting Functions

House of Representatives



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the House of Representatives

Personnel Policies and Procedures	Although the House revised its intern and sexual harassment policies after the resignation of the former Speaker of the House following disclosure of his inappropriate relationship with an intern, auditors identified needed improvements in personnel policies and procedures. House policy provides annual leave benefits to its employees that are more generous than those provided to most other state employees. The House also granted employees administrative leave, costing an estimated \$107,000 in fiscal year 2015 and \$142,000 in fiscal year 2014, for days in addition to state holidays although most other state employees do not receive additional days off. The House equal employment opportunity policy does not address requirements regarding the Americans with Disabilities Act, and the House's employee handbook does not provide for employee leave for care of a returning service member as provided by the Family and Medical Leave Act. The House's handbook also does not include a whistleblower policy to protect employees from potential retaliation.
Records Policies	While it is the House's position that the Sunshine Law does not apply to records of individual members, the House has not defined in a policy what records it asserts are specifically closed or open. The House also has not established a written policy regarding email retention. Currently, the House archives email in its system for 6 weeks; however, these retention procedures have not been documented in a policy.
Incomplete Documentation	The House did not completely document salary adjustments provided to some employees. Auditors reviewed supporting documentation and interviewed House officials regarding raises provided to 21 employees and found the House did not adequately document the reasons for raises for 11 of those employees.
Lobbyist Contributions	Members of the House's Interim Committee on Education solicited and received contributions of \$500 from each of two lobbying firms for travel costs of the committee's statewide education tour conducted during September and October 2013. The contributions were used for a \$1,000 bus rental deposit.
House Interim Committee Meeting Minutes	The House did not retain records of meetings for two House interim committees in accordance with the Sunshine Law and House rules. The House could not locate any agendas, minutes, or final reports for the 2014 Interim Committee on Missouri Military Impact and Sustainability and the 2013 Interim Committee on Medicaid Transformation.

Joint Committees

Some House/Senate joint committees did not adequately prepare or retain agendas and/or meeting minutes in accordance with the Sunshine Law. In addition, some committees did not meet or report their activities as required by enabling statutes. Auditors selected 17 joint committees to review the meeting agendas, minutes, and reports produced by the committees in calendar years 2013, 2014, and/or 2015. Eight of the 12 joint committees that held meetings during the period reviewed did not prepare properly detailed minutes and/or agendas. Seven of the 13 joint statutory committees reviewed did not meet and/or report their activities to the General Assembly during the period reviewed as required by enabling statutes.

In the areas audited, the overall performance of this entity was Good .*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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NICOLE GALLOWAY, CPA

Missouri State Auditor

Members of the General Assembly, House of Representatives
Jefferson City, Missouri

We have audited certain operations of the General Assembly and Supporting Functions, House of Representatives in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2015 and 2014. The objectives of our audit were to:

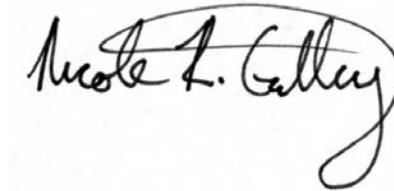
1. Evaluate the House of Representatives' internal controls over significant management and financial functions.
2. Evaluate the House of Representatives' compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the House of Representatives; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the House of Representatives' management and was not subjected to the procedures applied in our audit of the House of Representatives.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the General Assembly and Supporting Functions, House of Representatives.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is fluid and cursive, with a large loop at the end of the last name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

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General Assembly and Supporting Functions

House of Representatives

Management Advisory Report - State Auditor's Findings

1. Personnel Policies and Procedures

We identified weaknesses in some House of Representatives (House) personnel policies and procedures. In addition, some administrative leave granted to employees during the 2 years ended June 30, 2015, was questionable.

Due to issues noted in prior audits and recent concerns, we performed a review of the House's personnel policies and procedures. In May 2015, the former Speaker of the House resigned after the news media disclosed an inappropriate relationship between he and an intern. This event exposed weaknesses in certain House policies and rules and prompted the House to make changes.

The House determined more frequent sexual harassment training for members was necessary, and revised its sexual harassment policy in November 2015 to require annual training for all members and employees. The House further revised the policy to prohibit romantic relationships between members and employees or interns. The House conducted its first annual all-member sexual harassment training in January 2016.

The November 2015 revision to the sexual harassment policy also requires any sexual harassment complaint against a member (including the Speaker of the House) to be received by the Chief Clerk and investigated by outside legal counsel. The policy requires the results of the investigation to be referred to the Chairman and Ranking Minority Party Member of the Ethics Committee.

The House re-evaluated its intern program policies and procedures and determined changes were needed regarding intern selection, training, and oversight. In November 2015, the House Administration and Accounts Committee (Accounts Committee) approved new intern policies effective January 2016, requiring Accounts Committee review and approval of college intern programs and intern placements; additional training for interns and their supervisors; and designation of an ombudsman to serve as a liaison between interns, House administration, colleges, and intern coordinators. In addition, the administration of the intern program was placed under the House Administration Division and intern coordinators are responsible for ensuring member and intern compliance with the new policies. During each of the 2015 and 2014 legislative sessions, individual members or house administrators accepted about 120 interns to work in the capitol.

Despite the changes made to intern and sexual harassment policies, further improvement in personnel policies and procedures is needed.

1.1 Annual leave

As noted in the previous 3 audits, a House policy provides annual leave benefits to its employees that are more generous than those provided to most



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other state employees. The House annual leave policy provides employees earn 10 hours of annual leave per month during the first 5 years of service. After 5 years, employees earn annual leave at a rate of 14 hours per month. In contrast, most state employees, including Senate employees, earn 10 hours of annual leave per month during the first 10 years of service, increasing to 12 hours per month after 10 years and 14 hours per month after 15 years.

We identified no basis for this policy. The additional annual leave benefits provided to House employees result in increased costs to the state.

1.2 Administrative leave

The House granted employees administrative leave (paid time off) for full business days off in addition to state holidays. Most other state employees are not provided administrative leave for full days off that are not state holidays.

In addition to administrative leave provided for various partial days off, each full-time House employee was provided 3 full days administrative leave in fiscal year 2015 and 4 full days administrative leave in fiscal year 2014. Administrative leave for full days was granted on the business day preceding Christmas Day 2013 and New Year's Day 2014; and the business day following Independence Day 2013, Christmas Day 2014, New Year's Day 2015, and Easter 2014 and 2015. We estimated salary costs (excluding fringe benefits) related to the administrative leave for full days to be \$107,000 for fiscal year 2015 and \$142,000 for fiscal year 2014.

The practice of granting administrative leave for full days off that are not state holidays is costly and questionable considering it is not provided for most other state employees.

1.3 Disabled employees

The House equal employment opportunity (EEO) policy does not address federal requirements regarding the Americans with Disabilities Act (ADA).

Federal regulation 28 CFR Section 35.107(a) requires public entities employing 50 or more persons to designate at least 1 individual to coordinate efforts to comply with responsibilities regarding disabled employees. Federal regulation 29 CFR Section 1630 requires employers employing 15 or more persons to make reasonable accommodations for disabled employees. Federal regulations 28 CFR Sections 35.170 and 35.171 also require public entities employing 50 or more persons to have a grievance procedure.

The House EEO policy provides the House Administration Division as the contact point for matters regarding disabilities, but does not identify a specific ADA coordinator. In addition, while the policy indicates an intention to make reasonable accommodations, the policy does not address



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procedures for documenting and verifying disabilities and requesting, evaluating, approving, and documenting accommodations. Also, the policy does not provide for a grievance procedure for complaints of discrimination based on disability.

To help ensure compliance with the federal law, the House EEO policy should be modified to designate an ADA coordinator, outline procedures for making reasonable accommodations for disabled employees, and establish a grievance procedure for complaints of discrimination.

1.4 Military service members The House Policy Handbook does not provide for employee leave to care for a returning service member as provided by the federal Family Medical Leave Act (FMLA).

The FMLA, 29 U.S.C. Section 2612(a)(3), requires employers to provide employees up to 26 weeks of leave during a single 12-month period to care for a related military service member recovering from an injury or illness sustained while on active duty or for a preexisting serious injury or illness aggravated by active duty in the armed forces. Although legislative employees are not required to be covered under the FMLA, the House, as documented in the House Workplace Handbook, provides FMLA coverage to employees meeting eligibility requirements. To the extent the House has offered FMLA coverage, it must be kept up to date with current law. The House Policy Handbook should be modified to address the FMLA requirement for employee leave to care for a covered service member.

1.5 Network security The House acceptable computer use policy does not address employee connection of personal cell phones and other mobile devices to the House's computer network. The computer use policy prohibits the connection of personal computers to the network, except through approved wireless networks, but does not address connection through personal cell phones or other mobile devices. To protect technology resources from unauthorized use that could result in a loss of information or unauthorized release of information, the House policy should be modified to address access to the network by personal cell phones and other mobile devices.

1.6 Whistleblower rights The House Policy Handbook does not include a whistleblower policy. Section 105.055, RSMo, protects employees from retaliation for discussing alleged prohibited activity under investigation with an investigating authority or reporting mismanagement, waste of funds, abuse of authority, danger to public health and safety, or violations of law. To inform employees of their rights, the House should consider developing and including a whistleblower policy in the House Policy Handbook.



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Recommendations

The House of Representatives:

- 1.1 Amend the House annual leave policy to reduce the annual leave benefits provided to employees to an amount equal to those provided to most other state employees.
- 1.2 Discontinue granting administrative leave to employees for full days off other than state holidays.
- 1.3 Amend the EEO policy to designate an ADA coordinator, outline procedures for making reasonable accommodations for disabled employees, and establish a grievance procedure for complaints of discrimination based on disability.
- 1.4 Amend the House Policy Handbook to address the FMLA requirement for employee leave to care for a covered military service member.
- 1.5 Amend policies to address access to the House computer network by personal cell phone or other mobile device.
- 1.6 Establish a policy addressing employee whistleblower rights under state law.

Auditee's Response

- 1.1 *The Auditor's recommendation suggests that the type and nature of work for employees within the House of Representatives is similar to that of executive branch agency employees and errantly pre-supposes that decisions of the Executive Commissioner of Administration should govern time and leave benefits provided to legislative employees in violation of Article II, Section 1 of the Missouri Constitution which delineates a separation of powers. While the vast majority of Executive Department employees work a regular set schedule, the deadline of the legislative session outlined in Article III, Section 20(a) of the Missouri Constitution ensures that nearly no predictability or regularity of a work week exists for legislative employees.*

Salaries for commensurate positions in Executive Department agencies vastly exceed the salaries for employees within the House of Representatives. By means of comparison, the below table illustrates the existing disparity of compensation and is drawn from FY 2015 actual salary and FTE data (salaries and FTE for the elected officials excluded):



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<i>Overseeing Elected Officials</i>	<i>Total PS Expenditures</i>	<i>FTE</i>	<i>Average Salary</i>
<i>Legislative employees</i>	<i>\$18,752,894</i>	<i>430.58</i>	<i>\$43,553</i>
<i>Attorney General's employees</i>	<i>\$17,025,579</i>	<i>330.80</i>	<i>\$51,468</i>
<i>State Auditor's employees</i>	<i>\$5,964,228</i>	<i>111.46</i>	<i>\$53,510</i>
<i>Lt. Governor's employees</i>	<i>\$259,474</i>	<i>4.47</i>	<i>\$58,048</i>
<i>Governor's employees</i>	<i>\$1,654,391</i>	<i>20.01</i>	<i>\$82,678</i>

As such, House administration has implemented other benefits, including enhanced annual leave benefits and the granting of administrative leave beyond state holidays, to offset the existing compensation disparity between House employees and other state employees.

1.2 *House administration acknowledges the recommendation. See response to 1.1.*

1.3 *House administration acknowledges the recommendation.*

The House has, for more than ten years, consistently designated the Director of Operations as the ADA coordinator and provided contact information on the House website, meeting notices, and other general information regarding accessibility issues. Once contact is made with the ADA coordinator, a review of the accommodation request is initiated, often with consultation from House counsel, and steps are taken to grant the request. A review of the existing policy will be undertaken by House administration to specifically name in the policy, the ADA coordinator, and will review the clarity of the existing policy.

1.4 *House administration acknowledges the recommendation.*

Though exempt from the provisions of FMLA, House administration has adopted a policy applying such provisions of FMLA to employees within the House so as to ensure adequate time and care are taken to provide for employees or their loved ones in difficult family circumstances. House administration believes existing policy is applicable to those employees that care for a covered military service member, but will review and consider the clarity of the existing policy.

1.5 *House administration acknowledges the recommendation.*

Current House policy states: "[t]o protect the State computer network, no personally owned computer equipment will be allowed to connect to the state network unless through approved 'Wi-Fi' wireless networks provided for that purpose." Members and staff



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are not allowed to connect personal equipment like computers, printers, or other peripheral computing devices to the main House network.

To facilitate secure and appropriate network integrity, House administration has maintained a secured, encrypted network portal and mobile access server specifically for the purpose of allowing State Representatives and House staff to access certain data remotely; this is not unlike state agencies in the executive branch. This network is segregated from the existing House network to mitigate risk to the state network. House administration will review and consider the clarity of the existing policy.

1.6 *House administration acknowledges the recommendation.*

Although the provisions of 105.055, RSMo, do not apply to employees of the General Assembly, House administration will review and consider a whistleblower policy.

2. Records Policies

The House has not established policies regarding public access to records related to individual members and email retention.

2.1 Member records

The House has not outlined in a policy which records are open and closed under the Sunshine Law. While it is the House's position that the Sunshine Law does not apply to records of individual members, the House has not defined what records the House asserts are specifically open or closed.

Chapter 610 RSMo, known as the Sunshine Law, provides for public disclosure of records of governmental bodies. The House open records and meetings policy indicates House records are public records unless closed according to state law or House rule; however, the policy, state law and House rules do not specifically address whether member's records are closed. To promote clarity and consistency and ensure compliance with the Sunshine Law, the House policies and/or rules should clearly define which member records the House asserts are not subject to public disclosure.

2.2 Emails

As reported in the prior audit, the House has not established a formal written policy regarding the retention of email correspondence. While the Office of Administration maintains an email archiving system that retains state agency emails forever; currently, the House only archives email correspondence in its system for 6 weeks in accordance with its data backup policies. Any deleted emails are not retained beyond 6 weeks unless they are separately backed up by a House member or employee. However, these retention procedures have not been documented in a policy.



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Certain email correspondences are considered public records and are accessible under the Sunshine Law. Email retention policies are necessary to demonstrate compliance with the Sunshine Law. While the legislature is exempted¹ from following the Secretary of State's Guidelines, Managing Email Records, the guidelines strongly encourage state agencies to implement an email policy that covers usage, content, public access, privacy, and records retention. The guidelines provide specific guidance for identifying emails that meet the criteria for public records and retaining such records, and the need to define these items in an email policy. Without a clear, specific, and adequate email policy, there may be inconsistencies in the understanding and implementation of records retention and accessibility, and the House could be subject to litigation under the Sunshine Law.

Recommendations

The House of Representatives:

- 2.1 Amend the open records and meetings policy and/or rules to identify records the House asserts are not subject to the Sunshine Law.
- 2.2 Establish an email retention policy.

Auditee's Response

- 2.1 *House administration acknowledges the recommendation, and will continue to act in accordance with the Rules of the House and follow the established statutory provisions and case law on this matter.*
- 2.2 *House administration acknowledges the recommendation.*

3. Incomplete Documentation

The House did not completely document salary adjustments provided to some employees. Employee wages totaled approximately \$9 million annually during the 2 years ended June 30, 2015. As of June 30, 2015, the House had 269 full-time, part-time, and session employees.

In addition to cost of living adjustments (COLA)² for all employees and raises to certain employees for meeting conditions in House policy, the House provided 80 salary increases to 66 employees during the 2 years ended June 30, 2015. Also, the House provided raises to all 143 Legislative Assistants effective July 2013. These increases totaled approximately \$256,000 on an annual basis.

¹ Section 109.290, RSMo, and 15 CSR 30-45.010

² Cost of living increases of \$500 in January 2014 and 1 percent in January 2015 were provided to most state employees.



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The House salary adjustments policy provides guidelines for administering salary adjustments. Administrative and leadership position salaries are established and adjusted within ranges using a uniform classification pay grid, approved annually by the Accounts Committee. Legislative Assistant salaries are established and adjusted according to the employee's years of service. The policy provides for salary adjustments for the following reasons (1) one-step adjustment for an administrative employees' successful completion of an initial introductory period, (2) two-step adjustment or placement on the minimum step of a higher pay range for administrative employees who are promoted, and (3) two-step adjustment for administrative staff and legislative assistants who complete the requirements for a college degree (one-step for associates degree). The pay grid authorizes the Chief Clerk to adjust salaries within the approved salary ranges. Except for requiring a memo prepared by a supervisor and approved by the appropriate division director for initial introductory period raises, neither the salary adjustments policy or the approved pay grid address documentation requirements for the other raises.

We reviewed supporting documentation and interviewed House officials regarding raises provided to 21 employees. The House adequately documented the reasons for raises provided to 10 employees tested, including each employee tested who received a raise for a reason provided by policy. Such documentation included an appraisal recommending an increase, an adequately detailed employee change record, and/or a memorandum from the employee's supervisor containing justification for the increase. However, the House did not adequately document the reason for the raises provided to 11 (52 percent) employees tested. The employee change records prepared to support each of the raises awarded to these employees did not adequately detail the reasons for the raises and no additional documentation was prepared to support the raises. House officials provided the following explanations regarding these raises:

- House officials indicated two-step raises were awarded to 4 employees for exceeding requirements on annual performance appraisals; however, these reasons were not documented.
- House officials indicated raises were awarded to 2 employees for assuming additional duties and/or responsibilities of a terminated employee; however, no documentation detailing the specific job duties assigned to these employees was prepared. One employee received a raise of three steps and the other four steps.
- House officials could not explain, or provide documentation supporting raises awarded to 5 employees. Raises for these employees ranged from three to seven steps.



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Chapter 21, RSMo, grants the House the authority to establish employee compensation. To support salary increases beyond those allowed by House policy and statewide COLA increases, the House should prepare and maintain detailed documentation of the reason(s) for providing each pay increase. Salary increases for additional duties and/or responsibilities should be supported by documentation detailing the specific additional duties and/or responsibilities.

Recommendation

The House of Representatives prepare and maintain clearly detailed documentation supporting the reasons for providing pay increases to employees.

Auditee's Response

House administration acknowledges the recommendation.

4. Lobbyist Contributions

The House solicited contributions from lobbyists to offset costs of the 2013 Interim Committee on Education (committee). This situation gives the appearance of, and may result in, a conflict of interest.

During September 2013, committee members solicited and received contributions of \$500 from each of two lobbying firms for travel costs of the committee's statewide education tour conducted during September and October 2013. House officials indicated because House appropriations were not sufficient to fund all costs of the tour, the committee solicited private funds to offset the cost of the bus rental. The contributions were deposited into the House Revolving Fund to reimburse the \$1,000 bus rental deposit paid from that fund. The remainder of the bus rental costs (\$2,280) were paid from the House's General Revenue Fund appropriation.

Actively soliciting contributions from lobbyists to pay for the operations of the House gives the appearance of, and may result in, a conflict of interest. If House appropriations are not sufficient to cover interim committee costs, those costs should be reduced or savings realized elsewhere to allow for the costs.

Recommendation

The House of Representatives discontinue the practice of soliciting contributions from lobbyists to pay for official state business.

Auditee's Response

House administration acknowledges the recommendation.

In January of 2016, the House adopted legislation that would have prohibited the acceptance of lobbyist-financed travel for members of the General Assembly, such as the 2013 Interim Committee on Education noted in the State Auditor's finding. This proposed legislation failed to be Truly Agreed to and Finally Passed. Such House action will be considered when reviewing future expenditures on state business.



5. House Interim Committee Meeting Minutes

Records of meetings were not retained for two of five House interim committees reviewed.

House interim committees are sometimes created by the Speaker of the House to review and report on certain matters affecting state law and government operations during the interim period between successive legislative sessions. Interim committee members are generally appointed by the speaker and/or the minority floor leader. At an initial organizational meeting, a chairperson is selected to lead each interim committee in fulfillment of the interim committee's purpose.

According to the Chief Clerk, 13 House interim committees were created for the 2014 and/or 2013 interim periods. We selected five interim committees to review meeting agendas, meeting minutes, and final reports. For two committees, the 2014 Interim Committee on Missouri Military Impact and Sustainability (MMIS) and the 2013 Interim Committee on Medicaid Transformation (MT), the House could not locate any agendas, minutes, or final reports. According to the Chief Clerk, the MMIS Interim Committee met 3 times during the 2014 interim and the MT Interim Committee met 8 times during the 2013 interim. The Chief Clerk stated records of these committees were prepared, but had been apparently misfiled.

House Rule 28 requires House committees to maintain minutes that contain the attendance and voting records of committee members, a brief statement of the business that comes before the committee, and the names of the persons and witnesses appearing before the committee. The rule requires the Chief Clerk to be the repository of the minutes after each legislative session and submit the minutes to the Secretary of State prior to the next regular session.

Retention of records is essential to demonstrate compliance with the Sunshine Law and House rules. Effective control of records requires all documents and records be safeguarded and accessible to appropriate employees and outside officials, and upon reasonable request, be accessible to the public.

Recommendation

The House of Representatives ensure all interim committee records are properly retained and available for review as required by the Sunshine Law and House rules.

Auditee's Response

House Administration acknowledges the recommendation.

In the summer of 2014, the House began development of a digital system-of-record for the purpose of maintaining and generating committee records in a consistent and proper fashion. On August 14, 2014, an initial software development requirements gathering began and a test pilot of new software



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was initiated during the 2015 session that automated recording of committee actions in a nearly real-time fashion. An expanded version of the digital system was instituted and utilized during the 2016 session that automated nearly all required record keeping. This digital system integrates into other core software systems to reduce time, effort, and duplicate data entry. Further development continues with enhanced features and capabilities for 2017.

6. Joint Committees

Some House/Senate joint committees did not adequately prepare or retain agendas and/or meeting minutes in accordance with the Sunshine Law. In addition, some committees did not meet or report their activities as required by enabling statutes.

Joint committees are sometimes formed to review certain matters affecting state law and government operations, and are comprised of equal numbers of members from the House and the Senate. The committees are often created by legislation that outlines the purpose and size of the committee and usually allows House and Senate leadership to appoint members to the committees. These statutory committees are authorized until the enabling legislation is repealed or, if applicable, a sunset provision is reached. In addition, some joint interim committees are created by the speaker of the House and Senate pro tem to review certain matters during the interim period between successive legislative sessions. The purpose and membership of these committees is determined by leadership of the House and the Senate. A chairperson is selected to lead each joint committee in fulfillment of the joint committee's purpose.

According to the Senate Administrator and Chief Clerk of the House, 32 statutory or interim joint committees were authorized during the 3 years ended December 31, 2015. Twelve statutory committees were repealed by Senate Bill No. 58, First Regular Session, 98th General Assembly, effective in August 2015 because the committees had dissolved or expired as required by their authorizing statutes. We selected 17 statutory and interim joint committees (including 4 repealed committees) to review the meeting agendas, minutes, and reports produced by the committees in calendar years 2013, 2014, and/or 2015.



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Minutes and agendas

Eight³ of the 12 joint committees that held meetings during the period reviewed did not prepare properly detailed minutes and/or agendas as required.

Neither the Senate Administrator nor the Chief Clerk could locate agendas for 10 open meetings held by 4 joint committees, open meeting minutes for 14 meetings held by 6 joint committees, and closed meeting minutes for 1 joint committee meeting. In addition, one joint committee did not properly document in its meeting minutes the members absent or votes taken by roll call. Also, one committee did not always document the roll call vote of each member during the open meeting when voting to go into closed session, and did not document one closed meeting vote by roll call.

Chapter 610 RSMo, known as the Sunshine Law, sets forth requirements for meetings of public governmental bodies. Section 610.020, RSMo, requires a tentative agenda be posted prior to all meetings and requires minutes be maintained of all open and closed meetings. The minutes shall include the date, time, place, members present, members absent, and a record of any votes taken. In addition, Section 610.015, RSMo, requires all votes be recorded; and if a roll call vote is taken, requires that the minutes attribute each "yea" and "nay" vote, or abstinence if not voting, to the name of the individual member. All votes taken in closed session are required to be taken by roll call. Also, Section 610.022, RSMo, provides before any meeting may be closed, the question of holding the closed meeting and the specific reason for the closed meeting shall be voted on during open meeting and a record of the vote of each member should be documented. Compliance with the Sunshine Law is necessary to create transparency and provide proper records of actions and decisions.

Meetings and reports

Seven of the 13 joint statutory committees reviewed did not meet and/or report their activities to the General Assembly during the period reviewed as required by enabling statutes.

- The Joint Committee on Life Sciences, created in 2003 by House Bill No. 465, First Regular Session, 92nd General Assembly, and codified in Section 21.805, RSMo, requires the committee meet quarterly, study necessary legislation, policies, investments, and tax structures to support life sciences, and file an annual report of its activities with the General

³ Joint Committee on Child Abuse and Neglect, Joint Committee on Education, Joint Committee on Legislative Research, Joint Committee on Solid Waste Management District Operations, Missouri Works Job Training Joint Legislative Oversight Committee, Joint Interim Committee on State Employee Wages, Joint Interim Committee on St. Louis Metropolitan Statistical Area Governance and Taxation, and Missouri Oral Chemotherapy Parity Interim Committee



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Assembly. The committee did not meet or file a report during the period reviewed.

- The Joint Committee on MO HealthNet, created in 2007 by Senate Bill No. 577, First Regular Session, 94th General Assembly, and codified in Section 208.952, RSMo, requires the committee to meet as necessary, study the annual MO HealthNet budget forecast, and make recommendations about the program in an annual report to the General Assembly. The committee did not meet or file a report during the period reviewed.
- The Joint Committee on Tax Policy, created in 2003 by House Bill No. 600, First Regular Session, 92nd General Assembly, and codified in Section 21.810, RSMo, requires the committee to make continual study and analysis of tax policies and agencies responsible for administration of tax policy and make recommendations to the General Assembly as necessary. The committee did not meet or file a report during the period reviewed.
- The Joint Committee on Child Abuse and Neglect, created in 2012 by Senate Bill No. 628, Second Regular Session, 96th General Assembly, and codified in Section 21.771, RSMo, requires the committee to meet quarterly, study various aspects of systems for caring for children and investigating abuse, and prepare an annual report of its activities to the General Assembly. While the committee prepared annual reports, the committee did not comply with the meeting requirements in calendar years 2013 and 2014 because the committee met only twice in calendar year 2013 and once in calendar year 2014. Also, meeting minutes were not always properly prepared as noted above. The statute establishing this committee expires in January 2018.
- The Joint Committee on Government Accountability, created in 2004 by House Bill No. 1599, Second Regular Session, 92nd General Assembly, and codified in Section 21.820, RSMo, requires the committee to meet at least 4 times per year, study inefficiencies in state government, and prepare an annual report of its activities to the General Assembly. The committee did not meet during calendar year 2013, met only once in each of calendar years 2014 and 2015, and did not make any report on its activities during the period reviewed.
- Two committees created in 2003, the Joint Committee on General Assembly to Review Economic Stimulus Act and the Joint Committee on General Assembly to Review Rural Economic Stimulus Act, were repealed in August 2015, but did not meet or file reports during the period reviewed prior to repeal.



General Assembly and Supporting Functions
House of Representatives
Management Advisory Report - State Auditor's Findings

Joint committees should meet and/or report as required to ensure they accomplish the purposes for which they were created. State statutes for committees that have fulfilled their original purpose and are no longer needed should be repealed.

Recommendation

The House of Representatives work with the Senate to ensure each joint committee's compliance with the Sunshine Law. Additionally, each committee should meet and prepare reports as required; or if committees are no longer needed for the purposes created, the related statutes should be repealed.

Auditee's Response

The House of Representatives provided the following response:

House administration acknowledges the recommendation. Based on Article III, Section 18 of the Missouri Constitution, House administration believes the operation of legislative committees as a matter of proceedings committed to the legislative branch of government. This view is supported by current case law. However, the House will work with the Senate to continue to review joint committees to ensure committees reflect current public policy needs and priorities.

The Senate provided the following response:

Based on Article III, Section 18 of the Missouri Constitution, the Missouri Senate views the operation of legislative committees as a matter of proceedings committed to the legislative branch of government. This view is supported by current case law. However, the Senate will work with the House to continue to review joint committees to ensure committees reflect current public policy needs and priorities.

General Assembly and Supporting Functions

House of Representatives

Organization and Statistical Information

Legislative power in Missouri is vested by Article III, Section 1, Missouri Constitution, in the General Assembly, more commonly known as the legislature, composed of the Senate and the House of Representatives (House).

The House consists of 163 members elected for 2-year terms at each general election. A member must be at least 24 years of age, and a qualified voter of the state for 2 years and of the district he/she represents for 1 year. The speaker of the House is the presiding officer; and in the speaker's absence, the speaker pro tem presides. The speaker has general supervision and control over all employees of the House. The House convenes annually on the first Wednesday following the first Monday in January and adjourns on May 30, with no consideration of bills after 6:00 p.m. on the first Friday after the second Monday in May.

Top House leadership positions include the speaker, speaker pro tem, majority floor leader, and minority floor leader. The speaker and speaker pro tem are allowed to hire a chief of staff and the majority floor leader is allowed to hire an additional administrative assistant.

For the 2 years ended June 30, 2015, members received the following compensation:

Position	Year Ended June 30,	
	2015	2014
Speaker of the House	\$ 38,415	38,415
Speaker Pro Tem and floor leaders	37,415	37,415
All remaining members	35,915	35,915

Each member is paid a per diem each day the member is in attendance at the legislative session. In addition, members are reimbursed for each mile traveled when commuting to and from Jefferson City for each week the legislature is in session. For the 2 years ended June 30, 2015, members were authorized the following per diem and mileage reimbursement:

Effective Dates	Per Diem	Mileage Rate
July 2013 to September 2013	\$ 98.40	.37
October 2013 to June 2015	103.20	.37

For the 2 years ended June 30, 2015, members also received a \$700 monthly allowance to be utilized in the performance of their official duties. This allowance is established by the House Administration and Accounts Committee and is subject to the limitations imposed by the appropriation authorizing these expenditures, and may be used for items including, but not limited to, office furniture and equipment; office supplies; postage; non-



General Assembly and Supporting Functions,
House of Representatives
Organization and Statistical Information

session travel expenses; and district office rent, utilities, and staff compensation.

The House determines its own rules and procedures; and rules may not be dispensed with, except by unanimous consent or concurrence by a constitutional majority. The House is required to keep a daily journal (or record) of its proceedings.

The speaker of the House is chosen by the members; Former Representative Timothy Jones served as Speaker from September 2012 to December 2014, and Former Representative John J. Diehl, Jr. served as Speaker from January 2015 to May 14, 2015. Representative Todd Richardson has served as Speaker since May 15, 2015.

The speaker also appoints and approves members to the Administration and Accounts Committee that controls the financial obligations and business affairs of the House. The committee also prescribes rules governing the expenditure of funds allotted to individual members for the operation of their offices. Former Representative Dwight Scharnhorst served as Chairman of the committee from January 2013 to December 2014. Representative Mike Leara has served as Chairman of the committee since January 2015.

The chief clerk is elected by House members and serves as the chief administrator of the House. He is responsible for maintaining the financial records and overseeing operations of the House. Adam Crumbliss has served as Chief Clerk since July 2006.

The House is organized into seven divisions consisting of: administration, appropriations, communications, information systems, operations, procedures, and research. At June 30, 2015, the House had 118 full-time employees, 126 full-time legislative assistants, and 25 part-time and session employees.

Appendix A

General Assembly and Supporting Functions

House of Representatives

House of Representatives Revolving Fund

Comparative Statement of Receipts, Disbursements, and Changes in Cash and Investments

	Year Ended June 30,	
	2015	2014
RECEIPTS		
Vendor refunds	\$ 947	8
Other refunds	143	0
Recovery costs	15,982	16,666
Fees for copying public records	61	219
Total Receipts	17,133	16,893
DISBURSEMENTS		
In-state travel	0	1,000
Supplies	28,452	52
Maintenance and repair services	0	2,296
Miscellaneous expense	0	1,898
Total Disbursements	28,452	5,246
RECEIPTS OVER (UNDER) DISBURSEMENTS	(11,319)	11,647
CASH AND INVESTMENTS, JULY 1	11,647	0
CASH AND INVESTMENTS, JUNE 30	\$ 328	11,647

Appendix B

General Assembly and Supporting Functions

House of Representatives

Comparative Statement of Appropriations and Expenditures

		Year Ended June 30,					
		2015			2014		
		Appropriation		Lapsed	Appropriation		Lapsed
		Authority	Expenditures	Balances	Authority	Expenditures	Balances
GENERAL REVENUE FUND							
House contingent expenses	\$	10,987,534	10,872,505	115,029	10,882,046	10,872,955	9,091
Representatives' expense vouchers		1,370,176	1,163,632	206,544	1,369,834	1,365,477	4,357
Representatives' salaries		5,861,145	5,785,367	75,778	5,861,145	5,781,135	80,010
Representatives' mileage		395,491	306,690	88,801	395,491	317,545	77,946
Representatives' per diems		1,290,960	1,134,478	156,482	1,290,960	1,149,880	141,080
National Conference of State Legislatures		240,000	201,662	38,338	0	0	0
Total General Revenue Fund		20,145,306	19,464,334	680,972	19,799,476	19,486,992	312,484
HOUSE OF REPRESENTATIVES REVOLVING FUND							
Contingent expenses		45,000	28,452	16,548	45,000	5,246	39,754
Total All Funds	\$	20,190,306	19,492,786	697,520	19,844,476	19,492,238	352,238

Appendix C

General Assembly and Supporting Functions

House of Representatives

Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,				
	2015	2014	2013	2012	2011
Salaries and wages	\$ 15,091,522	15,017,811	14,876,339	14,523,612	14,720,068
Legislative per diems	1,134,478	1,149,880	1,135,576	1,347,054	1,142,834
Travel, in state	484,907	515,423	486,097	569,477	535,648
Travel, out-of-state	41,203	20,013	21,537	7,209	16,008
Supplies	963,785	1,158,194	1,033,384	546,555	1,148,653
Professional development	259,560	42,135	101,353	44,252	40,122
Communication services and supplies	62,112	66,038	107,445	198,067	208,097
Services:					
Professional	826,902	854,724	614,080	670,227	714,308
Housekeeping and janitorial	123,685	124,248	118,615	125,942	133,494
Maintenance and repair	172,524	158,110	549,672	308,580	93,096
Equipment:					
Computer	188,354	297,886	193,996	344,644	364,788
Office	33,367	28,410	67,965	16,741	22,844
Other	28,620	4,007	21,402	24,162	956
Property and improvements	10,239	14,994	37,813	30,257	18,321
Debt service	2,079	2,252	1,906	2,252	0
Building lease payments	0	0	0	0	7,998
Miscellaneous	69,449	38,113	61,909	52,356	53,337
Refunds	0	0	0	0	93
Total	\$ 19,492,786	19,492,238	19,429,089	18,811,387	19,220,665

Appendix D

General Assembly and Supporting Functions
House of Representatives
House of Representatives General Fund
Statement of Changes in General Capital Assets

	<u>Equipment</u>	<u>Vehicles</u>	<u>Software</u>	<u>Total</u>
Balance, July 1, 2013	\$ 1,408,604	20,760	76,294	1,505,658
Additions	76,899	0	8,173	85,072
Dispositions	(34,762)	0	0	(34,762)
Balance, June 30, 2014	<u>1,450,741</u>	<u>20,760</u>	<u>84,467</u>	<u>1,555,968</u>
Additions	107,819	0	16,612	124,431
Dispositions	(53,856)	0	0	(53,856)
Balance, June 30, 2015	<u>\$ 1,504,704</u>	<u>20,760</u>	<u>101,079</u>	<u>1,626,543</u>