

# STATE AUDITOR DOUG HOFFER

## PRESS RELEASE

*For Immediate Release: Contact Angela Lee at 802.828.2281 or [angela.lee@state.vt.us](mailto:angela.lee@state.vt.us)*

**13 July 2015**

## Hoffer announces new audits

State Auditor Doug Hoffer today announced that his office has initiated four new performance audits and an investigation. The Auditor's Office recently released a performance audit of the Department of Corrections' Transitional Housing Program and plans to issue another audit report early next month dealing with the Department of Labor's efforts to identify instances of employee misclassification for both Unemployment Insurance and Workers Compensation.

"After considering a variety of audit topics and consulting with my Deputy Auditor and the senior staff, I have selected four new audit topics," Hoffer said.

- **Department of Taxes - Receivables:** The amount of uncollected taxes has grown significantly in recent years, while collections as a percent of receivables have declined. We will assess the effectiveness of the Department's efforts to collect identified delinquent personal income taxes.
- **Agency of Education (AOE):** There are two audits regarding AOE:
  - Race to the Top Early Learning Challenge (RTT-ELC): AOE is one of five state organizations receiving federal funds as part of this \$37 million dollar multi-year project. In response to whistleblower complaints about the Agency's contracting practices, our office conducted research that led to the decision to conduct an audit. The audit will assess whether the AOE followed state guidelines when contracting for services associated with the RTT-ELC grant.
  - Equalized Pupil Calculation: Pupil counts are an important factor in the determination of residential property tax rates and the distribution of education funds to schools. We will assess 1) the accuracy of the AOE calculation of the number of equalized pupils and 2) the reliability of the number of equalized pupils for selected municipalities.
- **Judiciary:** We will look at how well the state is collecting court-ordered reimbursements from defendants for the use of public defender services and whether there are additional opportunities to increase revenue to the Public Defender Special Fund.

In addition, we have begun an investigation into the State's reliance on sole source contracts, which are permitted, but are supposed to be limited to extraordinary circumstances. To determine if they are in compliance with State policies, we are reviewing the purchasing practices of the departments of 1) Buildings & General Services, 2) Children & Families, and 3) Vermont Health Access, and the agencies of Human Services (Central Office) and Education.

(See Work in Progress [here](#)).

###