

**Letter Report:**

Legislative Claims Commission and the Office of Technology

**PERD's  
Objectives:**

The objective of this review was to examine the LCC process to identify how and why several claims against the OT were nearly paid twice, and how such an occurrence can be avoided in the future.

**Key  
Recommendations:**

*The OT should make every effort to pay vendors in a timely manner.*

*The LCC clerk should consider verifying that claims have not been paid by the respondent agency before they are placed in the claims bill.*

*To prevent future attempts by agencies to pay LCC claims erroneously, Code of State Rules §155-1-3 should be amended to include a specific entry describing the protocol for processing requests to pay LCC claims.*

**Report Overview:**

The legislative auditor requested a report following an event during the 2022 legislative session wherein 31 different claims against the Office of Technology (OT) that had been filed by vendors for payment with the Legislative Claims Commission (LCC) were included in the introduced version of the 2022 claims bill. However, the LCC clerk had to subsequently remove those claims from the bill upon being informed by the OT that the agency had already paid the claims during calendar year 2021.

**What Did PERD Find?**

The LCC claims filed against the OT in 2021 totaled nearly \$480,000, and ran the risk of being paid twice due to a misunderstanding of the LCC process on the part of the agency.

<b>Legislative Session</b>	<b>Number of Claims</b>	<b>Award Amount</b>	<b>Claimant Vendors</b>
2022	0	-	-
2021	2	\$19,910	State Electric Supply, Ricoh
2020	0	-	-
2019	4	\$201,308	Verizon, Ricoh
2018	2	\$19,781	South Charleston Electric, Ricoh
2017	4	\$455,660	Pomeroy IT Solutions, Ricoh, Verizon, WEX Bank

*Source: PERD review of enrolled LCC bills.*

PERD also found the following:

- Three LCC claims against the OT could have been avoided if the agency had paid the invoices in a timely manner.
- The OT's claim regarding an absence of oversight on the part of the Office of the Attorney General is unfounded, as State Code does not require the attorney general to ensure that claims are paid by agencies throughout any given year.
- The OT was able to pay the claims throughout 2021 by submitting documentation to the State Auditor's Office showing the recommendation by the LCC for the claim to be paid, but without evidence that the claim had been validated by the Legislature.
- The current LCC clerk has made efforts to communicate correct processes to agencies when errors are discovered. Evidence suggests that the OT now has a better understanding of the order of LCC operations and has not attempted to pay any claims after they are included in the claims bill during 2022.