



Legislative Joint Auditing Committee Handbook

2025-2026

From the Legislative Auditor

Welcome to the Legislative Joint Auditing Committee (LJAC). Utilizing state resources effectively and efficiently has always been the desire of Arkansas’s legislators, making independent, objective evaluations of the stewardship of these resources essential.

Arkansas Legislative Audit (ALA) provides oversight through multiple types of audits and other engagements each year. Utilizing the work of highly-qualified staff, ALA serves the General Assembly, the LJAC, and the citizens of Arkansas by promoting sound financial management and accountability of public resources entrusted to the various governmental entities. The location of ALA within the legislative branch of government provides organizational independence recognized under government auditing standards, allowing our work to be conducted in an unbiased, non-partisan manner. ALA strictly adheres to the standards of the auditing profession.

This handbook is designed to familiarize you with LJAC, ALA, its staff, and its work and to answer common questions. We look forward to working with you and invite any additional questions you may have.

Sincerely,



Kevin William White, CPA, JD



About the Legislative Auditor

Kevin William White, CPA, JD



- ◆ Appointed Legislative Auditor in 2023
- ◆ Joined ALA in 2013
- ◆ Member of various professional organizations, including the National State Auditors Association (NSAA), Southwest Intergovernmental Audit Forums (SWIAF), American Institute of Certified Public Accountants (AICPA), Arkansas Society of CPAs, and Arkansas Bar Association
- ◆ Graduate of University of Arkansas at Little Rock (BS in Accounting and MS in Taxation) and University of Arkansas at Little Rock William H. Bowen School of Law (JD with honors)

What is the Legislative Joint Auditing Committee (LJAC)?

Co-Chairs

Senator
Jim Petty

Representative
Robin Lundstrum

Vice Co-Chairs

Senator
Jim Dotson

Representative
RJ Hawk

Created in 1953, the Legislative Joint Auditing Committee (LJAC) is responsible for the auditing of state government entities and is comprised of 16 Senate members and 20 House members. The President Pro Tempore of the Senate, Speaker of the House of Representatives, immediate past LJAC Co-Chairs, and Legislative Council Co-Chairs and Co-Vice Chairs serve as ex-officio members. The 2025-2026 LJAC members can be found on the General Assembly's website at www.arkleg.state.ar.us by selecting "Committees."



The LJAC Co-Chairs assign members to three Standing Committees on state agencies, educational institutions, and counties and municipalities. The LJAC Co-Chairs and the Standing Committee Chairs compose the LJAC Executive Committee. When the General Assembly is not in session, the full LJAC meets on the second Friday of each month; the three Standing Committees and Executive Committee meet on the preceding Thursday.

What is Arkansas Legislative Audit (ALA)?

ALA was created in 1953 to serve the General Assembly, the LJAC, and Arkansas citizens by promoting sound financial management and accountability in state government.

ALA staff complete over 1,000 engagements annually involving entities of the State and its political subdivisions. The reports that result from these engagements normally include recommendations that, if implemented, should improve management of public funds.

FAST facts

ALA's enabling legislation can be found at Arkansas Code Annotated §§ 10-4-401 – 10-4-429.

What types of reports does ALA produce?

While all ALA reports are sometimes referred to as "audits," ALA staff actually produce many types of specialized reports as a result of engagements at state agencies, counties, municipalities, prosecuting attorneys' offices, and educational institutions:

- ◆ A **financial audit** is an independent assessment of an entity's financial statements for accuracy and completeness.
- ◆ A **financial and compliance engagement** is conducted to determine if entities are complying with state laws and regulations and accepted accounting practices.
- ◆ An **internal control and compliance assessment** examines accounting practices; internal controls in place to protect public resources from fraud, waste, and abuse; and compliance with the entity's internal policies as well as state laws and regulations.

(continued)

What types of reports does ALA produce? (cont.)

- ◆ An **information systems audit** may be conducted simultaneously with other engagements to evaluate an entity's information processing systems (e.g., passwords, disaster recovery, etc.).
- ◆ An **investigative report** usually involves examination of bank accounts, invoices, deposits, disbursements, and other transactions to detect misappropriation of public funds.
- ◆ A **special report** is designed to address specific concerns and interests of the LJAC regarding efficient and effective use of public resources by a particular entity or in a specific program.

Notably, ALA staff audit the State's Annual Comprehensive Financial Report (ACFR) prepared by the Department of Finance and Administration. Additionally, ALA staff conduct the Statewide Single Audit, including the Schedule of Expenditures of Federal Awards (SEFA) that examines use of various federal grant awards in the State.

By law, all reports that disclose unaccounted for funds or property, unauthorized disbursements, or matters that appear to involve a criminal offense are referred by the Legislative Auditor to the appropriate prosecuting attorney.

FAST facts

The Legislative Auditor or LJAC referred 113 matters, totaling approximately \$10 million in improper transactions, to the State's Prosecuting Attorneys in 2023.

What happens after a report is completed?

Reports are presented to the LJAC or one of its Standing Committees before becoming available to any other legislative committee or to the public. After presentation, reports become publicly available on the ALA website at www.arklegaudit.gov. In some instances, the LJAC Co-Chairs may approve a report for "early release" so that it is made public prior to presentation to the LJAC or a Standing Committee.

How do I find a previously-issued report?

All reports issued by ALA from 1998 to the present are available in a searchable database on the ALA website at www.arklegaudit.gov. Reports issued prior to 1998 can be obtained by calling the ALA office at 501-683-8600.

How do I request a special audit, report, or investigation?

A member of the General Assembly may submit a written request to the LJAC Co-Chairs for a special audit, report, or investigation regarding an entity or topic not included in the scope of ALA's typical work. The request is then reviewed by the Executive Committee and either approved or not approved.

What are the professional requirements for ALA staff?

Because the auditing profession is highly regulated, ALA staff are required to adhere to auditing and accounting standards from a number of national regulatory and professional entities, including the Governmental Accounting Standards Board, the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, and the Government Accountability Office.

As of January 13, 2025, ALA employed 250 professional staff and 11 support staff. Professional staff had achieved the following designations:

- 158 Certified Public Accountants (CPA)
- 37 Certified Fraud Examiners (CFE)
- 5 Certified in Financial Forensics (CFF)
- 9 Certified Information Systems Auditors (CISA)
- 2 Attorneys (JD)

Who “audits the auditors”?

Government auditing standards require all organizations conducting government audits to establish and maintain a system of quality control. ALA demonstrates commitment to the highest standards for auditing work by voluntarily agreeing to both internal and external quality control procedures.

Internally, ALA’s Quality Assurance personnel inspect reports and related audit documentation and monitor ALA’s Continuing Professional Education activities. Quality Assurance personnel also review relevant literature issued by auditing and accounting authoritative bodies, communicate new or amended standards to ALA staff, and assist in implementing appropriate standards.

Externally, ALA undergoes a quality control review (also known as a “peer review”) every three years by members of the National State Auditors Association. A bi-annual financial audit is also performed by a private CPA firm to ensure stewardship of public funds entrusted to ALA.

The logo for "FAST facts" features the word "FAST" in a large, bold, red sans-serif font. To the left of "FAST" are several horizontal red lines of varying lengths, creating a sense of motion or speed. The word "facts" is written in a smaller, blue, lowercase sans-serif font to the right of "FAST".

In its most recent peer review, ALA received the highest opinion possible from the National State Auditors Association.

Who makes up ALA's management team?

In addition to the Legislative Auditor, ALA's management team maintains offices in the State Capitol and oversees additional audit managers and supervisors, in their respective areas. Additional supervisors and audit managers in districts around the State oversee the work of auditors in the field who complete engagements involving educational institutions, counties, and municipalities.



Legal Counsel Emily White, JD

- ◆ Joined ALA in 2023
- ◆ Advises ALA staff and the LJAC on legal matters; drafts legislation; testifies regarding LJAC legislation during General Assembly meetings; and monitors legislative action, court decisions, and Attorney General opinions
- ◆ Graduate of Henderson State University (BA in Psychology) and the University of Arkansas at Little Rock William H. Bowen School of Law



Assistant Legislative Auditor Tim Jones, CPA, CFF

- ◆ Joined ALA in 1989
- ◆ Coordinates LJAC meetings; oversees ALA policy, human resources, and certain fiscal matters; and supervises special and investigative reports
- ◆ Graduate of the University of Arkansas, Fayetteville (BSBA in Accounting)



Deputy Legislative Auditor – State Agencies Tom Bullington, CPA

- ◆ Joined ALA in 1993
- ◆ Manages all engagements involving state agencies, including the financial and federal compliance audit of the State, financial and compliance audits of individual state agencies, as well as special reports and internal control and compliance assessments regarding state government entities
- ◆ Graduate of the University of Arkansas, Fayetteville (BSBA in Accounting)



Deputy Legislative Auditor – Educational Institutions Matt Fink, CPA

- ◆ Joined ALA in 2010
- ◆ Oversees financial and compliance audits of state-supported institutions of higher education, public school districts, open-enrollment charter schools, and education service cooperatives
- ◆ Graduate of the University of Central Arkansas (BBA in Accounting and Master of Accountancy)

Who makes up ALA's management team? (cont.)



Deputy Legislative Auditor – Counties and Municipalities

Joe Archer, CPA

- ◆ Joined ALA in 1991
- ◆ Responsible for audits and financial and compliance engagements for Arkansas counties, municipalities, and prosecuting attorney offices
- ◆ Graduate of Henderson State University (BBA in Business Administration)



Deputy Legislative Auditor – Information Systems

David Coles, CPA, CISA, CFF

- ◆ Joined ALA in 2001
- ◆ Responsible for overseeing Information Systems audits of state agencies, counties, municipalities, and educational institutions; overseeing ALA's Information Technology section; and maintaining ALA's computer network, website, and internal computer applications
- ◆ Graduate of Southern Arkansas University (BS in Accounting)



Quality Assurance Manager

Keith Freeman, CPA

- ◆ Joined ALA in 2001
- ◆ Responsible for overseeing the quality of ALA's work and electronic workpaper system, performing external peer reviews, and implementing new accounting and auditing standards
- ◆ Graduate of the University of Arkansas at Monticello (BS in Accounting)



Chief Fiscal Officer

Jana Cason, CPA, CFE

- ◆ Joined ALA in 2007
- ◆ Responsible for overseeing fiscal services for ALA, including appropriation management, payroll processing, disbursements, purchasing, annual operations plan, and biennial budget; also responsible for human resources, including recruiting, interviewing, and onboarding new employees
- ◆ Graduate of the University of Central Arkansas (BA in Accounting)



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