

# FISCAL NOTE

STATE OF ALASKA  
2011 LEGISLATIVE SESSION

Fiscal Note Number

Bill Version

HB166 \ I

() Publish Date

Identifier (file name) HB166-LBA-COM-02-28-2011

Dept. Affected

Legislature

Title "State Agency Performance Audits"

Appropriation

Budget and Audit Committee

Allocation

Committee Expenses

Sponsor Representative Chenault

Requester House Finance

OMB Component Number

775

## Expenditures/Revenues

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personal Services	356.4	0.0	356.4	356.4	356.4	356.4	356.4
Travel	10.0	0.0	10.0	10.0	10.0	10.0	10.0
Contractual	210.0	0.0	610.0	310.0	210.0	510.0	410.0
Supplies	10.0	0.0	10.0	10.0	10.0	10.0	10.0
Equipment	20.0						
Grants & Claims							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>606.4</b>	<b>0.0</b>	<b>986.4</b>	<b>686.4</b>	<b>586.4</b>	<b>886.4</b>	<b>786.4</b>

<b>CAPITAL EXPENDITURES</b>							
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<b>CHANGE IN REVENUES</b>							
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## FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	606.5		986.4	686.4	586.4	886.4	786.4
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>606.5</b>	<b>0.0</b>	<b>986.4</b>	<b>686.4</b>	<b>586.4</b>	<b>886.4</b>	<b>786.4</b>

Estimate of any current year (FY2011) cost

## POSITIONS

Full-time	3.0		3	3	3	3	3
Part-time							
Temporary							

## Why this fiscal note differs from previous version

### Initial Version

Prepared by Shane Miller, Finance Manager

Division Administrative Services Division

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Legislative Affairs Agency

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Date/Time 2/28/11 4:48 PM

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## Analysis

House Bill 166 tasks the Legislative Budget and Audit Committee with the responsibility of completing performance reviews/audits for all Executive Branch agencies, the University of Alaska and the Alaska Court System, beginning in state fiscal year 2012. House Leadership has determined that these audits will have the following fiscal impact to the State of Alaska:

### 71000 - Personal Services - \$356.4

Personal services funding will pay for two (2) full-time staff auditors (salary & benefits), range 25, step A. These staff will operate with a great deal of independence and autonomy to organize, coordinate and successfully complete audits as outlined in HB166. Personal Services will also pay for one professional level researcher, range 17, step A. This position will extend the capabilities of the auditors and assist with day-to-day administrative tasks and details.

### 72000 - Travel - \$10.0

Travel funding will pay for these three (3) staff to travel to annual public hearings to be held in Juneau, Anchorage and Fairbanks, to review agency activities in those locations and identify problems or concerns with the departments/programs being audited. Staff will also utilize travel funds to travel to other states to consult with them and appropriate public policy organizations to establish "best practices" for the agency.

### 73000 - Contractual Services - \$210.0 - \$610.0

\$200.0 has been budgeted for most state departments, the University of Alaska and the Alaska Court System to contract with an outside agency to prepare their audit reports after the audits have been completed. \$200.0 has been budgeted in this fiscal note for each department scheduled for audit in a given fiscal year. \$300.0 has been budgeted for completion of this report for the Departments of Health and Social Services (for the divisions responsible for health care services) and the Department of Education and Early Development. These audits are scheduled in FY2014 and FY2016 respectively. The audit report for Health and Social Services for divisions not responsible for health care services, is budgeted at \$200.0.

In addition, \$10.0 of contractual services funding has been budgeted to pay for leased office space for these 3 positions and for other recurring contractual costs associated with supporting state positions. These include, but are not limited to, Department of Administration staff support charge-back costs, telecommunications, software licensing, delivery services and utilities.

### 74000 - Commodities - \$10.0

Annual commodities costs include but are not limited to: Paper, toner cartridges, general office supplies, computers and computer-related items that do not exceed \$5,000.

### 75000 - Equipment - \$20.0 (FY12 only)

The equipment authorization requested for the first year of this fiscal note is \$20.0 to establish an office for these positions, which includes but is not limited to: purchasing office furniture, computers, printers, copy/fax machines, etc. After FY12, authorization has been decreased to \$0, since initial startup costs for equipment should be one-time costs.