

Sec. XX. SUPPLEMENTAL RATIFICATION OF CERTAIN EXPENDITURES. The following departmental expenditures made in fiscal years 2012, 2017, 2020, 2021, and 2022 are ratified to reverse the negative account balances in the Alaska state accounting system in the amount listed for the AR number. The appropriations from which those expenditures were actually paid are amended by increasing those appropriations for the fiscal year ending June 30, 2024, by the amount listed, as follows:

AGENCY	FISCAL YEAR	AMOUNT
Department of Health		
(1) AR H247 Senior and Disability Services System Upgrade (HD 1-40)	2012	\$297,800.16
(2) AR H519 Office of Civil Rights Remediation Completion (HD 1-40)	2017	\$25,243.00
Department of Law		
(1) AR WADM Audit Finding 2022-001 Administrative Services Division	2020	\$41,382.00
(2) AR WADM Audit Finding 2022-001 Administrative Service Division	2022	\$124,043.00
(3) AR WCIV Audit Finding 2022-001 Civil Division	2022	\$1,512,038
(4) AR WLAB Legal Contracts for Janus v AFSME	2021	\$301,845.00
(5) AR WLAB Legal Contracts for Janus v AFSCME	2022	\$13,189.00



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Health

FINANCE AND MANAGEMENT SERVICES
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DATE: January 5, 2024

TO: Tim Hess, Budget Analyst
Office of Management and Budget

FROM: Raquel Solomon-Gross, Acting Assistant Commissioner
Department of Health

ADN #: 1640443

SUBJECT: Shortfall Supplemental Ratification Request

Purpose: The Department of Health requests the following prior year supplemental ratification:

Capital Supplemental Ratification Request

BFY	RDU	Name	Description	Total General Funds
2012	H247	Senior and Disability Services System Upgrade (HD 1-40)	Due to conversion issues from AKSAS to IRIS, this appropriation is in shortfall; the department is seeking a ratification request to remedy a conversion shortfall issue.	\$ 297,800.16
2017	H519	Office of Civil Rights Remediation Completion (HD 1-40)	The amount of federal receipts collected for this program through the cost allocation plan was lower than anticipated; the department is seeking a ratification request to remedy this shortfall issue.	\$ 25,243.00

The Department of Health has exhausted all means of collection and is seeking general fund ratifications to zero-balance.

If you need further information, please contact me at 907-465-1290. Thank you.

cc: Josephine Stern, Assistant Commissioner, Department of Health
Dustin Scown, Budget Manager, Department of Health



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Law
ADMINISTRATIVE SERVICES DIVISION

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Memorandum

Date: March 1, 2024

To: Lacey Sanders, Director
Office of Management and Budget

Thru: Emy Ribao, Program Budget Analyst
Office of Management and Budget

From: Amber LeBlanc, Administrative Services Director
Department of Law, Administrative Services Division

Subject: Budget Fiscal Years (BFY) 2021 and 2022 Ratifications for Janus Contracts

Purpose: The Department of Law requests the following prior year supplemental ratifications.

- BFY2021

- 708-Legal Contracts Janus v AFSCME Decision

- 3286-Legal Contracts Janus v AFSCME Decision

- Description: During legislative session 2020, the legislature attempted to establish the RDU and Component Legal Contracts Relating to Interpretation of Janus v AFSCME Decision and \$20,000 general fund receipts (UGF). This RDU, component, and funding was vetoed. The department expended money to fund outside counsel contracts that Legislative Audit determined related to the interpretation of Janus v AFSCME from RDU 35-Civil Division, component 2718-Labor and State Affairs in the amount of \$301,845 UGF in which the authority was available in BFY2021.

- BFY2022

- 708-Legal Contracts Janus v AFSCME Decision

- 3286-Legal Contracts Janus v AFSCME Decision

- Description: During legislative session 2021, the legislature established the RDU and Component Legal Contracts Relating to Interpretation of Janus v AFSCME Decision and \$20,000 general fund receipts (UGF). This RDU, component, and funding was vetoed. The department expended money on outside counsel contracts that Legislative Audit determined related to the interpretation of Janus v AFSCME from RDU 35-Civil

Division, component 2718-Labor and State Affairs in the amount of \$13,189 UGF in which the authority was available in BFY2022.

After a special audit was requested, Legislative Audit came out with the above findings in its Preliminary Audit Report dated May 19, 2023. The Department of Law responded on October 6, 2023, that it disagreed with the findings and had previously opined that the attempted restriction through the appropriations bill on how the Attorney General could execute the legal services for the State violated the Alaska Constitution. The Department of Law continues to maintain that its spending was proper. Legislative Audit concluded that there were two ways to remedy the alleged violation: ratification or a lawsuit. Despite the Department of Law's continued belief that the audit finding is incorrect, the department puts forth this ratification in an effort to resolve the issue outside of litigation.

Department Contacts:

Cori Mills

Civil Division Deputy Attorney General

(907)465-3600

Amber LeBlanc

Amber LeBlanc

Administrative Services Director

(907)269-3787



Memorandum

Date: March 29, 2024

To: Lacey Sanders, Director
Office of Management and Budget

Thru: Emy Ribao, Program Budget Analyst
Office of Management and Budget

From: Amber LeBlanc, Administrative Services Director
Department of Law, Administrative Services Division

Subject: Finding No. 2022-001 Ratifications

Purpose: The Department of Law requests the following prior year supplemental ratifications for the shortfalls from the FY2022 Statewide Single Audit, Finding No. 2022-001.

BFY2020

- 280-Administration and Support (WADM)

2164-Administrative Services

Description: Originally identified in the FY2020 Statewide Single Audit, the \$441,374 potential shortfall was initially caused by an unusual and unanticipated change in available funding sources related to the Coronavirus Aid, Relief, and Economic Security Act, which occurred at the end of the FY2020 reappropriation period. As a result, the department could not finalize billings in a timely manner and revise the internal agreement with the Department of Administration related to this appropriation.

A CH8 document was created in August 2022 to adjust IA revenue from BFY2022 to resolve the \$441,374 potential shortfall for WADM in BFY2020 but there was a delay in the identification that the original document had the debit and credit in reverse. Law processed a new CH8 document to correct this. However, the original resolution plan to charge BFY2022 operating appropriations did not occur based on the incorrect revenue adjustment and the term year restriction preventing expenditure activity for BFY2022 operating appropriations.

A CH8 document was attempted in April 2023 to adjust IA revenue from BFY2023 to resolve the potential shortfall for WADM in BFY2020. However, after further analysis and guidance from the Department of Administration (DOA), Division of Finance (DOF), Accounting Services, and IRIS Project Teams, the CH8 document was discarded and replaced with a JVC document. This new document code will record the revenue adjustment at the appropriation, fund, and cost accounting levels. JVC-03-1200-240002145 replaced the CH8 document in October 2023. The department completed the transactions and submitted the request on February 20, 2024. After completing the adjusting entries for the prior years, the amount requested is \$41,382 to zero-balance the appropriation for FY2020.

BFY2022

- 280-Administration and Support (WADM)

2164-Administrative Services

Description: As mentioned for the BFY2020 adjustment a shortfall was produced in BFY2022 for the amount of \$124,043. WADM adjusting entries have been completed for FY2022 and no outstanding prior year encumbrances are obligated. The amount requested is \$124,043 to zero-balance the appropriation for FY2022.

- 35-Civil Division (WCIV)

2205-Deputy Attorney General's Office

Description: Originally identified in the FY2022 Statewide Single Audit for a potential shortfall of \$1,925,198. This shortfall is a result of unprocessed FY2022 expenditure allocation adjustments that were dependent on multiple budget transactions, with some requiring additional approval.

The shortfall of \$983,071 was due to expenses that should have been incurred in the Criminal Division where there was sufficient general fund to cover the expenses, but it was not identified in time to process an adjustment.

The remaining \$528,967 is due to unrecovered or unreimbursed expenditures against Reimbursable Services Agreements (RSA) from not completing the final FY2022 expenditure allocation adjustments.

After completing the adjusting entries for the prior years, the amount requested is \$1,512,038 to zero-balance the appropriation.

Office of the Governor, Office of Management and Budget
Re: *Finding No. 2022-001 Ratifications*

March 29, 2024

Department Contacts:

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