

HOUSE BILL NO. 316

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KAUFMAN

Introduced: 2/11/22

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act providing for a standardized improvement tracking system for state agencies."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 44.66 is amended by adding a new section to read:

4 **Article 2. Standardized Improvement Tracking System.**

5 **Sec. 44.66.100. Standardized improvement tracking system.** (a) The
6 governor shall implement a standardized improvement tracking system for state
7 agencies. Each state agency shall designate one person from the agency to administer
8 the system for that agency.

9 (b) The standardized improvement tracking system must enable tracking of the
10 status, progress, and closure of actions arising from audit findings, corrective and
11 preventive action requests, and other valid improvement opportunities identified by
12 agency employees, internal or external auditors, customers, and stakeholders.

13 (c) The standardized improvement tracking system must

14 (1) provide that each improvement opportunity for each state agency
15 be uniquely tracked using the system;

1 (2) validate each improvement to ensure that it can be logged and
2 tracked as a unique improvement opportunity rather than an addition to or
3 modification of an existing improvement opportunity;

4 (3) identify the following elements for each improvement item:

5 (A) description of improvement opportunity;

6 (B) criticality rating based on an objective system of scoring
7 the relative importance of improvement projects using elements including
8 frequency, cost, and risk or opportunity;

9 (C) identity of opportunity initiator;

10 (D) source identifier, including audit finding or corrective or
11 preventive action;

12 (E) date entered into system;

13 (F) identity of persons responsible for ensuring completion of
14 the improvement;

15 (G) improvement action status;

16 (H) scheduled completion date;

17 (I) actual completion date;

18 (J) name of authorized person who may accept completion of
19 the improvement item; and

20 (K) estimated cost, value, and savings of the improvement
21 expressed as an annual, one-time, or other cost as may be applicable;

22 (4) provide a mechanism for state agencies to

23 (A) analyze each improvement opportunity by reviewing
24 causes, characteristics, and frequency of occurrence;

25 (B) review the findings of the analysis to determine specific
26 programmatic or other root cause;

27 (C) determine the corrective action to be implemented that
28 addresses the root cause to prevent reoccurrence; corrective action shall be
29 taken to eliminate the cause of a defect that has already occurred;

30 (D) develop an implementation schedule for each corrective
31 action and implement those actions in accordance with the schedule;

1 (E) evaluate effectiveness of corrective and improvement
2 action plans and implementation;

3 (5) ensure evaluation of the effectiveness of a corrective action plan
4 and assess improvements in operations and efficiencies; and

5 (6) provide for quarterly status reporting from the system administrator
6 to the head of an agency and annual status reporting from the governor to the
7 legislature; quarterly and annual status reports must include the following:

8 (A) quantity of open items;

9 (B) quantity of closed items;

10 (C) aging of items approaching or beyond scheduled
11 completion date;

12 (D) cost or benefit of items closed during the reporting period
13 and fiscal year to date;

14 (E) details of higher criticality items that have been closed
15 within the reporting period;

16 (F) details of higher criticality items that have already extended
17 or are projected to extend beyond their original due date; and

18 (G) action plan for closure of higher criticality items that are
19 beyond their scheduled closure date.

20 (d) In this section,

21 (1) "improvement" means a systematic action taken to correct or
22 prevent defects;

23 (2) "preventive action" means action taken to prevent the occurrence of
24 a defect in the future;

25 (3) "state agency" means the University of Alaska and a department,
26 institution, board, commission, division, authority, public corporation, or other
27 administrative unit of the executive branch.