

HOUSE BILL NO. 406

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

BY REPRESENTATIVE COGHILL

Introduced: 2/13/02

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to audits of private, nonprofit corporations that receive grants from**
2 **the state."**

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

4 * **Section 1.** AS 14.08.101 is amended to read:

5 **Sec. 14.08.101. Powers.** A regional school board may

6 (1) sue and be sued;

7 (2) contract with the department, the Bureau of Indian Affairs, or any
8 other school district, agency, or regional board for the provision of services, facilities,
9 supplies, or utilities;

10 (3) determine its own fiscal procedures, including but not limited to
11 policies and procedures for the purchase of supplies and equipment; the regional
12 school boards are exempt from [AS 37.05 (FISCAL PROCEDURES ACT) AND]
13 AS 36.30 (State Procurement Code) **and, except for AS 37.05.322, from AS 37.05**
14 **(Fiscal Procedures Act);**

1 (4) appoint, compensate, and otherwise control all school employees in
2 accordance with this title; these employees are not subject to AS 39.25 (State
3 Personnel Act);

4 (5) adopt regulations governing organization, policies, and procedures
5 for the operation of the schools;

6 (6) establish, maintain, operate, discontinue, and combine schools
7 subject to the approval of the commissioner;

8 (7) recommend to the department projects for construction,
9 rehabilitation, and improvement of schools and education-related facilities as specified
10 in AS 14.11.011(b), and plan, design, and construct the project when the responsibility
11 for it is assumed under AS 14.11.020;

12 (8) by resolution adopted by a majority of all the members of the board
13 and provided to the commissioner of the department, assume ownership of all land and
14 buildings used in relation to the schools in the regional educational attendance area;

15 (9) provide housing for rental to teachers, by leasing existing housing
16 from a local agency or individual, or by entering into contractual arrangements with a
17 local agency or individual to lease housing that will be constructed by the local agency
18 or individual for that purpose;

19 (10) exercise those other functions that may be necessary for the
20 proper performance of its responsibilities;

21 (11) employ a chief school administrator.

22 * **Sec. 2.** AS 37.05 is amended by adding a new section to read:

23 **Sec. 37.05.322. Audits of nonprofit corporations receiving grants.** (a) A
24 private, nonprofit corporation that receives a grant from a state agency, including a
25 public corporation, under AS 37.05.316, 37.05.317, or other law shall submit an audit
26 of the nonprofit corporation's entire operations to the state agency covering each fiscal
27 year during which grant money is made available to the nonprofit corporation.

28 (b) A private, nonprofit corporation that receives a grant from a state agency,
29 including a public corporation, under AS 37.05.316, 37.05.317, or other law shall, at
30 the request of the legislative audit division, make the nonprofit corporation's records
31 available to the division so that the division may audit the uses made of the grant

1 money.

2 (c) The requirements of (a) and (b) of this section shall be included in each
3 grant agreement under which a grant is made available by a state agency, including a
4 public corporation, to a private, nonprofit corporation.

5 * **Sec. 3.** AS 42.40.920(b) is amended to read:

6 (b) Unless specifically provided otherwise in this chapter, the following laws
7 do not apply to the operations of the corporation:

8 (1) AS 19;

9 (2) AS 30.15;

10 (3) AS 35;

11 (4) AS 36.30, except as specifically provided in that chapter;

12 (5) AS 37.05, except **for AS 37.05.322 and except** as specifically
13 provided in AS 37.05.210;

14 (6) AS 37.07;

15 (7) AS 37.10.010 - 37.10.060;

16 (8) AS 37.10.085;

17 (9) AS 37.20;

18 (10) AS 37.25;

19 (11) AS 38;

20 (12) AS 44.62.010 - 44.62.320.