

**ALASKA STATE LEGISLATURE**  
**JOINT COMMITTEE ON LEGISLATIVE BUDGET AND AUDIT**

January 24, 2001

12:34 p.m.

**MEMBERS PRESENT**

Senator Gene Therriault, Chair  
Senator Lyman Hoffman  
Senator Randy Phillips  
Senator Jerry Ward  
Senator Gary Wilken, alternate

Representative Hugh Fate, Vice Chair  
Representative John Harris  
Representative Ken Lancaster  
Representative Reggie Joule

**MEMBERS ABSENT**

Senator Dave Donley

Representative Eldon Mulder  
Representative John Davies, alternate  
Representative William Williams, alternate

**COMMITTEE CALENDAR**

COMMITTEE PROCEDURES OVERVIEW  
APPROVAL OF MINUTES  
EXECUTIVE SESSION  
AUDIT REPORTS

**ACTION NARRATIVE**

TAPE 01-1, SIDE A  
Number 0001

CHAIR THERRIAULT called the Joint Committee on Legislative Budget and Audit meeting to order at 12:34 p.m. Members present at the call to order were Senators Therriault, Hoffman, Phillips, and Wilken, and Representatives Fate, Harris, Joule, and Lancaster.

CHAIR THERRIAULT stated there was a short agenda for today's

meeting. He mentioned that David Teal, Legislative Fiscal Analyst, Legislative Finance Division, Alaska State Legislature, was not present due to the lack of RPL (Revised Program Legislative) requests from the administration. He said that the committee has preliminary audits that will be available for discussion in executive session. After executive session, the committee will make a motion to release the audits that were decided upon.

CHAIR THERRIAULT described the membership on the committee as being five members from the House and five from the Senate. In addition, there are three alternate members; Senator Wilken and Representatives Williams and Davies. For the purpose of voting, if both Representatives Williams and Davies are present, Representative Williams will take precedent over Representative Davies.

CHAIR THERRIAULT explained that it takes a quorum of six in order to take an affirmative action for RPL's, release of audits, and authorizing or improving an audit request. There must be at least one vote from each body [House and Senate]. For example, if there are only six committee members present, (five Senators and one Representative), one vote must come from the House in order for an action to be approved.

CHAIR THERRIAULT explained that RPL's are adjustments made to the current year's budget. In the front section of the operating budget, the Legislative Budget & Audit Committee (LB&A) is given specific authorization by the full legislature to make certain adjustments to the budget. This is renewed each year. Therefore, the Legislative Budget and Audit Committee can be given authorization to make adjustments to different fund sources. Currently, the only authorization the Legislative Budget and Audit Committee has is for adjustments in receipt and expenditure of federal funds and SDPR (Statutorily Designated Program Receipts).

VICE CHAIR FATE made a motion to approve the minutes from the December 6, 2000 meeting.

CHAIR THERRIAULT asked whether there were any objections. There being none, the minutes from the December 6, 2000 meeting were approved as read.

#### **EXECUTIVE SESSION**

VICE CHAIR FATE made a motion to move to executive session for the purpose of discussing confidential audit reports under Alaska Statute 24.23.01. There being no objection, the committee went into executive session at 12:38 p.m.

CHAIR THERRIAULT requested that the following people attend the executive session: Pat Davidson, Jim Griffin, Nikki Rouget, (Legislative Audit Division Staff), and Heather Brakes, (Legislative Budget and Audit Committee Aide).

VICE CHAIR FATE made a motion to move back into regular session. There being no objection, the committee reconvened regular session at 1:10 p.m.

#### **AUDIT REPORTS**

Number 0393

VICE CHAIR FATE made a motion to release the preliminary reports to the agencies for response.

CHAIR THERRIAULT clarified that the report to be released was the Department of Corrections - Board of Parole Preliminary Audit. There being no objection, this audit was released to the agency for comment.

VICE CHAIR FATE made a motion to release the final audit reports to the public.

CHAIR THERRIAULT stated that the audits to be released were: DCED/CSER Performance (08-4593-01) - Department of Revenue, Child Support Enforcement Division, Selected Issues; DHSS/DMHDD/DMA Follow-up (06-4599-01) - Department of Health and Social Services, Divisions of Mental Health and Developmental Disabilities and Medical Assistance, Community Mental Health Center Programs, Follow-Up Report; DCED/Board of Dental Examiners (08-20002-01) - Department of Community and Economic Development, Board of Dental Examiners, Sunset Review; DFG/Mariculture (11-30002-01) - Department of Fish and Game, Department of Natural Resources, Office of the Governor, Division of Governmental Coordination, Mariculture Development and the Aquatic Farm Act. There being no objection, those audits were released to the public.

VICE CHAIR FATE made a motion to approve the audit requests.

CHAIR THERRIAULT stated that Senator Donley had made two audit

requests. He explained that the Legislative Budget and Audit Committee normally attempts to provide information to the requestor without going to a formalized audit. There are audit requests pending. But, even if an audit request was approved at this time, the audit probably would not be completed before the next legislative session. If possible, we try to work with the audit requestors to see if Pat Davidson and the Division of Legislative Audit have the information. Sometimes a call from the Division of Legislative Audit to an agency regarding the potential threat of an audit will cause the agency to work with the requestor. Chair Therriault noted that he has suggested those interested in making an audit request contact the Division of Legislative Audit before submitting the request. Requestors can also work with the Division of Legislative Audit on "framing the question," to ensure that the audit will be done quickly.

CHAIR THERRIAULT said there were no audit requests to approve or consider at this time.

REPRESENTATIVE JOULE asked, when audit requests are made and put forth to the committee, if they will be put in members' committee packets.

CHAIR THERRIAULT confirmed that the audit requests would be put in the committee packets. He reminded committee members that audit requests require a vote of six to be approved. In regard to the committee's earlier discussion on the confidentiality of the audit reports, Chair Therriault reminded the committee that the red reports [confidential preliminary reports] that were handed out, needed to be returned to Pat Davidson, Legislative Auditor. Those committee members interested in reviewing a preliminary audit should contact Pat Davidson or Senator Therriault's office. He pointed out that the preliminary audit will need to be returned after viewing.

#### **ADJOURNMENT**

CHAIR THERRIAULT adjourned the Joint Legislative Budget and Audit Committee meeting at 1:15 p.m.