

ALASKA STATE LEGISLATURE
JOINT COMMITTEE ON LEGISLATIVE BUDGET AND AUDIT

March 29, 2001

12:50 p.m.

MEMBERS PRESENT

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

Representative Hugh Fate, Vice Chair
Representative Eldon Mulder
Representative Ken Lancaster
Representative Reggie Joule

MEMBERS ABSENT

Senator Dave Donley

Representative John Harris
Representative William Williams, alternate
Representative John Davies, alternate

COMMITTEE CALENDAR

APPROVAL OF MINUTES
EXECUTIVE SESSION
AUDIT REPORTS
OTHER COMMITTEE BUSINESS

WITNESS REGISTER

PAT DAVIDSON, Legislative Auditor
Division of Legislative Audit
333 Willoughby Avenue
PO Box 113300
Juneau, Alaska 99811-3300

POSITION STATEMENT: Spoke on behalf of the Division of
Legislative Audit.

ACTION NARRATIVE

TAPE 01-03, SIDE A
Number 0001

CHAIR THERRIAULT called the Joint Committee on the Legislative Budget and Audit meeting to order at 12:50 p.m. Present at the call to order were Senators Hoffman and Therriault, and Representatives Joule, Lancaster, and Fate. Senators Phillips and Ward and Representative Mulder arrived after the call to order.

APPROVAL OF MINUTES

CHAIR THERRIAULT indicated the next order of business would be the approval of minutes from the Legislative Budget and Audit meeting held on February 28, 2001.

Number 0099

VICE CHAIR FATE made a motion to approve the minutes from the February 28, 2001 meeting.

CHAIR THERRIAULT asked whether there were any objections. There being none, the minutes from the February 28, 2001 meeting were approved as read.

EXECUTIVE SESSION

Number 0126

VICE CHAIR FATE made a motion to move to executive session for the purpose of discussing confidential audit reports under Alaska Statute 24.20.301. There being no objection, the committee went into executive session at 12:51 p.m.

CHAIR THERRIAULT made a motion to move back into regular session. There being no objection, the committee reconvened regular session at 1:00 p.m.

AUDIT REPORTS

Number 0170

VICE CHAIR FATE made a motion to release the following final audit reports to the public: Department of Community and Economic Development, Grants to Deltana Community Corporation, December 21, 2000 [08-30008-01]; Department of Public Safety, Council on Domestic Violence and Sexual Assault, Batterer Intervention Programs, February 9, 2001, [12-4606-01]; and Alaska Commission on Postsecondary Education and University of

Alaska, Selected Financial Information Related to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Regional Medical Education Program, January 26, 2001 [05-4598-01]. There being no objection, those final audits were released to the public.

CHAIR THERRIAULT pointed out that the committee members had information that would become a follow-up letter to the co-chairs of the finance committee[s] for possible action. He said this "audit information impacts their individual agency budgets." He indicated that committee members should take this information to use themselves or for other legislature members so it can be utilized.

Number 0252

VICE CHAIR FATE made a motion to approve the following audit requests: Department of Transportation & Public Facilities, Equitable Treatment of Engineers; Department of Health & Social Services, State Foster Care System, Selected Affects; and Department of Labor and Workforce Development, Division of Vocational Rehabilitation Selected Issues.

CHAIR THERRIAULT suggested that the committee deal with the audits individually.

VICE CHAIR FATE amended his motion to take up the first audit request, Department of Transportation & Public Facilities, Equitable Treatment of Engineers.

Number 0309

MS. DAVIDSON commented that the Division of Legislative Audit has been asked to look into the "hiring and career advancements of engineers."

CHAIR THERRIAULT asked if there were any objections to the approval of this audit. There being none, this audit request was approved.

Number 0331

VICE CHAIR FATE made a motion to approve the Department of Health & Social Services, State Foster Care System, Selected Aspects, audit request.

CHAIR THERRIAULT stated that Vice Chair Fate made this audit request after the Speaker (Representative Brian Porter) spoke to him regarding this issue.

VICE CHAIR FATE confirmed this statement. He said this subject was initially brought up by Representative Fred Dyson, Chair of the House Health, Education and Social Services Standing Committee, and Representative Joe Green, who discussed this audit request with the Speaker of the House (Representative Porter), and who in turn contacted Vice Chair Fate requesting this audit request be placed in front of the Joint Legislative Budget and Audit Committee.

CHAIR THERRIAULT asked Ms. Davidson if she had a clear understanding of what the scope of this audit request was.

MS. DAVIDSON said yes.

CHAIR THERRIAULT asked if there were any objections to this audit request. There being no objections, the Department of Health and Social Services, Foster Care System, Selected Aspects audit request was approved.

Number 0389

VICE CHAIR FATE made a motion to approve the Department of Labor and Workforce Development, Division of Vocational Rehabilitation, Selected Issues audit request.

CHAIR THERRIAULT remarked that this request was one in which the auditor wants to increase the scope of an audit already in progress.

MS. DAVIDSON explained that initially this audit was being done to look at financial issues. However, the audit has expanded to cover performance and management issues. So, she is requesting the Joint Legislative Budget and Audit Committee's approval to expand into these areas.

CHAIR THERRIAULT asked if there were any objections to the request for the expansion of the ongoing audit. There being no objections, this audit request was approved.

OTHER COMMITTEE BUSINESS

Number 0447

CHAIR THERRIault informed committee members that on Monday, April 2, 2001 from 12:00 p.m. to 1:30 p.m., there would be a presentation by former Representative Gail Phillips on the final report on boarding schools. He said that since she went to all the site visits, it was appropriate for her to make this report.

MS. DAVIDSON commented that the legislature receives a financial audit as does all entities of state government. She pointed out that committee members have received a letter, from the KPMG LLP accounting firm that consists of suggestions for improvements, and the financial audit for the legislature.

ADJOURNMENT

Number 0536

There being no further business before the committee, the Joint Committee on the Legislative Budget and Audit meeting was adjourned at 1:06 p.m.