

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 1
 Bill Version CSHB 166(FIN)
 (H) Publish Date 3/18/11

Identifier (file name) HB166-GOV-OMB-02-26-11 Dept. Affected Office of the Governor
 Title State Agency Performance Audits Appropriation Office of Management and Budget
 Allocation Office of Management and Budget
 Sponsor Representative Chenault
 Requester House Finance OMB Component Number 2144

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

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Phone 907-465-4677
 Date/Time 2/26/11 1:00pm
 Date 2/26/2011

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Analysis

HB 166 initiates annual performance audits and reviews of Executive Branch agencies beginning with fiscal year 2012, and continuing annually on a 10-year cycle based on the schedule proposed on page 3, Section 2 lines 2-21 of the I version of the bill.

For purposes of this fiscal note it is assumed that all additional resources contemplated by the bill to perform the performance audits and reviews would come from outside of the Executive Branch, and that the agency or agencies that are under review would not be charged an administrative fee or fees by the review team in order to fund the costs of the reviews. It is also assumed that the agency or agencies under review would not need to expend additional resources or create new systems or data to support the review team's effort.

The Office of Management and Budget would be statutorily required to provide the performance review team the following documentation:

- (1) a 10-year growth history and a 10-year projection of agency expenses by funding source,
- (2) organizational charts, personnel charts by location that show the number of positions and the functions of each position, and a list of transfers of personal services funding to or from other line items within the agency during the preceding 10 years. (See page 4 Section 3, lines 22-27 of version I)

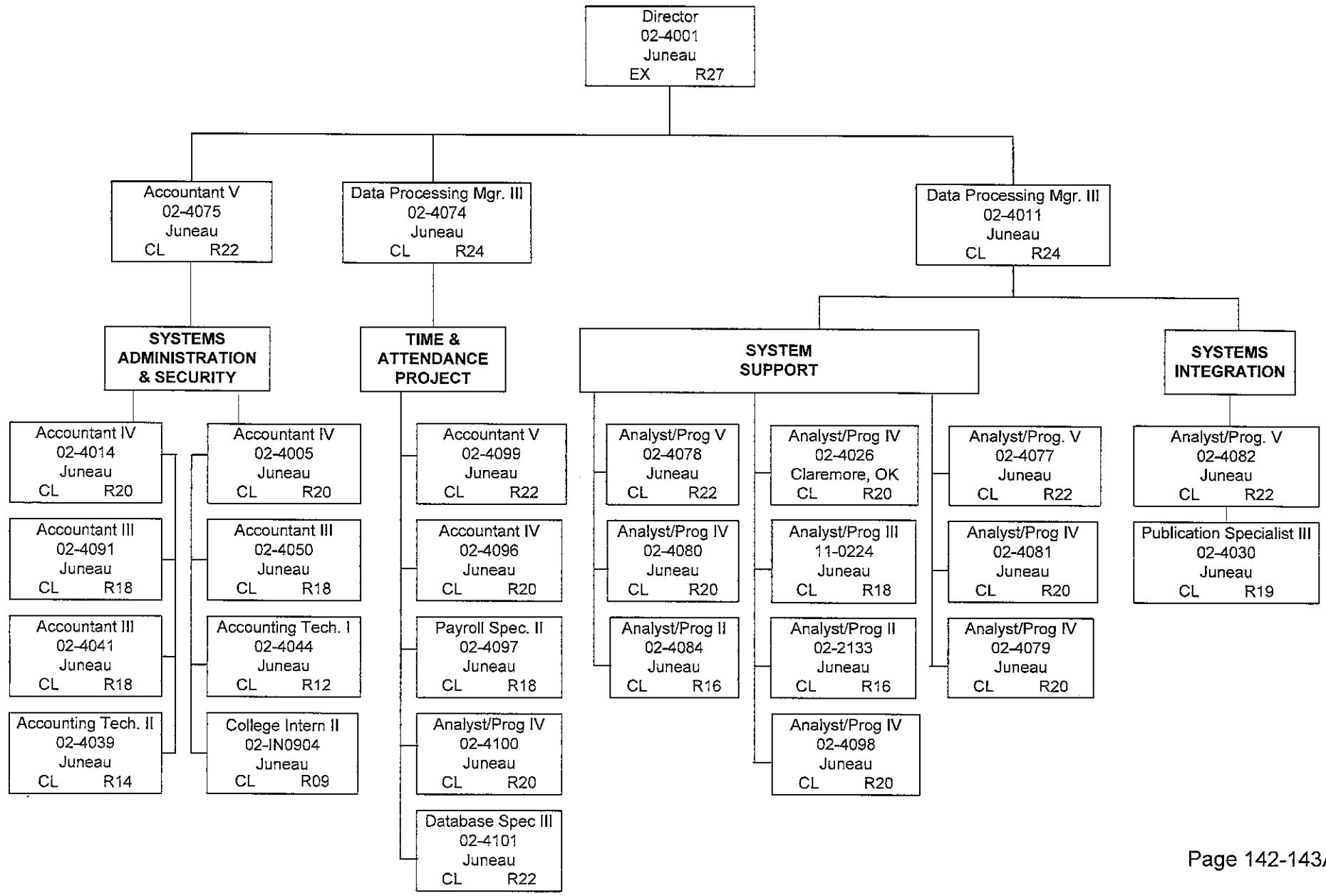
For the purposes of this fiscal note, it is assumed that these requirements would be met through the provision of information and documentation that is routinely provided to the legislature by the Office of Management and Budget and that no unusual or extraordinary use of resources are required.

The requirements of (1) above are assumed to be satisfied through the provision of historical data available from either the Alaska Budget System (ABS) or in a cooperative effort between the Office of Management and Budget and the Legislative Finance Division. Agency 10-year expenditure projections are assumed to be the same projections that are provided to OMB as part of the annual 10-year planning process. It should be noted that it is highly probable that some level of OMB staff time would need to be devoted to providing assistance to the review team staff or contractors in order for them to best interpret the historical and projected data that is available for the agencies from these sources.

The requirements of (2) above are assumed to be satisfied through the provision of organizational charts that are routinely published by the Office of Management and Budget as part of the annual publication of the agency budgets. Please see the attached example for the type of staffing charts currently produced. If these do not provide adequate information to the review team, additional effort would be required that is not reflected in this analysis. The requirement to provide the review team with a list of transfers of personal services funding to or from other line items within the agency during the preceding 10 years is assumed to be met by the semi-annual reports that have been required through appropriation bill language since 2009. Information on this item is not available from the Office and Management and Budget prior to that date. It is assumed that OMB would not be required to construct this information prior to FY2010.

As further information becomes available regarding the implementation of this legislation, it is possible that the fiscal note would need to be revised to reflect costs that are not identified at this time.

Department of Administration
 Centralized Administrative Services
 Division of Finance



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