

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: CSHB 30(FIN)
 Fiscal Note Number: 1
 (H) Publish Date: 2/13/13

Identifier: HB030CS(FIN)-GOV-OMB-2-12-13
 Title: STATE AGENCY PERFORMANCE AUDITS
 Sponsor: ** CHENAULT, OLSON
 Requester: House Finance

Department: Office of the Governor
 Appropriation: Office of Management and Budget
 Allocation: Office of Management and Budget
 OMB Component Number: 2144

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No.

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This note is updated to reflect the House CS version of the bill. The changes in the CS will not result in any changes to the fiscal note.

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Division:	Office of Management and Budget	Date:	02/12/2013 10:30 AM
Approved By:	Karen Rehfeld, Director	Date:	02/12/13
	Office of Management and Budget		

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 30(FIN)

Analysis

This Bill initiates annual performance audits and reviews of Executive Branch agencies beginning with calendar year 2014, and continuing annually on a 10-year cycle based on the schedule proposed on page 4, Section 5 of version Y 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; and
- (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 6 Section 6, lines 11-16 of version Y.

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. Attached is an example of 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 2009. It is assumed that OMB would not be required to construct this information prior to FY2010.

It is also assumed that agency travel budgets would not be adversely impacted by the public hearings called for in section 6, page 5, lines 30-31, and page 6 lines 1-2.

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.

