

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

April 12, 2019

5:46 p.m.

MEMBERS PRESENT

Representative Chris Tuck, Chair
Representative Neal Foster
Representative Andy Josephson
Representative Ivy Spohnholz

Senator Click Bishop, Vice Chair
Senator Bert Stedman
Senator Cathy Giessel
Senator Peter Micciche (alternate)

MEMBERS ABSENT

Senator Natasha von Imhof
Senator Lyman Hoffman

Representative Mark Neuman
Representative Jennifer Johnston (alternate)

OTHER LEGISLATORS PRESENT

Representative Bryce Edgmon
Representative DeLena Johnson

COMMITTEE CALENDAR

APPROVAL OF MINUTES
EXECUTIVE SESSION
OTHER COMMITTEE BUSINESS

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

KRIS CURTIS
Legislative Auditor
Legislative Audit Division
Legislative Agencies and Offices
Juneau, Alaska

POSITION STATEMENT: Requested a change to staff pay in her division.

ACTION NARRATIVE

[5:46:28 PM](#)

CHAIR CHRIS TUCK called the Legislative Budget and Audit Committee meeting to order at 5:46 p.m. Representatives Tuck, Spohnholz, Foster, and Josephson and Senators Bishop, Giessel, Stedman, and Micciche (alternate) were present at the call to order. Also present were Representatives Edgmon and Johnson.

Approval of Minutes

[5:47:10 PM](#)

CHAIR TUCK announced that the first order of business would be approval of the minutes.

[5:47:15 PM](#)

SENATOR BISHOP made a motion to approve the minutes of the Legislative Budget and Audit Committee of March 7, 2019. There being no objection, the minutes from the meeting of March 7, 2019 were approved.

Executive Session

[5:47:34 PM](#)

CHAIR TUCK announced that the next of business would be to move into Executive Session.

[5:48:24 PM](#)

SENATOR BISHOP made a motion to move to executive session under Uniform Rule 22 of the Alaska Legislature for the purposes of discussing confidential audit reports under AS 24.20.301 and personnel matters associated with the audit process. There being no objection, the committee went into Executive Session at 5:49 p.m.

[5:49:12 PM](#)

The committee took an at-ease from 5:49 p.m. to 6:59 p.m.

[6:59:44 PM](#)

CHAIR TUCK brought the committee back to order at 6:59 p.m.

Other Committee Business

[6:59:51 PM](#)

SENATOR BISHOP made a motion for the preliminary audits for the FY 18 Statewide Single Audit to be released to the appropriate agencies for response. There being no objection, the preliminary audit was released.

[7:00:19 PM](#)

CHAIR TUCK announced that the final order of business would be a request for additional audit resources for the Legislative Audit Division and for the audit staff to move to a 40-hour work week.

[7:00:34 PM](#)

KRIS CURTIS, Legislative Auditor, Legislative Audit Division, Legislative Agencies and Offices, explained that the workload of the Legislative Audit Division had increased dramatically over the last ten years, and that, in order to cope with this increase and meet the statutory and federal audit deadlines, she asked the committee to approve a move to a 40-hour work week for supervising auditors. She stated that the supervising auditors encompassed 25 budgeted positions which included senior auditors, in-charge auditors, audit managers, the Deputy Legislative Auditor, and the Legislative Auditor. She estimated that this would increase the division budget for FY20 about \$180,000. She asked for the support of the Legislative Budget and Audit Committee. She added that there were not any required changes to statute and that she could adjust the auditor pay using the existing grid in statute for exempt employees. She pointed out that, as the supervisory union had moved to a 40-hour work week in FY19, this would allow for more competitiveness with positions offered by the supervising accountants as well as to better cope with the workload.

[7:01:48 PM](#)

SENATOR BISHOP moved that the Legislative Budget and Audit Committee authorize a 40-hour work week for the Division of Legislative Audit supervising auditors, including senior

auditors, in-charge auditors, audit managers, and the Legislative Auditor with [commensurate] increases to compensation.

[7:02:13 PM](#)

CHAIR TUCK objected for discussion.

SENATOR STEDMAN offered his belief that it was a good idea and he looked forward to keeping the audit department healthy.

[7:02:44 PM](#)

SENATOR MICCICHE stated his support for the change, as "it's clear that the workload has been increased dramatically over the last several years." He asked about the overall cost increase for this change.

MS. CURTIS replied that it was estimated to be an increase of \$180,000.

[7:03:14 PM](#)

SENATOR BISHOP expressed his support that the change would increase morale and decrease turnover in the division.

CHAIR TUCK acknowledged that the division worked hard and "they put a lot of hours in." He stated that this would offer an opportunity to be compensated for this work.

[7:03:39 PM](#)

CHAIR TUCK removed his objection. There being no further objection, the Legislative Budget and Audit Committee authorized a 40-hour work week for the Division of Legislative Audit supervising auditors, including senior auditors, in-charge auditors, audit managers, and the Legislative Auditor with commensurate increases to compensation.

[7:04:06 PM](#)

MS. CURTIS, in response to Senator Micciche, explained that the Legislative Audit Division served as "the legislature's eyes and ears out there in the executive branch. We are looking and we've test[ed] every year for compliance with state laws and I believe we really do serve as the state's main internal control, to help ensure that the state's financial records are complete

and accurate, and the financial activities conducted in accordance with law." She declared that this was a very important function, adding that the mission of the division was to help improve governmental operations.

[7:05:16 PM](#)

ADJOURNMENT

There being no further business before the committee, the Legislative Budget and Audit Committee meeting was adjourned at 7:05 p.m.