

ALASKA LEGISLATURE COMMITTEE FILES 1900-1900 00/2

3821 SCRA CRANT AUDIT REGULATIONS - JOHN WALSH

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SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
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GRANT AUDIT REGULATIONS

JOHN WALSH

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NORTH SLOPE OPPOSITION BRIEF

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# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as created during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

*James O. Smith*  
Signature of Camera Operator

*10/31/89*  
Date

Regulations

Grant  
Audit

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION 86-18

A RESOLUTION OPPOSING THE PROPOSED  
GRANT ADMINISTRATION REGULATIONS BY THE  
ALASKA DEPARTMENT OF ADMINISTRATION 2 AAC 95.

WHEREAS, the State of Alaska is proposing regulations dealing with grant administration, and

WHEREAS, the proposed grant regulations would be applicable to all non-profit corporations, State agencies, political subdivisions, Regional Education Attendance Areas (REAA's), Coastal Resources Service Areas (CRSAs), traditional and IRA councils, and for-profit entities and individuals eligible for state grant funds, and

WHEREAS, the proposed grant regulations will impose meaningless, conflicting, costly and impractical regulations on the State government itself and all grant recipients, and

WHEREAS, the State has recently adopted regulations for single audit standards for all State grants, these audit standards require the grant recipients be responsible and accountable, and that the grant funds are expended for and consistent with the overall intent of the grant, and

WHEREAS, there are significant messages given by the State of Alaska by these proposed State grant regulations of major concern to the citizens of Alaska, to wit:

- a. State government would grow in order to effectively administer the details involved in these regulations.
- b. Traditional and IRA councils must offer a waiver of sovereign immunity in order to receive a grant.
- c. The State laws governing employee personnel rules and compensation should apply in all cases where State grant funds are used.
- d. The State would hold grantees liable for actions arising from the administration of State grant funds, even when those projects are administered on behalf of the State.

- e. The State's purchasing policies are to supercede the purchasing policies approved by ordinance by local governments.
- f. The State would retain title to and control all interest in any real property acquired by a grant.
- g. The State would receive the interest earnings on grant funds if these interest earnings are not used for specific project, even those projects for which a grantee has front-ended the cost of construction, thus, losing interest earnings on recipients funds, and

WHEREAS, it is not in the best interest of the citizens of the State of Alaska to increase the cost of administration through the imposition of these regulations, and it has been found by the Legislature that the best interests of Alaskans can be served by using grant funds to maximize the construction funds or program operating funds available;

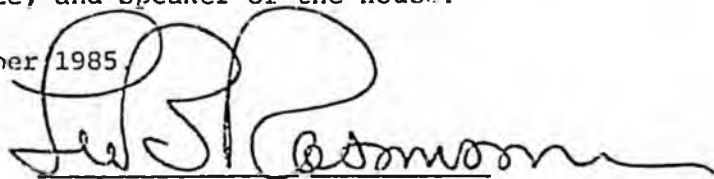
NOW, THEREFORE, BE IT RESOLVED by the Alaska Municipal League that:

Section 1. The Alaska Department of Administration withdraw the proposed grant administration regulations.


Section 2. The Department of Administration continue to use the newly adopted regulations for grant audits as the mechanism to see that the grant funds are expended for and consistent with the overall intent of the grants.

Section 3. Copies of this resolution are to be sent to the Governor of the State of Alaska, Commissioner of the Department of Administration, President of the Senate, and Speaker of the House.

Adopted this 16th day of November 1985

  
LEO B. RASMUSSEN, President

ATTEST:

  
SCOTT A. BURGESS, Executive Director

QUESTIONS AND ANSWERS RESPONDING TO  
THE HONORABLE SENATOR EDNA DeVRIES  
REQUEST OF DECEMBER 18, 1985

1. What requirements are made of local officials by the new regulations covering auditing criteria, and how do these regulations differ from those which were in effect previously?"

Answer: Essentially there are no new requirements imposed on local officials by the Single Audit regulation except that grantees must arrange for the audit with an independent auditor themselves.

In the past, the State (usually the grantor agency) arranged for the audit, either by contract with an independent auditor or with State auditors. Also, in the past, these State-arranged audits were limited only to the grant(s) from the State agency concerned. This often resulted in several different agency auditors auditing only their own agency's grant(s). At the same time, local officials continued to have their own independent auditors perform financial audits over their entire financial operation, including State grants.

2. "What assistance is provided local government officials in complying with the requirements of the new regulations?"

Answer: OMB has conducted presentations and held open question and answer forums on the Single Audit with the Alaska Jaycees, the Institute of Internal Auditors, the Alaska Municipal League, the Municipal Finance Officers Association, and the professional auditing community in Anchorage.

In addition, we have provided either a written or phone response to any and all questions received from governments, auditors, or grantors relating to Single Audit. Enclosed is one example for the Municipality of Anchorage.

OMB has also kept track of State funds awarded through the new Grants Information System (GIS) in order to notify local governments when the dollar thresholds have been reached and a Single Audit might be required. As this notification was sent, a copy of the regulation was included for the grantees' better understanding.

A copy of the regulation was also sent to over 250 grantees when the regulation was adopted in July 1985.

For your information, a copy of the cover letter sent is enclosed.

OMB is also working on an audit guide including a Compliance Supplement to be distributed to each grantee. This is intended to provide a complete information package of the Single Audit process for use by grantees, auditors, and State agencies. A draft copy is enclosed for your information. Although it appears a lengthy document, it is like a telephone directory; everything must be included because there is no way to know how much information will be needed by a particular grantee.

3. "What are the retroactive provisions of the new regulations?"

Answer: There are no retroactive provisions. We have requested that grantees voluntarily make it retroactive only to July 1, 1985 from the actual effective date of August 1, 1985, in order to cover the entire 1986 fiscal year. In most cases, the grantees have complied with this request--in a few cases, they have not. The advantage of the voluntary compliance of one month is that it does not leave a one month period that still

must be audited under the old system, while the remaining 11 months are audited under Single Audit.

The only other area that might be "gray" relates to State funds awarded prior to the Single Audit effective date. These funds will be subject only to financial audit, as they are now under the present system.

Enclosures

## ADMINISTRATION

2 AAC is amended by adding a new chapter to read:

## CHAPTER 45. GRANT ADMINISTRATION.

## Section

## 10. Audit requirements

02 AAC 45.010. AUDIT REQUIREMENTS. (a) As part of the financial information required under AS 37.05.030, a state agency that enters into a financial assistance agreement to provide financial assistance to an entity shall, in coordination with any other state agencies providing financial assistance to that entity, submit to the Department of Administration through the state coordinating agency an audit of the recipient entity if that entity is subject to audit under (b) of this section. The audit must be conducted and submitted as described in this section. In order to ensure compliance with this subsection, the audit requirements of this section must be contained in any financial assistance agreement entered into by a state agency.

(b) An entity that enters into a financial assistance agreement, or agreements, with a cumulative total of

(1) \$300,000 or more during a state fiscal year shall submit to the state coordinating agency, within one year after the end of the audit period, an annual audit report covering the audit period; or

(2) at least \$100,000 but less than \$300,000 during each of two consecutive state fiscal years shall submit to the state coordinating agency

(A) a biennial audit report covering the audit period, due within one year after the end of the audit period; or

(B) if the recipient entity chooses, or the state requests, an annual audit report covering the audit period, due within one year after the end of the audit period.

(c) An audit required by this section must be conducted by an independent auditor, according to the following audit standards:

(1) Standards for Audit of Governmental Organizations, Programs, Activities and Functions, 1981 revision adopted by the comptroller general of the United States; or

(2) generally accepted auditing standards, as accepted by the American Institute of Certified Public Accountants on July 1, 1985, for the entity being audited.

## ADMINISTRATION

(d) The audit report required under (b) of this section must address the following:

(1) the systems of internal control, and whether the recipient entity has effective control over, and proper accounting for, revenues, expenditures, assets, and liabilities;

(2) the systems established to ensure compliance with state statutes and regulations, and applicable financial assistance agreements, affecting the expenditure of state money, and whether the recipient entity has complied with those statutes, regulations, and agreements;

(3) the recipient entity's financial transactions, financial statements, and accounts; whether those financial statements are presented fairly in accordance with generally accepted accounting principles; and whether the financial statements contain reliable financial data presented in accordance with applicable financial assistance agreements.

(e) An audit report required under (b) of this section need not evaluate the effectiveness of a program funded by state financial assistance. However, a program evaluation may be conducted or requested by the state agency which entered into the financial assistance agreement.

(f) An audit required by this section must cover either the entire operations of the recipient entity, or at the option of that entity, only the departments, agencies, or establishments of that entity which received, expended, or otherwise administered state financial assistance during the audit period. The state coordinating agency may consider a series of audits of a recipient entity's individual departments, agencies, or establishments for the same fiscal year as a single audit.

(g) A recipient entity shall provide the state coordinating agency with sufficient copies of each audit report to allow submission of a copy to each state agency providing financial assistance to the entity. The state coordinating agency shall determine if auditing standards have been met and will forward a copy of the audit to the Department of Administration and other appropriate state agencies. The state coordinating agency shall coordinate resolution of audit exceptions and further audit work in accordance with (h) of this section.

(h) Unless additional audit requirements are imposed by state or federal law, a state agency that provides financial assistance to an entity shall accept the audit required by this section in satisfaction of any other audit requirement. If additional audit work is necessary to meet the needs of a state agency, the audit work must be based on the audit required by this section and be paid for by the state agency. Audit exceptions noted during an audit required by this section must be

## ADMINISTRATION

resolved by agreement between the recipient entity and the state agency responsible for the financial assistance award agreement involved.

(i) A third party that receives financial assistance through a recipient entity, in an amount described in (b) of this section, is subject to the applicable requirements of the section. A recipient entity that disburses \$100,000 or more in state financial assistance to a third party shall ensure that the third party complies with the requirements of this section. That recipient entity shall also ensure that appropriate corrective action is taken within six months after a third party's noncompliance with an applicable state statute or regulation, or financial assistance agreement, is disclosed.

(j) This section takes effect on August 1, 1985 for an entity subject to audit under (b) (1) of this section and whose fiscal year ends on or after June 30, 1986.

(k) This section takes effect on July 1, 1986 for an entity subject to audit under (b) (2) of this section and whose fiscal year ends on or after June 30, 1987.

(l) For purposes of this section if an entity has not identified its fiscal year, that entity's fiscal year is July 1 through June 30.

(m) For purposes of this section,

(1) "audit period" means

(A) for an annual audit under (b) (1) of this section, the recipient entity's fiscal year in which the entity entered into the financial assistance agreement or agreements;

(B) for a biennial audit under (b) (2) (A) of this section, the recipient entity's two consecutive fiscal years in which the entity entered into the financial assistance agreement or agreements;

(C) for an annual audit under (b) (2) (B) of this section, the recipient entity's fiscal year in which the entity entered into the financial assistance agreement or agreements;

(2) "entity" does not include the University of Alaska or any other state agency;

(3) "financial assistance" means state grants, contracts, provider agreements, cooperative agreements, and all forms of state financial assistance to an entity, and includes

## ADMINISTRATION

all forms of state financial assistance provided through an entity to a third party; "financial assistance" does not include public assistance provided under AS 47; nor does "financial assistance" include goods or services purchased for the direct administration or operation of state government; for a third party, "financial assistance" does not include goods purchased from the third party by a recipient entity for the direct administration or operation of the recipient entity;

(4) "state coordinating agency" means the Office of Management and Budget (OMB), Office of the Governor, or OMB's designee. (Eff. 08/01/85, Register 95 )

Authority: AS 37.05.020  
AS 37.05.030  
AS 37.05.190

BILL SHEFFIELD, GOVERNOR

**OFFICE OF THE GOVERNOR**  
OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF AUDIT & MANAGEMENT SERVICES

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3568

July 11, 1985


To All Interested Parties:

Enclosed for your information is a copy of the newly adopted state regulation on audits of state financial assistance (02 AAC 54.010). The State Coordinating Agency designated to administer the requirements of this grant is the Office of Management and Budget (OMB), Office of the Governor.

An audit guide will be issued in the next few months to help clarify and answer any questions you may have regarding this new regulation. We will be happy to send a copy of this audit guide if you request it.

If I can be of any further assistance please contact me in Juneau at 465-3568.

Sincerely,

  
David Zugsberger  
Project Manager

jj/583

Enclosure

Municipality  
of  
Anchorage



POUCH 6-650  
ANCHORAGE, ALASKA 99502-0650  
(907) 264-6610

TONY KNOWLES,  
MAYOR

DEPARTMENT OF FINANCE  
Fisca: Administration

October 29, 1985

David Zugsberger  
Project Manager  
Division of Management  
Office of Management & Budget  
Pouch AU  
Juneau, Alaska 99811

Dear Mr. Zugsberger:

We would like to incorporate the proposed audit of state financial assistance in our 1985 annual audit. Our annual audit for the period January 1 thru December 31, 1985 includes the Comprehensive Annual Financial Report, Federal Single Audit and Federal Revenue Sharing. We believe it would be beneficial to you and the Municipality of Anchorage to have an audit of state financial assistance at this time.

Our independent auditors, Peat, Marwick will begin preliminary audit work in November. Before we can progress on work on state financial assistance, we need your authorization to proceed, guidance on charging grant audit costs, and some questions answered. It would also be helpful to have the audit guide referenced in your July 11, 1985 letter.

Questions

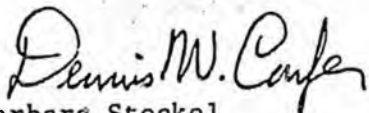
1. How is the audit work to be paid? We recommend distributing the cost of state grants audited as a pro-rated direct cost in the same way that costs are distributed for the Federal Single Audit. Request you authorize the charging of all active grants for audit costs.
2. The regulation requires recipients of \$300,000 or more in state funding during any state fiscal year from August 1, 1985 onward to have their state assistance audited for their fiscal years ending June 30, 1986 or thereafter. Our fiscal year spans the period of January 1 through December 31, therefore, the Municipal fiscal year ending December 31, 1986 is clearly subject to the effects of 2 AAC 45.010. Although the audit of state grants activity within our 1985 fiscal year is not required by the regulation, we would like FY85 to be the first year audited. Can we proceed with the audit of 1985 state grant activity? We believe all grant activity prior to 1985 should be audited if the grant was active in 1985 and not previously audited; do you agree.

David Zugsberger  
Page 2 of 2  
October 28, 1985

3. In many instances, the audits are to be performed after the expiration of grants so it is essential to allow a grantee to record the anticipated audit cost as an accrued liability against the grant fund to be audited. Is it necessary to seek amendments to the budget of each currently active state grant to allow for the audit effort? Many currently active state grants now contain audit requirements at completion. Will the audits performed according to the new regulation meet these audit requirements?
4. What constitutes a third party subject to 2 AAC 45.010? Are capital projects contracts included?
5. How to anticipate the need to have the audit performed should the \$100,000 to \$300,000 or more state funding be received.
6. What budgetary and accounting actions are appropriate to comply with this regulation?
7. How should Municipal contracts with sub-recipients address the new regulation?
8. May Municipal Internal Audit Office conduct all third party audits? This is now the practice with federal grants.
9. What is to be the distribution of third party audit reports?

We would appreciate your responses as soon as possible. If you have any questions, please contact Jouni A. Alatervo at 264-6581 or Dennis Confer at 264-6626.

Sincerely,

*for*   
Barbara Steckel  
Chief Fiscal Officer

DWC/JHA/acm  
G8/AAC45.0101

cc: Judith Slajer, Budget Director, OMB

November 7, 1985

Barbara Steckel  
Chief Fiscal Officer  
Municipality of Anchorage  
Pouch 6-650  
Anchorage, AK 99502-0650

Dear Ms. Steckel:

First, let me express my pleasure at your eagerness to voluntarily conduct your 1985 annual audit following the new State Single Audit regulation (2 AAC 45.010).

In response to your letter of October 29, I would like to take each point and answer.

1. Question: "How is the audit work to be paid? We recommend distributing the cost of state grants audited as a pro-rated direct cost in the same way that costs are distributed for the Federal Single Audit. Request you authorize the charging of all active grants for audit costs."

Response: Using the Federal pro-rated direct cost method is the preferred way; however, this may require changing many existing grant agreements and only the granting agencies have authority to make such changes. To facilitate such approval where necessary, I would first need a list of all grants by agency that you intended to charge for the audit costs. This would facilitate my contacting the agencies and requesting their immediate action. Unfortunately, contacts, agency review, and subsequent approvals, if granted, would be time-consuming.

For your convenience in compiling this list, I have included a list of all grants we have (to date) in the Grants Information System (GIS) for the Municipality of Anchorage in state fiscal years 1984 and 1985. I recognize your different fiscal year and, therefore, some information on the FY 1984 GIS will be outside the scope of your audit period. We do not have the ability to separate your FY 1984 information in the GIS for FY 1984. In future years, this will be possible.

Please advise me as soon as possible so that we can accommodate your needs.

You might consider not charging any of the pre-Single Audit regulation awards for the audit costs. This would eliminate the need for changes in the original award agreements and substantially speed up your moving forward on your first Single Audit.

2. Question: "The regulation requires recipients of \$300,000 or more in state funding during any state fiscal year from August 1, 1985 onward to have their state assistance audited for their fiscal years ending June 30, 1986 or thereafter. Our fiscal year spans the period of January 1 through December 31; therefore, the Municipal fiscal year ending December 31, 1986 is clearly subject to the effects of 2 AAC 45.010. Although the audit of state grants activity within our 1985 fiscal year is not required by the regulation, we would like FY85 to be the first year audited. Can we proceed with the audit of 1985 state grant activity? We believe all grant activity prior to 1985 should be audited if the grant was active in 1985 and not previously audited; do you agree?"

Response: Again, I agree with your approach. I would, however, caution you about two key items. First, your auditors will be faced with designing all compliance testing audit steps directly from the grant agreements. At present I have not completed the State Compliance Supplement and, when it is finished, it will not address grants awarded prior to the effective date of the State Single Audit regulation. This can, therefore, result in additional costs for you since the State will not be requiring compliance auditing on pre-FY 1985 State awards, even for grantees with the same fiscal year as the State.

Second, some State agencies may not consider the audit work conducted under your approach to meet their needs. This is because each agency is presently working with me to complete the State Compliance Supplement. When completed, this supplement is designed to encompass each agency's basic audit needs for awards and, therefore, audits conducted following it should be adequate. Without benefit of the supplement, agencies may continue to conduct audits on pre-1985 awards not previously audited.

I tend to believe in the ability of your auditors and you to foresee and overcome these problems, but I cannot guarantee they will not arise.

One further issue that could develop is the audit identification of compliance problems that would not otherwise

have been identified had you not voluntarily included yourself in the Single Audit. Unfortunately, in the past what the State didn't know wasn't a problem it had to resolve. Under Single Audit these compliance problems, if any, should be more readily identifiable simply from the additional audit coverage not possible under the present system. Additionally, first year compliance audits often disclose many deficiencies, which could be the case in your voluntary first year.

3. Question: "In many instances, the audits are to be performed after the expiration of grants so it is essential to allow a grantee to record the anticipated audit cost as an accrued liability against the grant fund to be audited. Is it necessary to seek amendments to the budget of each currently active state grant to allow for the audit effort? Many currently active state grants now contain audit requirements at completion. Will the audits performed according to the new regulations meet these audit requirements?"

Response: My response to Question #1 partly answers this question. That is, only the granting agency can amend the award agreement or budget. I emphasize we will need to move as soon as possible on the list if you still wish to pursue this course. For my part, I will support your position.

For those active or completed grants awarded on or after the effective date of the Single Audit regulations and requiring audits at completion, the new Single Audit will supplant individual audit requirements (unless the audits are federally mandated). For those grants, active or complete, and awarded before the effective date, we must consult with the granting agencies for their approval or change in the audit requirement. You could identify those awards on the list referred to in my first response.

4. Question: "What constitutes a third party subject to 2 AAC 45.010? Are capital projects contracts included?"

Response: Third parties, as used in 2 AAC 45.010, are entities to which you have awarded State provided financial assistance and to whom these regulations would have applied if the award was made directly from a State agency.

In essence, if the Municipality uses State financial assistance in an award to a non-state entity (not including purchase of goods), the entity awarded the funds is a "third party."

Capital projects can be included in this definition.

However, some confusion continues to be centered around third parties who perform contract work for the original grantee. For example, private construction companies building for you while you pay with some form of State financial assistance. In such cases the "third party" would not have been subject to Single Audit regulations and, therefore, would not be as a third party. You, as the original grantee, however, would still be responsible for complying with the original grant agreement terms. You also could expect the contractor to be responsible to you for proper completion of the project.

Third parties who actually provide some direct service to the public--such as medical care or transportation services--would also be subject to the Single Audit regulations.

If the third party should qualify for a Single Audit because of other State financial assistance provided directly from State agencies, the State Coordinating Agency will notify the third party. In this case the third party would actually be a grantee of the State while a third party or subgrantee through you.

Under the circumstances described above, the Single Audit report would be distributed first to the State Coordinating Agency and then to you. Resolution, if necessary, would be coordinated through the State Coordinating Agency similar to the resolution process between State agencies and the grantees.

One other possibility would be for a third party to become qualified for the Single Audit with State financial assistance provided through several non-state entities (for example, grants from several cities). Under these circumstances the grantee providing the most State financial assistance should act as the lead in notifying the third party. The third party receiving these "pass through" State funds is responsible for determining which grantor (city, etc.) is the lead and so notifying the lead of this determination. The role of "lead" is essentially the same as when a third party receives all its State funds from a single non-state agency.

5. Question: "How to anticipate the need to have the audit performed, should the \$100,000 to \$300,000 or more state funding be received."

Response: Although the final responsibility for arranging for the audit rests with the grantee, the State coordinating agency (OMB) will notify each grantee as soon as the \$100,000 threshold is reached.

To do this we will be relying on the newly-created Grants Information System (GIS) which was designed to record grant amounts provided from all sources in the State to each grantee. Since this system requires each granting agency to accurately record its grants, we are dependent on each agency to keep the system timely and hence some delays are inevitable. Some inaccuracies may also occur in the GIS, so notification could be missed. Finally, GIS will not be of much help to grantees who are awarded the \$10,000 or more during the last month of the fiscal year. In such cases, even the State wouldn't know if a grantee would be included until late year-end or after.

6. Question: "What budgetary and accounting actions are appropriate to comply with this regulation?"

Response: There are two issues covered in your question. The first deals with what is needed to meet the grant compliance requirements--the second is what other budgeting will be necessary.

Since the first will be addressed in the Compliance Supplement (not yet completed) and, even when completed, will not address pre-State FY 1986 grants, I can only refer you to existing State law, regulations, and specific award agreement for their specific compliance requirements.

The issue of other budgeting arrangements is contingent on State granting agencies' willingness to permit changes in existing agreements. This was further explained in my response to your Question #1.

7. Question: "How should Municipal contracts with sub-recipients address the new regulation?"

Response: My suggestion is to make the new Single Audit requirement a part of your award agreement with the sub-recipient. In this way, the sub-recipient will be aware of the Single Audit requirement and his/her responsibility under it. Including a copy of the Single Audit regulation in initial award agreements can supplement the process.

8. Question: "May Municipal Internal Audit Office conduct all third-party audits? This is now the practice with federal grants."

Response: Since my desire is to parallel the Federal Single Audit with ours as closely as possible, I believe your internal auditors could conduct the third-party audits. However, please remember these audits must follow the "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions; 1981 Revision", as

November 7, 1985

issued by the Comptroller General of the United States. Within these standards are the General Standards for: (1) Qualifications, (2) Independence, (3) Due Professional Care, and (4) Scope Impairments. If, after careful review of these standards, your internal auditors meet these standards, they may conduct the audits.

9. Question: "What is to be the distribution of third-party audit reports?"


Response: You should receive the audit report first since you are responsible for the award agreement and resolving any audit discrepancies. The State agency that originally provided the financial assistance to you also has an interest in both the audit and the resolution process and therefore should be provided a copy through the State Coordinating Agency (OMB). You can treat this distribution similar to the distribution you make for your Single Audit, i.e., copies for OMB and each State grantor agency.

In addition, a summary of the resolutions, if any, should be forwarded to OMB for a similar distribution. This schedule will be discussed further in later OMB pronouncements on the Single Audit.

The questions you raised were good ones. If you have no objection, I would like to share your letter and my responses with others having similar interests.

I hope my responses have sufficiently answered your questions. If I can be of further help, please call me at 465-3568.

Sincerely,

  
David Zugsberger  
Audit Manager

**OFFICE OF THE GOVERNOR**

OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF AUDIT & MANAGEMENT SERVICES

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3552

December 3, 1985

TO: GRANT RECIPIENTS

According to our records, you have been awarded over \$100,000 in State financial assistance in FY 1986. This level of financial assistance is the first criteria in qualifying you for inclusion in the new State Single Audit under State Regulation 2 AAC 45.010. Please review the requirements of 2 AAC 45.010 (enclosed) to determine if you meet all the criteria to qualify you for the Single Audit this year.

If you do not meet all the criteria at this time, later State financial assistance may qualify you. If you have met all the criteria, it will be your responsibility to arrange for the required Single Audit and forward the completed audit report(s) to the State Coordinating Agency:

Office of Management and Budget  
Division of Audit and Management Services  
Pouch AM  
Juneau, AK 99811

Attention: Single Audit Coordinator

If you have any questions, please direct them to me at the above address.

Sincerely yours,

  
David Zugsberger  
Audit Manager

BILL SHEFFIELD, GOVERNOR

**OFFICE OF THE GOVERNOR**

OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF AUDIT & MANAGEMENT SERVICES

POUCH AM  
JUNEAU, ALASKA 99801  
PHONE: (907) 465-3568

December 4, 1985

Dear Practice Unit Director:

You are invited to attend a meeting on December 13, 1985 at 9:00 a.m. concerning the State's new Single Audit Regulation (2 AAC 45.010).

This meeting will be the first opportunity we have had to discuss the new State Single Audit process with the professional audit community, and your participation is encouraged. Because of our desire to include as many firms as possible, we request you send only one member of your firm as a representative. This will allow a better chance for each firm to be represented.

This meeting will be held at the offices of Ernst and Whinney, CPA's, 301 West Northern Lights Boulevard, Suite 601, Anchorage, and should end by noon.

Please excuse this short notice. However, we will be having more meetings in Anchorage and other locations in the future to accommodate those unable to attend this one.

Thank you for your time. If you have any questions, please call me in Juneau at 465-3568.

Sincerely,

  
David Zugsberger  
Audit Manager

# DRAFT

## QUESTION 1

What is the grantee's responsibility regarding single audits for subgrantees (third parties)?

## ANSWER 1

The grantee is responsible for having a working system to assure that the subgrantee knows when the grantee has awarded the subgrantee \$100,000 or more in any one grantee fiscal year. The grantee is not responsible for arranging for or conducting the subgrantee's audit.

In the event the subgrantee cannot, or will not, comply with the Single Audit requirement, the grantee must notify the State Coordinating Agency as soon as possible. A decision will then be made at the State level as to how to proceed.

The grantee is also responsible for resolving any audit exceptions disclosed in the subgrantee's audit within six months after the audit is released.

Although compliance with the Single Audit regulations is primarily the subgrantee's responsibility, cooperation between the grantee and subgrantee can help in several areas. For example:

- Grantees can arrange for the subgrantees audit if both parties agree; or

# DRAFT

-- Grantees can have their own auditors audit the subgrantee, if the grantee's auditors can meet the requirement of the GAO "Yellow Book" (Standards for Audit of Governmental Organizations, Programs, Accounting and Functions, 1981 Revision).

## QUESTION 2

Are private firms who build or construct things or provide direct services to grantees considered third party subgrantees subject to the Single Audit regulation?

## ANSWER 2

No. The grantee and the subgrantee (third party) may agree to the subgrantee's audit arrangements, but this is at their mutual agreement and is not covered by the Single Audit. The grantee, however, is responsible to the State for compliance with any requirements in the grant agreement or State law which may affect the grantee/ subgrantee relationship. These can include vendor selection, minimum wage or safety standards, and any other reporting requirements in the grant agreement.

## QUESTION 3

What will the role of existing State audit staff be after implementation of the Single Audit?

# DRAFT

## ANSWER 3

State auditors will continue to be involved in auditing grantees not subject to the Single Audit. In addition, State auditors will have an especially important role in the follow-up on single audits. This follow-up, if necessary, will build upon the audit conducted under the Single Audit, not duplicate it.

State auditors should also have more opportunity to assist grantees that have experienced problems in past audits or who are new and have not yet become familiar with State requirements. This will not mean duplicative audits but rather a type of audit problem prevention service. As a general rule, these services should be the exception--as grantee compliance problems diminish, so should the State auditors' role in this area.

State auditors will also be involved in the audit resolution process, as necessary. This can involve discussions with the grantee, independent auditor, and/or other interested parties.

In all cases of State auditor involvement described above, the State Coordinating Agency (OMB) will assist as the coordinator

# DRAFT

for follow-up, audit problem prevention, and audit resolution services.

## QUESTION 4

How can small villages or other grantees with limited administrative staff keep the kind of accounting and other records necessary to comply with the requirements under Single Audit?

## ANSWER 4

In most cases, the accounting and administrative records required to meet the Single Audit requirements are not substantially different than those required before Single Audit. The biggest change will be in the compliance area. Here, OMB is suggesting grantees have adequate internal financial and administrative control systems to permit the auditor to audit for compliance. For example, if a grant specified that a grantee provide a service to residents of only Village "X", the grantee should have documentation to show that an administrative control to assure this was being used. In this example, a requirement might be for service recipients to show their voter registration cards, and that the grantee record or photocopy the information on the card.

# DRAFT

The Compliance Supplement and the Grant/Contract agreement can provide more specifics.

## QUESTION 5

Are contracts or agreements negotiated between the State and local governments, such as Transfer of Responsibility Agreements, included under Single Audit?

## ANSWER 5

Yes, provided the local government has met the dollar threshold in the regulations (\$100,000 or \$300,000).

## QUESTION 6

Will State agencies withhold funds from each grant for the Single Audit, or should the grantees do this?

## ANSWER 6

State agencies will not be responsible for withholding grant funds for the Single Audit.

Entities receiving State grants will have to plan for the cost of the audit once they qualify to be included in the Single

# DRAFT

Audit. The cost of the audit can be a direct or an indirect cost, depending on the grant agreement or policies established by the grantor agencies. In either case, the cost of the audit is considered a legitimate administrative cost of the grant(s).

## QUESTION 7

How will grantees know if they should plan for the cost of the Single Audit before the end of the fiscal year?

## ANSWER 7

Since inclusion in the Single Audit is contingent upon being awarded either \$300,000 in one State fiscal year or \$100,000 to \$299,999 in two consecutive fiscal years, some grantees will not know if the Single Audit will be necessary before all funds are awarded.

There are, however, some methods that can help make this determination before the end of each fiscal year. First, the grantee can review its funding requests to the State and decide if they are likely to be awarded in the fiscal year involved. Similarly, a review of past State awards can show if the grantee would have been covered by Single Audit had it been in effect in these prior periods and if this trend can be expected to continue.

# DRAFT

Under both of these approaches, a grantee could plan for the funds necessary for the audit. If it became clear that the audit would not be necessary, these funds could then be used as allowed in the grant agreement(s).

We believe these are viable approaches for the vast majority of grantees for two reasons. First, those entities that have traditionally received sufficient funds to be included will probably continue to, even if at a different level. In addition, the majority of State grants are awarded early in the fiscal year and, therefore, sufficient time would be available to make any necessary budget revisions.

## QUESTION 8

Can funds from future State awards be used to pay for Single Audits in prior years?

## ANSWER 8

No. However, in cases where future State awards are available for the unrestricted legal use by the grantee or are awarded specifically by the State for the Single Audit, these future awards may be used to pay for Single Audits of prior periods.

# DRAFT

## QUESTION 9

How will grantees that have not budgeted for the Single Audit and do not have access to the necessary funds through future State awards pay for the Single Audit?

## ANSWER 9

Under these circumstances, the grantee will have to absorb the ~~cost~~ payment from <sup>0: - UN</sup> restricted funds.

## QUESTION 10

How can entities pay for or budget for audit costs after the end of the grant, i.e., the funds have been spent?

## ANSWER 10

Since audit costs are a legitimate cost of grants, there is no problem charging the grant(s) for its pro rata share. For awards made before the effective date of the Single Audit regulation, the awards are not subject to the Single Audit and, therefore, no pro rata share can be charged. Granting agencies, however, can permit such charges if both you and the granting agency agree to it. This essentially would be a retroactive amendment to cover such charges.

DRAFT

The actual cash expenditure for the audit will probably have to come from other non-restricted grantee funds.

QUESTION 11

Are reappropriations awarded after the effective date of the Single Audit to be considered a part of the original award if the original award was prior to Single Audit; or are they considered new awards subject to Single Audit?

ANSWER 11

Generally, these "new" reappropriations are to be considered subject to Single Audit while the original "old" appropriation is not.

Because this can result in compliance testing and reporting for only a small portion of the total award (old and new), we are going to require that these "new" awards only be included in the Single Audit if the additional appropriations equal or exceed 25% of the original award. Thus, if an award of \$1,000,000 was made in FY 85 and an additional award of \$50,000 was made in FY 87, the \$50,000 portion would not be subject to Single Audit. However, if the additional award was \$250,000, the \$250,000 would be subject to Single Audit. Eventually, such situations should phase themselves out.

DRAFT

QUESTION 12

How are old (pre-Single Audit effective date) awards to be treated during the audit?

ANSWER 12

These awards are to be treated as any other financial asset in a standard financial audit. No compliance testing or compliance reporting is required. You may, however, with the auditee's consent, treat all State awards as under Single Audit and test and report on the compliance of these awards.

The main problem associated with including "old" awards is that problems may be identified that would not otherwise have come to light, and the auditee may end up owing refunds or having to correct deficiencies.

Another potential problem is that the Coordinating Agency does not plan on issuing any Compliance Supplement on award programs in effect prior to the effective date of Single Audit unless these awards continue to be made after the effective date.

In addition, unless these "old" awards have audit costs authorized in their budgets, the auditee may not be permitted to charge any of the audit costs to these awards.

DRAFT

Finally, the present practice of having State auditors audit these "old" awards may, in fact, continue. This could result in the auditee being audited for compliance twice on the "old" awards. This is possible since Single Audit is only effective for awards made on or after the effective date and prior awards continue to be covered under whatever arrangement the granting agency and the grantee (auditee) agreed to in the original grant agreement.

QUESTION 13

What is the penalty for non-compliance or not conducting the Single Audit?

ANSWER 13

Aside from penalties already established in law, regulation, or specifically in the award agreement(s), Single Audit does not establish any additional penalties. As a policy, however, State agencies will view such non-compliance as potential evidence that the grantee may not be able to properly administer awards. This would undoubtedly affect the awarding of future grants and controls imposed on such awards.

QUESTION 14

# DRAFT

How will the State Coordinating Agency's determine if the audit meets the standards?

## ANSWER 14

We are developing a desk review and a workpaper/audit firm review system. Essentially, we will have two phases of review, as follows:

### I. Desk Review

A. The State Coordinating Agency will receive all copies of audit reports and review to assure:

1. Timely completion;
2. Inclusion of required schedules/reports and opinions;
3. Sufficient copies were included; and
4. All State awards were included.

B. The grantor agency will review the audit reports forwarded from the Coordinating Agency to assure:

# DRAFT

1. Each award was included;
2. The Compliance Supplement was used (where applicable); and
3. Findings are clear and understandable.

[NOTE] Both the Coordinating Agency and the Grantor Agency will review for inclusion of all awards in order to compensate for any deficiencies in each information database.

## II. Workpaper/Audit Firm Review

In this phase, the Coordinating Agency will select a random sample of audit reports for further review. This review will consist of a workpaper review and interviews of audit firm personnel and auditees. It can be completed at the auditor's office or at the Coordinating Agency's office.

In addition, if a consistent pattern of audit report deficiencies by one auditor or firm appears, this auditor or firm may be selected for review of the Single Audit projects involved.

### QUESTION 15

# DRAFT

If the audit report is found deficient, what procedures will be used to notify the parties involved; and who will resolve the issues?

## ANSWER 15

Notification of the problem will be sent to the auditor within three weeks after receipt of the audit by the Coordinating Agency.

The delivery of the original report (even with deficiencies) will constitute the date for compliance with the timeliness requirement of Single Audit. Delays involved with resolution of the adequacy of the audit report will not be considered as delays in delivery of the audit.

The State Coordinating Agency will act as the focal point of interactions between the State grantor agencies, the auditor, and the auditee in disagreements.

## QUESTION 16

Why is the award date so significant in Single Audit?

## ANSWER 16

DRAFT

The award date is the date used to determine if State funds are:

(a) Included in the Single Audit (on or after effective date); and

(b) Included in the year-end cut-offs.

This date is the same date as the grant/contract or other agreement has final signatures (i.e., the last date all parties have signed the agreement). It is not when the funds were appropriated, received by the Grantee, or expended.

We recognize that some funds could be awarded on one fiscal year and expended in future fiscal years. In this event, Single Audits conducted in the year of award would be first audited and probably noted as received and in the bank or invested, etc. It is expected that the actual expenditures in the later year would then be audited (under Single Audit) when the Single Audit for that later year was conducted.

If the later Single Audit was not required because of decreased State funding, the present regulation does not require a later Single Audit. State agencies may, under these circumstances, seek to have other audit procedures such as a contracted audit or State agency audit of the expenditures. Again, this would be coordinated through the Coordinating Agency.

BACKGROUND MATERIAL  
ON  
THE GENESIS OF THE PROPOSED GRANT REGULATIONS  
AND THE  
STATUTORY AUTHORITY TO ADOPT REGULATIONS

Genesis

- 1) March 9, 1984, memo to Governor Sheffield from Lieutenant Governor McAlinne (3 pages).
- 2) Appendix to above memo (5 pages).
- 3) March 15, 1984, memo to Lieutenant Governor McAlpine from Governor Sheffield (1 page).
- 4) March 15, 1984, memo to Peter McDowell from Governor Sheffield (1 page).
- 5) April 12, 1984, memo to Governor Sheffield from Peter McDowell (1 page).

Statutory Authority

- 6) November 8, 1985, memo to David Zugberger, OMB, from Attorney General Harold Brown (1 page).

BILL SHEFFIELD  
GOVERNOR

STEPHEN A. McALPINE  
LIEUTENANT GOVERNOR

STATE OF ALASKA  
LIEUTENANT GOVERNOR  
JUNEAU

The Honorable Bill Sheffield  
Governor  
State of Alaska

March 9, 1984

465-3520

Stephen McAlpine  
Lieutenant Governor  
State of Alaska  
(Chairman, Human Services Mini-Cabinet)

Human Services  
Provider Project

RECEIVED  
JAN 15 12 M.  
OFFICE OF THE LIEUTENANT GOVERNOR

MEMORANDUM

On behalf of the Human Services Mini-Cabinet, I am pleased to forward to you the attached final products from the Human Services Provider Project. These products are the Human Services Providers Directory and the The Human Service Provider Regional Meetings Report. The directory contains grantee/contractor information on 1,054 agreements totalling \$132,857,651. The regional meeting report contains the minimally edited comments of over 380 people who attended the 6 regional meetings around the State this fall.

The Mini-Cabinet urges strong action be taken to follow up on this work. Our recommendations for such follow-up are summarized below.

Recommended Actions

1. The Governor direct that uniform grant regulations and processes be established among all State agencies providing human services which would include: uniform application forms and instructions; un-duplicative auditing and evaluation procedures; uniform financial reporting and, where legally possible, uniform definition of allowable expenditures including in-direct costs and allowances for multi-year grant awards; consistent policies on fees for services and other non-State revenue.

Implementation: OMB be designated to coordinate inter-agency work. Work to be complete prior to FY 86 grant cycle (12/1/84).

2. The Governor regularly emphasize the importance of human services to the State.

Implementation:

- a. The Human Services Mini-Cabinet be formally established as a permanent entity.

Bill Sheffield

3

March 9, 1984

TOTAL COSTS TO DATE

\$60,000 in re-directed agency allocations

600 staff days by human service agency staff

Recommended Actions (Cont'd)

- b. Regular reference be made to the importance of human services in public speeches, interviews, press releases and Cabinet meetings.
  
3. The Governor direct that State procedures be developed that will promote more local and regional control in human service provision.  
  
Implementation: OMB, in cooperation with each human service agency, be directed to develop a specific procedures which would include reference to human service planning, public input into agency decision making with emphasis on agency decisions being made at the most decentralized level possible.
  
4. The Governor direct that OMB be directed to investigate the feasibility of the development of a single human services plan to guide the actions of the Administration.
  
5. The Governor direct the allocation of the necessary additional resources to investigate the feasibility and the cost of development and implementation of a centralized human services provider grant and contract information system.  
  
Implementation: The Governor direct all agencies involved in Human Services to participate in an investigation of the feasibility and cost of development and implementation of a centralized grant and contract information system. OMB will coordinate the study.
  
6. The Governor direct OMB to submit an analysis in the near future to determine costs of analyzing problems, proposing solutions and continuation of the project.
  
7. The Governor direct the Lt. Governor to coordinate the work among agencies on all remaining issues which would include:
  - a. investigating the feasibility of each issue;
  - b. exploring alternatives and impacts;
  - c. proposing specific steps to implement recommended solutions and stating exactly what is expected to be accomplished within 30, 60, 90, 365, and 730 day timeframes;
  - d. solutions be subjected to public review;
  - e. initial information on short term solutions/issues be submitted to Lt. Governor by 4/1/84 to be finalized by 5/1/84; with long range issues to be submitted by 9/1/84.

APPENDIX - MEMO TO GOVERNOR FROM LT. GOVERNOR, RE: HUMAN SERVICES PROVIDER PROJECT

I. HUMAN SERVICES PROVIDERS DIRECTORY

A. Background

The Human Services Provider Directory identifies 1,054 human service providers under contract, grant or provider agreement with the State as of October 1, 1983 involving \$132,857,651 in State funds. The data in the directory has been collected, coded and maintained in each agency using different methodologies. Consequently, caution should be used in employing the data contained in the directory. Time and resources available precluded analysis which would provide for a basis for Mini-Cabinet concurrence with or challenge of data validity.

Comment

Development of a centralized human services provider data base is a fundamental requirement of an effective system of grant and contract management, service coordination and program evaluation. In addition, human service providers have requested such a data base be created to help them with respect to service coordination and communication.

B. Recommended Action

The Governor direct the allocation of the necessary additional resources to investigate the feasibility, and the cost of development and implementation of a centralized human services provider grant and contract data base.

C. Resources Required

This investigation will require the efforts of one consultant under contract at an estimated cost of \$100,000 in addition to 150 staff days by existing State employees involved in human services programs.

Personnel Services (100)	-0-
Travel (200)	-0-
Contractual (300)	\$100,000.00

II. REPORT FROM HUMAN SERVICE PROVIDER REGIONAL MEETINGS

A. Background

The Human Service Provider Regional Meeting Report presents the views of the human services providers with minimal editorialization by State agencies in order to convey the provider's message to you.

B. Comment

This project has been received in a positive light throughout the State by providers, legislators, State agencies and the public. The project has a high level of visibility statewide. In the preface of your report, 15 statewide issues are presented.

C. Recommended Action

The members of the Mini-Cabinet recommend:

1. The Governor direct that uniform grant regulations and processes be established among all State agencies providing human service which would include:
  - a. uniform application forms and instructions;
  - b. unduplicative auditing and evaluation procedures;
  - c. uniform financial reporting and, where legally possible, uniform definition of allowable expenditures including in-direct costs.

Implementation: A lead agency be designated to coordinate inter-agency work. Work to be complete prior to FY 86 grant cycle (12/1/84). (Work to be coordinated with current OMB efforts.)

2. The Governor direct that all State agencies providing human services initiate, as legally permissible, multi-year grant awards.

Implementation: All State human service agencies be directed.

3. The Governor regularly emphasize the importance of human services to the State.

Implementation:

- a. The Human Services Mini-Cabinet be formally established as a permanent entity.
- b. Regular reference be made to the importance of human services in public speeches, interviews, press releases and Cabinet meetings.

4. The Governor direct that State policy be developed that will promote more local and regional control in human service provision.

Implementation: The designated lead agency be directed to develop a specific policy statement which would include reference to human service planning, public input into agency decision making and greater emphasis on agency decisions being made at the most decentralized level possible.

5. The Governor direct that the issue of a single uniform State Human Services Plan be addressed.

Implementation: The designated lead agency be directed to investigate the feasibility of the development of a single plan to guide the actions of the Administration and the Legislature

6. The Governor direct the allocation to the several agencies within the Mini-Cabinet the needed resources to address the remaining issues highlighted in the report.

Implementation: Upon allocation, the lead agency be directed to coordinate the work among agencies which would include:

- a. investigating the feasibility of each issue;
- b. exploring alternatives and impacts;
- c. proposing specific steps to implement recommended solutions stating exactly what is expected to be accomplished within 30, 60, 90, 365, and 730 day timeframes;
- d. solutions be subjected to public review;
- e. this information being submitted to you by 6/1/84.

7. The Governor direct that positions be created for a journeyman planner and a secretary, and associated costs be funded to help coordinate the implementation, monitoring and development of the recommendations contained herein.

Implementation: Lead agency be allocated a total of \$226,000 to fund: \$75,000 in recurring personnel costs; \$30,000 in recurring travel costs; \$16,000 in recurring contractual and commodities costs; \$105,000 in one time contractual/commodities costs for investigating the centralized data base. ( An estimated 825 staff days beyond the planner and clerical position time will also be required to complete the initial work described above.)

TOTAL COSTS TO IMPLEMENT

\$226,000 in new allocations

875 staff days by human service agency staff

TOTAL COSTS TO DATE

\$60,000 in re-directed agency allocations

600 staff days by human service agency staff

D. Resources Required - Follow-up to Human Services Conference Report

Personnel Services (100)	\$ 75,000
Travel (200)	30,000
Contractual (300)	11,000
Commodities (400)	5,000
TOTAL	<u>\$121,000</u>

In addition, approximately 675 staff days by State employees within program divisions under the Mini-Cabinet, are required to provide the needed inter-agency representation and involvement.

III. SUMMARY STATEMENT

A. Background

Project coordination to date has been assigned to staff of the Department of Health and Social Services who have been redirected from other regularly assigned functions. Consequently, crucial DHSS activities, such as ongoing program evaluation and creation of the DHSS Five Year Management Plan have been delayed by about five months. Staff days expended to date: 600. Direct cost: \$60,000.

B. Comment

Any actions to analyze the issues and opportunities contained in both reports or to monitor actual implementation or to continue the project will require additional resources be allocated to the lead agency designated by the Governor for continuation of the project.

C. Recommended Action

Positions be created for a journeyman planner, a secretary and associated costs and consultant expenses and associated other contractual/commodity costs be funded in the lead agency by the Governor.

The Mini-Cabinet recommends that the Department of Community & Regional Affairs be designated the lead agency for the next phase of the project.

D. Resources Required

Personnel Services (100):

Human Service Directory/Data Base Project	-0-
Statewide and Regional Issues from Provider Conferences	\$ 75,000.00

Travel (200):

Human Services Directory/Data Base Project	-0-
Statewide and Regional Issues from Provider Conferences	\$ 30,000.00

Contractual (300):

Human Services Directory/Data Base Project	\$100,000.00
Statewide and Regional Issues from Provider Conferences	\$ 11,000.00

Commodities (400):

Human Services Directory/Data Base Project	\$ 5,000.00
Statewide and Regional Issues from Provider Conferences	\$ 5,000.00

TOTAL PROJECT COST: \$226,000.00

Total Staff days by State Employees:

Human Services Directory/Data Base Project	150
Statewide and Regional Issues from Provider Conferences	<u>675</u>

TOTAL STAFF DAYS 825

# MEMORANDUM

# State of Alaska

TO: The Honorable Stephen McAlpine  
Lieutenant Governor

DATE: March 15, 1984

FILE NO:

TELEPHONE NO:

FROM: Bill Sheffield  
Governor

SUBJECT: Human Services  
Provider Project

This is to acknowledge receipt of your memorandum of March 9, 1984 and to express my appreciation to you and the members of the Human Services Mini-Cabinet.

The recommendations will be implemented as follows:

- No. 1. Assigned to OMB (see attached memo).
- No. 2A. The Human Services Mini-Cabinet is to remain in existence subject to your call for review and comment on the progress and products implemented through the other recommendations.
- No. 2B. I will make regular reference to the importance of human services.
- No. 3. Assigned to OMB (see attached memo).
- No. 4. Assigned to OMB (see attached memo).
- No. 5. Assigned to OMB (see attached memo).
- No. 6. The recommendation is not clear, but will be addressed when OMB completes other assignments.
- No. 7. The Human Services Mini-Cabinet, chaired by the Lt. Governor, will implement the recommendations as they see fit.

Attachment

BS/MAH/jrb/krb

bcc: Marsha Hubbard  
Peter McDowell

# MEMORANDUM

# State of Alaska

TO: Peter McDowell  
Director  
Office of Management and Budget

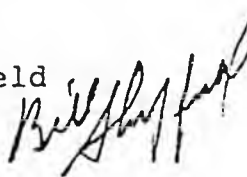
DATE: March 15, 1984

FILE NO.

DIRECTOR

TELEPHONE NO.

FROM: Bill Sheffield  
Governor



SUBJECT: Human Services  
Provider Projects

The attached document represents the recommendation of the Human Services Mini-Cabinet and the culmination of the Human Services Provider Project.

The Mini-Cabinet has recommended that your organization be directed to pursue the following recommendations:

- No. 1. Develop uniform grant regulations and procedures.
- No. 3. Develop procedures which will promote local and regional control in human services.
- No. 4. Investigate the feasibility of the development of a single human services plan. DJP
- No. 5. Investigate the feasibility of establishing a centralized human services provider grant and contract information system.

Please review these recommendations and provide me with a work plan including time frames, costs, and products to be produced by April 1, 1984.

cc: Stephen McAlpine, Lieutenant Governor  
Dep. Comm. Roger Endell, Adult Corrections Agency  
Comm. Rudd, Administration  
Comm. Robison, Labor  
Comm. Notti, Community & Regional Affairs  
Comm. Smith, Health & Social Services  
Comm. Reynolds, Education  
Comm. Sundberg, Public Safety

Attachment

# MEMORANDUM


# State of Alaska

TO: The Honorable Bill Sheffield  
Governor

DATE: April 12, 1984

FILE NO: 184

TELEPHONE NO: 465-3568

  
FROM: Peter B. McDowell, Director  
Office of Management and Budget

SUBJECT: Human Services Provider  
Projects

The Office of Management and Budget (OMB) has reviewed the recommendations of the Human Services Mini-Cabinet and the specific tasks assigned to our office. A work plan which responds to each assignment is outlined below. Recommendation numbers are as in the Mini-Cabinet report.

Recommendation 1: Develop uniform grant regulations and procedures.

A project to standardize internal control procedures for all grants was begun in December 1983. The project is being coordinated by a steering committee from the following agencies: OMB, and the Departments of Administration, Community and Regional Affairs, Education, Environmental Conservation, Health and Social Services, Labor, Law, Public Safety, and Transportation and Public Facilities.

A final draft of these internal control procedures should be ready for submission to the agencies and the Administrative Code review process by May 15, 1984.

These procedures will serve as a foundation for developing uniform grant regulations as directed by the Mini-Cabinet. The requirements for auditing, financial management, reporting, and multi-year grant awards will be included in the internal control procedures.

The remaining recommendations (i.e., a uniform application process and allowable expenditures), should be completed in draft form by July 1, 1984. This will allow adequate time for review and comment by the agencies and the providers.

Timeframe and products:

	<u>DRAFT</u>	<u>FINAL</u>
A. Uniform grant internal control procedures	5/15/84	9/1/84
B. Human services grant application	7/1/84	12/1/84

# MEMORANDUM

State of Alaska

TO: David Zugsberger  
Office of Management & Budget

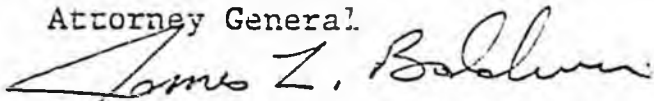
DATE: November 2, 1985

FILE NO.

TELEPHONE NO: 465-3600

FROM: Harold M. Brown  
Attorney General

SUBJECT: Grant regulations

  
By: James L. Baldwin  
Assistant Attorney General  
Governmental Affairs-Juneau

This memo confirms our oral advice to you concerning the statutory authority for the Department of Administration (DCA) to adopt regulations for custody, accounting, and safekeeping of state grant money. We believe that AS 37.05.030 authorizes DCA to prescribe uniform "financial reports and statements" whenever state money is expended. In addition, AS 37.05.020 grants broad authority to DOA to adopt "regulations for the performance of its powers or duties, the execution of its business, and its relations to and business with other state agencies."

Some municipalities may claim that the proposed grant regulations are in conflict with AS 37.05.318, which purports to prohibit a state agency from "imposing additional requirements or procedures to implement, interpret, make specific, or otherwise carry out the provisions of AS 37.05.315 -- 37.05.317." We have consistently advised DOA that the conditions imposed by AS 37.05.318 transcend the bounds of legislative control over the power of executive branch agencies to interpret the law and enforce it through the use of administrative regulations. The proposed grant regulations implement not only the fiscal procedures Act, but also article IX, section 6 of the Alaska Constitution which provides: "no ... appropriation of public money [shall be] made ..., except for a public purpose."

These regulations will provide a grantor agency with the power and ability to ascertain whether state grants are spent for a public purpose.

JLB/pjg



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

*James O. Smith*  
Signature of Camera Operator

*10/31/89*  
Date

John

Walsh

# Alaska Juvenile Crime Commission

P.O. Box 4-2850 Anchorage, Alaska 99509 Ph. (907) 276-2066

Jan. 29, 1985

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Margaret Behrend

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Fairbanks Police Dept.

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Seward Police Dept.

Kellie Post  
Supervisor, Palmer  
Investigative Unit  
Ak. State Troopers

Detective Frank Feichtinger  
Anchorage Police Dept.  
Exploited Childrens Unit

Officer Preston Chapman  
Anch. Police Dept.

Trooper Roy Segraves  
Anchorage Exploited  
Childrens Unit

Robert Erwin  
Ak. Supreme Court Justice, Ret.

Chief Richard Rosa  
Kenai Police Dept.

## NATIONAL CONSULTANTS

John Rabun  
Deputy Director,  
National Center for Missing  
and Exploited Children  
Washington D.C.

Dr. Vincent J. Fontana  
Professor of Clinical Pediatrics,  
New York University, College  
of Medicine  
Medical Director, New York  
Founding Hospital

Senator Edna Armstrong-DeVries  
Pouch V  
Juneau, Ak 99811

Dear Senator DeVries:

Enclosed is the information you requested regarding the establishment of an exploited child unit. I've included a draft of legislation which I hope will be helpful to you. Also, I've included letters from Anchorage Police Chief Brian Porter, Alaska State Trooper Colonel Mike Kolivosky and Corrections Commissioner Roger Endell which detail the concept of the unit. Please keep in mind these letters specifically referred to the unit as it was initially conceived, with a different manpower breakdown. What we envision now is an eleven-man unit staffed with five agents from the Anchorage Police Dept., four agents from the Alaska State Troopers and one from the Federal Bureau of Investigation. The total cost would be 985-thousand dollars a year.

Thank you very much for your efforts, further information on the problem of exploited children will be forthcoming.

Sincerely,

*Marroyce Hall*  
Marroyce Hall,  
Director

BY xxxxxxx

BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an act entitled: "An Act relating to the establishment of a special unit for the investigation of criminally exploited and missing children."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

\*Section 1. LEGISLATIVE FINDINGS The legislature finds that there exists an increasing escalation of crime committed by and against juveniles and that delinquent acts are frequently the result of criminal and sexual exploitation of children. There exists a need to establish a cooperative local, state and federal effort to combat the incidents of juvenile pornography, prostitution, drug sales and use and the involvement of juveniles in organized burglary and larceny offenses.

\*Sec. 2. AS 18.65 is amended by adding a new section to read:

Sec. 18.65.xx. CRIMINALLY EXPLOITED AND MISSING CHILDREN INVESTIGATIVE UNIT. (a) There is established in the Department of Public Safety, division of state troopers, a special unit for the purpose of investigating incidents of missing children and combatting the criminal exploitation of juveniles.

(b) The commissioner of public safety shall submit to the legislature, within 30 days from the date the legislature convenes, a report concerning the activities of the special unit on criminal exploitation of juveniles and missing children. The report shall include, but is not limited to, the number of arrests made in cases of juvenile exploitation, the number of missing children reports investigated and solved, the sentences received by persons convicted of juvenile exploitation and an overall view of the missing children and juvenile exploitation problem in the state.

\*Sec. 3. This act takes effect July 1, 1985.

LETTER OF INTENT REGARDING PROPOSED  
SPECIAL UNIT FOR INVESTIGATION OF CRIMINALLY EXPLOITED  
AND MISSING CHILDREN

It is the intent of the Legislature that funding for the special unit be used to establish a cooperative effort to combat the problem of juvenile exploitation and missing children. It is envisioned that such an effort would consist of . . . state troopers, 5 Anchorage police Department officers, a supervisory investigation position and an assigned FBI agent.

The intent in establishing the juvenile unit is to create an investigative force for juvenile exploitation crimes which will function similar to the METRO units in place around the state which have been effective in combatting illegal narcotic abuse.

# Alaska Juvenile Crime Commission

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## SPECIAL UNIT FOR THE INVESTIGATION OF CRIMINALLY EXPLOITED AND MISSING CHILDREN.

The Child Exploitation Unit would be upgraded to encompass missing children and will be developed on the concept of the Metro Drug Unit with cooperation between law enforcement agencies.

This concept would be an efficient liason to actively work cases in connection with the new State Trooper Centralized Missing Persons Bureau.

The majority of Alaska's missing juveniles live in Anchorage or migrate from the Bush and rural community to Anchorage. Missing and runaway juveniles and children run the highest risk of exploitation by criminal adults. This co-effort will provide vital informational linkages in cases originating locally as well as State-wide.

### MANPOWER UNIT

	<u>Current Positions</u>	<u>New Positions</u>	<u>Total</u>
State Trooper	1	3	4
APD Officer	1	4	5
Supervisory/Investigation	0	1	1
FBI Agent (Assigned)	1	0	1
Clerical			<u>1</u>

# Alaska Juvenile Crime Commission

P.O. Box 4-2850 Anchorage, Alaska 99509 Ph. (907) 345-0277

## CHILD EXPLOITATION UNIT

Juvenile Unit - Funded by direct appropriation apart from the current law enforcement budget. A new and separate investigative section would be established consisting of a minimum of four investigators and a supervisor with appropriate clerical support. These investigators should be officers with experience in working with juveniles and in investigative techniques that relate to semi-organized and organized criminal activities. The purpose of the section would be to initiate and follow through investigation into the forces responsible for juvenile prostitution, both male and female, and those forces behind the rising juvenile drug problem and fencing operations involving juveniles. The notable difference between this unit and other units presently in existence is that they would self-initiate these investigations, rather than responding to isolated cases presented to them. It would allow this section to expand upon other investigations presented by other units and to initiate investigations based on intelligence reports from other agencies or information provided by informants. This unit should have the flexibility to work varying hours and have available communications equipment to permit discreet investigation and surveillance.

Specific areas of concern should be (1) juvenile progography, both the sale and distribution of and the making of, (2) adults and groups who gain by juvenile prostitution activities, (3) organized or semi-organized activities involving the sale and use of drugs by juveniles, (4) organized or semi-organized activities in which juveniles are used as the source of stolen property to be fenced.

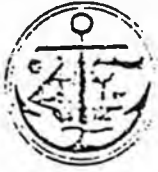
As cases in these areas begin to be made, consideration should be given to the establishment of a special prosecutor to be funded to handle these cases from beginning to end for the purpose of maintaining the necessary confidentiality of any investigation involving juveniles as victims and/or participants in sensitive areas and for the purpose of maintaining direction in the legal system throughout investigations that will necessarily be involved, complicated and sensitive.

# Alaska Juvenile Crime Commission

P.O. Box 4-2850 Anchorage, Alaska 99509 Ph. (907) 345-0277

To be effective, this unit must have available to it sources of funds to be used for the paying of confidential informants and to be used for such special operations as purchases of stolen property and drugs through undercover operatives. In addition, this unit must have the capability to operate discreetly, involving the use of unmarked cars and certain kinds of surveillance equipment and office security equipment.

The Juvenile Unit would be utilized as appropriate to assist, coordinate and work with local law enforcement efforts in juvenile crime and exploitation cases, using the metro concept of cooperative efforts in populated areas.



TONY KNOWLES  
MAYOR

# ANCHORAGE POLICE DEPARTMENT

625 C STREET • ANCHORAGE, ALASKA 99501-3599  
TELEPHONE (907) 279-1441



BRIAN S. PORTER  
CHIEF

August 26, 1983

TO WHOM IT MAY CONCERN:

We have been asked to briefly outline the scope and estimated cost of a Special Unit for the Investigation of Criminally Exploited Children.

Background:

I have discussed this proposition with Colonel Mike Kolivosky, Director of the Alaska State Troopers, and have agreed that:

1. Such a unit could be beneficial if operated under the task force concept of the current Metropolitan Drug Enforcement Unit.
2. While these offenses are an important area of concern, neither AST nor APD could lose existing budget to begin this function as an independent unit.
3. If funded, the unit would operate, as the Metro Drug Unit, in the Greater Anchorage Area and periodically in the Matanuska-Susitna Valley.

Scope:

Initial and followup investigation of cases involving juveniles:

1. Prostitution.
2. Organized burglary/larceny offenses.
3. Narcotics.
4. Runaway.

Exploited Children-Proposal  
August 26, 1983  
Page Two

This unit would place emphasis on the exploitive aspects of these crimes. Priority would be given as listed above. The unit would coordinate with the Metropolitan Drug Unit and regular investigation units of the Anchorage Police Department and Alaska State Troopers as required.

General Considerations:

Funding should begin at least eight (8) months in advance of operational implementation so as to provide for recruitment and training of replacement personnel.

Sincerely,



Brian S. Porter  
Chief of Police

BSP:vka  
Attachments

# STATE OF ALASKA

**DEPARTMENT OF PUBLIC SAFETY**  
*DIVISION OF STATE TROOPERS*

Bill Sheffield, Governor

ROBERT J. SUNDBERG  
COMMISSIONER

P. O. BOX 6188, ANNEX  
ANCHORAGE, ALASKA 99502

September 12, 1983

TO WHOM IT MAY CONCERN:

The Alaska State Troopers have been asked for input in the creation of a Special Unit for the Investigation of Criminally Exploited Children.

At this time it appears that the Alaska State Troopers would be able to furnish one person of the rank of Sergeant on a part-time basis with the responsibility for initiating and conducting investigations in the State Trooper area of jurisdiction on matters pertaining to juvenile exploitation and victimization to include juvenile pornography; juvenile prostitution and other crimes involving juveniles which are considered to be organized or semi organized.

If a new position and adequate funding was authorized, the position would be that of a full time Sergeant. The Trooper Sergeant would in the performance of his duties act as a member of this special unit, which would be housed in the Anchorage area, and in cooperation with the Special Unit leader, he would be responsible for coordinating or working with other members of the Task Force in conducting investigations of matters pertaining to juvenile exploitation and victimization. He would be responsible for developing sources of information concerning these areas and in coordination with the Special Unit Leader develop, collect and furnish pertinent intelligence information to further enforcement efforts. He would, as a member of the Special Unit assist other members in their child exploitation victimization investigations. He will also assist other law enforcement agencies and activities in this type of investigation when requested.

The Sergeant will be responsible for the coordination enforcement efforts involving similar offenses with criminal and juvenile justice agencies in other states. He will also coordinate enforcement and investigative efforts with appropriate federal agencies on interstate matters.

The person assigned to this Special Unit must be prepared to cope with juvenile personalities and problems and have a Proclivity for communicating with juveniles

The total anticipated expenses for the Department of Public Safety, State of Alaska, would be \$79,084. These expenses are brcken down as follows:

- |   |          |
|---|----------|
| 1. One State Trooper Sergeant assigned to the Criminal Investigation Bureau, Anchorage - salary and benefits (78C - 12 O/T) | \$68,392 |
| 2. One lease car  | 4,452    |
| 3. Travel and Per Diem  | 2,000    |
| 4. Telephone  | 1,020    |
| 5. Miscellaneous (office supplies, vehicle expenses, etc.)  | 3,220    |
| 6. Clerical support (use existing)  | -0-      |

TOTAL ANTICIPATED EXPENSES: \$79,084

Sincerely,

*Michael C. Kolivosky*  
Colonel Michael C. Kolivosky  
Director  
Alaska State Troopers

# MEMORANDUM

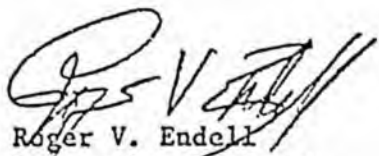
State of Alaska

TO: Allen Blume  
Special Assistant

DATE: October 31, 1983

FILE NO:

TELEPHONE NO:

FROM:   
Roger V. Endell  
Deputy Commissioner  
Adult Corrections Agency

SUBJECT: Alaska Juvenile Crime  
Commission Report

Thank you for forwarding the Alaska Juvenile Crime Commission Report to me. The connection between child sexual abuse and delinquent behavior is clear to people and agencies working with such children. The various components of the justice system can and must work together on this problem. In the material furnished by Ms. Marroyce Hall, the geometric progression of cost to the State both in monetary and human terms, from just one instance of child sexual abuse, is well illustrated.

The commission is recommending that a statewide special unit for the investigation of sexually exploited children be developed and funded. Corrections would support such a move. Although in the short range, it may result in further overcrowding of our already overcrowded prison system, in the long range, the fewer children exploited, the fewer children become delinquents and possibly adult criminals.

The commission makes a number of recommendations for legislative action. All these recommendations merit further examination; in particular, I believe the following are worthwhile:

1. Strengthening child prostitution and pornography laws.
2. Funding specialized training for State personnel involved with handling exploited children and juvenile offenders with a history of exploitation (This would include McLaughlin Youth Center staff and Juvenile Probation staff as well as law enforcement personnel).
3. Fund juvenile emergency centers.
4. Provide incentive for the creation of non-profit group, halfway and foster homes, but ensure quality care through adherence to rigorous standards and frequent program monitoring and audits.
5. Establish a 24-hour information and referral hotline for exploited and abused children.

In the prevention section of the commission's report, of particular interest is the in-district suspension from school to include counseling and further referral if necessary. This appears to be a possible alternative to complete suspension from school.

Page two

Another way in which the State can help is in its support of daycare, job sharing arrangements and flexible working schedules for parents, so that parents can arrange their schedules to be with their children as much as possible. The possibility of child exploitation is diminished in this manner.

RVE:SH-B:ac2

✓ cc: Susan Humphrey-Barnett, Director  
Statewide Programs

## MEMORANDUM

State of Alaska

TO: Jay Hogan, Associate Director  
 Division of Budget Review  
 Office of Management and Budget  
 Office of the Governor

DATE: January 6, 1984

FILE NO:

TELEPHONE NO:

465-432

SUBJECT:

Criminal Child Abuse Unit

FROM: Jos Mapranath, Director  
 Division of Administrative Services  
 Department of Public Safety



We have reviewed the materials submitted on criminally exploited children in Alaska and wish to express our support for the formation of a special law enforcement unit in Anchorage to deal with this serious problem. The unit would be a joint State and local cooperative effort similar to the successful Anchorage Metro Drug Unit. The cost is estimated at \$375.0 for FY 85 and would include one Anchorage P.D. Sergeant, one Anchorage Police Officer, one Anchorage clerical position, and one State Trooper Sergeant.

While we recognize the seriousness of criminal exploitation of children and that this is a growing problem, it is not feasible at this time for either the Anchorage Police Department or the Division of Alaska State Troopers to divert limited existing resources to form the proposed special unit. We would, however, be pleased to participate in such an effort if funding is provided. Therefore, I urge your support of an appropriation in the amount of \$375.0 to fund a special investigative unit on criminally exploited children.

Further details are available upon request. Your consideration of the requested appropriation to deal with this problem is appreciated.

cc: Commissioner Robert J. Sundberg  
 Commissioner Roger Endell  
 Peter B. McDowell, OMB  
 Brian Porter, Chief, APD  
 ✓ Colonel Michael C. Kolivosky, AST  
 Marroyce Hall, AK Juvenile Crime Commission  
 Sandra Borbridge, Spec. Assistant to the Governor  
 Allen Blume, Spec. Staff Assistant to the Governor

BILL S. EFFIELD, GOVERNOR

REPLY TO:

OFFICE OF THE CHIEF PROSECUTOR  
POUCH KC  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3428

OFFICE OF SPECIAL PROSECUTION  
AND APPEALS  
1031 WEST 41H AVENUE, SUITE 311  
ANCHORAGE, ALASKA 99501-5993  
PHONE: (907) 279-7424

DEPARTMENT OF LAW

CRIMINAL DIVISION

March 30, 1984

The Honorable John Sackett  
The Honorable Don Bennett  
Co-Chairman, Committee on Finance  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

Re: Special Investigative Unit  
Criminal Exploitation of Children

Dear Senators Sackett and Bennett:

I have been requested by Senator Kelly's office to provide you with fiscal information describing the impact on the Department of Law's prosecution program by the inclusion in the operating budget of a line-item grant of \$200.0 to the Municipality of Anchorage for the creation of a special child exploitation investigative unit. This appropriation is presently included in the House budget within the Department of Public Safety, Commissioner's Office.

The creation of such a unit was originally proposed with a funding level of \$375,000 to create a five member investigation team within the Alaska State Troopers and the Anchorage Police Department. In response to this proposal, we provided the Office of Management and Budget with a description of resources that would be required for the Anchorage District Attorney's Office in order to properly handle the cases which the State Troopers and the Anchorage Police believed would result from the unit's efforts. Those needed resources included a senior level prosecuting attorney, a paralegal assistant and a legal secretary for total costs of \$224,600.

As I understand the intent of the funding presently included in the House budget, the proposed unit would be reduced to three members and located exclusively in the Anchorage Police Department. Chief Porter had previously estimated that the work of the unit as originally proposed would result in approximately 25 additional major felony cases per year. It can be expected that considerably fewer cases would result at the reduced level and the impact on our department would be reduced accordingly.

We would anticipate that the work of this unit would result in 12 to 15 major felony cases per year involving

The Honorable John Sackett  
The Honorable Don Bennett

March 30, 1984  
Page -2-

approximately 15 to 20 defendants. Because of the nature of the cases and based on our past experience in this area, we would anticipate that these cases would involve between 40 and 60 individual criminal offenses.

From our experience prosecuting major felony cases of this nature, we have learned that these cases typically result in complex and lengthy investigations and trials. In addition to the primary crime of sexual exploitation of children, there are also drug, property and vice crimes generally involved. A good example of one of these cases is the prosecution in State v. Rodriguez last year in Anchorage which involved 28 separate counts of child exploitation, sexual assault and prostitution offenses. The defendant was convicted of 25 counts and received a sentence of 133 years with 83 years to servc.

To insure that the cases are properly handled, a prosecuting attorney should be assigned early in the investigative phase and remain with the case as it develops. A senior level prosecuting attorney will be required to properly prepare these cases and prosecute the resulting charges.

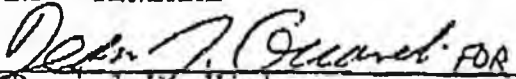
Cases of this nature also generally involve multiple victims. The Rodriguez case, for example, involved 11 victims. Due to the sensitive nature of the crimes involved, victim/witness services are required in order to properly prepare youthful victims who face the difficult ordeal of appearing at trial as witnesses. A paralegal assistant is required to perform these services and to generally assist in case preparation and presentation.

In an effort to keep the overall fiscal impact to a minimum, and in light of the reduced capability of the unit reflected at the funding level included in the House budget, we believe that we can do an acceptable job through a prosecuting attorney position at the Attorney IV rather than Attorney V level and a half-time paralegal assistant position. The total costs associated with these positions, which include case related costs for projected witness travel and similar items, is \$127,700. Attached is a detail sheet breaking these costs down by each position and budgetary object code. Please let us know if there is any further information that we can provide.

Very truly yours,

NORMAN C. GORSUCH  
ATTORNEY GENERAL

By:

  
Daniel W. Hickey  
Chief Prosecutor

DWH/gb-59  
Enclosure

## STATISTICAL PROGRESSION OF SEXUALLY ABUSED MALE JUVENILES INTO CRIMINAL BEHAVIOR

THE FOLLOWING FIGURES APPLY TO SEXUALLY EXPLOITED MALE JUVENILES WHERE THE SUSPECT IS OTHER THAN A FAMILY MEMBER. SIMILAR FIGURES COULD PROBABLY BE APPLIED WHERE FEMALE JUVENILES ARE VICTIMS. INFORMATIONAL SOURCES INCLUDE ANCHORAGE POLICE DEPARTMENT, F.B.I., ALASKA STATE TROOPERS, LOUISVILLE EXPLOITED CHILDRENS UNIT AND McLAUGHLIN YOUTH CENTER.

### ASSUMPTIONS

1. THE AVERAGE ADULT MALE ABUSER WILL SEXUALLY EXPLOIT FIVE CHILDREN IN A ONE YEAR PERIOD.
2. SEXUAL ABUSE IS A SIGNIFICANT CONTRIBUTING FACTOR TO SUBSEQUENT DELINQUENT BEHAVIOR.
3. 50% OF THE MALE JUVENILES SO AFFECTED WILL ACT OUT IN A DELINQUENT MANNER.
  - a. Each of this 50% of sexually assaulted youth will commit [average] 10 felony crimes in a one year period.
  - b. Anchorage has approximately 3200 burglaries per year.
  - c. 39.8% of all forceable entry burglar'aries and 30.7% unlawful entry burglary arrests were male juveniles. 42% of all auto thefts were juveniles.
  - d. Average police time expended per burglary is 8 hours. [Police] [Add costs: court, probation, Mc Laughlin, support services].
  - e. 80% OF ALL JUVENILES [MALE] WHO SEXUALLY ABUSE OTHERS, HAVE BEEN SEXUALLY ABUSED THEMSELVES.
  - f. 50% of all male juveniles committing serious felony assaults [homicide and first degree assault] have been sexually exploited.
4. 20% of all boys admitted but not institutionalized at McLaughlin Youth Center have been sexually exploited. [One thousand boys are admitted to Mc Laughlin each year but not institutionalized.]
5. 60% OF ALL THE BOYS INSTITUTIONALIZED AT MYC HAVE BEEN SEXUALLY EXPLOITED.

PROJECTION OF ESTIMATED COST OF ACTIVITIES BASED ON KNOWN STATISTICAL FACTORS. (Cost covers only police man hours and actual dollar cost as a result of burglary property loss as an indicator of cost to the community.

### COMPUTATION #1

- 1..... Sexual Exploiter.
- 2.5..... Males exploited (by the exploiter above) act out in a delinquent manner.
- 25..... Burglar'ies committed by the above juveniles in one year.
- \$75,000..... Property loss as a result of the 25 burglaries.
- 200..... Police man hours expended on these burglaries.

### COMPUTATION #2

- 1600..... Burglar'ies committed by juveniles in Anchorage each year.
- 800..... Burglar'ies committed by sexually exploited juveniles each year in Anchorage.
- \$2,400,000... Property loss by sexually exploited juveniles in Anchorage each year.
- 6400..... Police man hours/year expended for burglar'ies committed by sexually exploited juveniles.
- 3.08..... Police Officers committed full time to investigating burglar'ies committed by sexually exploited juveniles.

COMPUTATION #3

ASSUMPTION: 23% of institutionalized boys sexually abuse someone else.

- 18.....Boys in MYC in one year have sexually abused someone else.
- 15.....Of these boys have been sexually exploited themselves.

COMPUTATION #4

ASSUMPTION:

Each sexually exploited boy institutionalized at MYC for a term of one year or more have usually been exploited by more than one exploiter.

- 48.....Boys have been sexually exploited in one year.
- 48.....Exploiters are involved.
- 48.....Exploiters have exploited 5 or more boys.
- 120.....Boys exploited by these exploiters will act out delinquently.
  
- 48.....Boys will be institutionalized as a result.
- 1200.....Felony crimes will be committed in one year by the boys.
- 9600.....Police man hours will be expended investigating these crimes.
  
- 4.6.....Police Officer detailed full time to these crimes committed by these sexually exploited boys.

COMPUTATION #5

ASSUMPTIONS:

1 EXPLOITER EXPLOITS 60 BOYS IN A 4 YEAR PERIOD. (Rodriquez)

- 30.....Boys will act out delinquently.
- 1200.....Felony crimes will be committed by these boys in a 4 year period.
  
- 1.2.....Police Officers will work full time for four years investigating these crimes.

ASSUMPTION:

EACH OF THE 30 BOYS COMMITTING THESE CRIMES WILL SPEND 5 YEARS IN JAIL IN A 10 YEAR PERIOD.

- 150.....Years in jail spent by victims of this one exploiter.

ASSUMPTION:

Of the 1200 crimes committed, 1000 will be burglaries.

- 53,000,000.... PROPERTY LOSS IN 4 YEARS AS A RESULT OF THIS ONE EXPLOITER.

COMPUTATION #6

ASSUMPTION:

1. 200 boys admitted to MYC each year have been sexually exploited.
2. 200 additional boys not admitted to MYC have been exploited.
3. 400 additional boys have been exploited but have not displayed subsequent significant delinquent behavior during the year.

400.....Boys exploited who have acted out delinquentlv.  
4000.....Felony crimes committed.  
32,000.....Police man hours expended in investigation  
15.4.....Police Officers investigating these crimes.

COMPUTATION #7

ASSUMPTIONS:

80.....Boys have been exploited each year.  
200.....Will engage in a criminal lifestyle.  
10.....Felony crimes will be committed by each boy each year.  
60%.....Of those crimes will be property crimes with average dollar loss of \$3,000.00.  
  
23%.....Will sexually abuse others during that period.  
200,000.....Felony crimes committed.  
120,000.....Property crimes committed.  
\$36,000,000. Property loss.  
46.....Sex offenders created.

ASSUMPTION:

Each of the 200 boys will spend 5 years in jail as a result of their crimes.

1000.....Man years of jail time over a 10 year period for each years victims of sexual exploitation.  
10,000..... Man years each 10 years for victims of sexual exploitation.  
100.....Exploiters.  
250.....Kids/year (Delinquent)  
2500..... Felony crimes (80% property crimes).  
2000..... Property crimes.  
\$6,000,000.... Property loss.  
9.6..... Officer full-time investigating victim's crimes.

COMPUTATION #8

ASSUMPTION:

Of the 46 sexual offenders created in one year. 25% will begin to sexually exploit juvenile males within 10 years.

10 years from now =

11..... New and additional sexual exploiters.  
550..... Juvenile males sexually exploited by these additional exploiters in subsequent 10 year period.  
  
137..... Of those exploited will lead a criminal lifestyle.  
13,700..... Felony crimes will be committed by the juveniles so exploited in 10 year period.  
34.....New sexual offenders will be created, at least 25% of whom will enter the exploiter cycle.

**CONCLUSIONS:**

**FROM THESE VERY CONSERVATIVE STATISTICAL PROJECTIONS THE FOLLOWING CONCLUSIONS CAN BE INFERRED:**

Sexual exploitation of juvenile males is a significant and highly contributing factor to subsequent delinquency and criminal behavior.

The cycle of victim progressing to criminal and to sexual offender/exploiter, if not broken, will lead to a geometric type progression of criminal behavior, dollar loss to society, and inability of law enforcement to contain criminal behavior.

Dollar loss noted in these statistics applies only to burglary crimes and does not include dollar loss due to other crimes such as larceny, robbery, fraud, etc. that would probably greatly exceed that mentioned.

Dollar loss to society in the form of increased jail requirements, law enforcement expenditures, court system costs, social service expenditures, etc. is not considered and is astronomical in comparison to dollar loss figures from burglary crimes alone.

Crimes that will result against persons such as assault, homicide, robbery, etc. are not addressed.

Sexual exploitation of children also covers categories not addressed in these projections such as female prostitution, male prostitution and incestuous crimes that probably equal if not exceed in dimension the projections listed here.

Sexual exploitation of children is a hidden problem that has been a significant and root cause of today's crime problem and that if left unaddressed and not diminished will geometrically progress into an out of control causal factor of criminal behavior to a greater impact on our state and future.

...up to

Barnes was hired because she "knows her way around the halls of Juneau," is effective, and has been a supporter of the project in the past, said Lisa Parker, Cominco Alaska administrative assistant at the company's Anchorage office.

The Anchorage Republican served as House majority leader in her last term. She was defeated last year in a re-election bid, ending a six-year career in the House.

Barnes to release details of her financial arrangement with Cominco Alaska for lobbying services, but Barnes declined to reveal any details.

The former legislator said Monday she would be "doing some lobbying and consulting work" for the mineral development company. Cominco Alaska is her only client to date, she said.

Barnes said she worked on the issue for the past couple of years while in the legislature, and she

budget contains an \$18 million appropriation to the Alaska Industrial Development Authority for its economic development loan fund, to be used as start-up money for road and port facilities necessary for the Red Dog project.

An estimated \$150 million will be needed for road and port construction to open up the area for mineral development. The state's current plan is to build the facilities and then recover its costs by charging user fees for the road and port.

...explained, but closed up shop while in the House to avoid any possible conflict of interest. The company has been revived, she said, and is seeking work in a variety of consulting tasks.

Arctic Research recently submitted a proposal to the Department of Transportation that the transportation facilities would help promote economic development in the area.

Commenting on the chances for legislative passage of the \$18 million appropriation this year, Barnes said, "It's too early for me to assess that."

In addition to Barnes, the Juneau firm of Dawson and Associates works as a lobbyist for Cominco Alaska. Kent Dawson was an aide to former Gov. Jay Hammond.

In addition to her new job as a lobbyist, Barnes is general man-

... job as a joint Ven York firm. Barnes said Arctic Research seng, Helen Sala Fielges-Munson, a Joe Hayes, who r speaker.

Arctic Research recently submitted a proposal to the Department of Transportation that the transportation facilities would help promote economic development in the area.

Commenting on the chances for legislative passage of the \$18 million appropriation this year, Barnes said, "It's too early for me to assess that."

In addition to Barnes, the Juneau firm of Dawson and Associates works as a lobbyist for Cominco Alaska. Kent Dawson was an aide to former Gov. Jay Hammond.

In addition to her new job as a lobbyist, Barnes is general man-

## Child-abuse foe crusades in state

by Bruce Scandling  
Associated Press

Juneau — When his 6-year-old son was kidnapped and murdered four years ago, John Walsh embarked on an odyssey to stiffen child-protection bills across the country.

His latest focus is Alaska, and Walsh came to Juneau on Tuesday to urge state lawmakers and Gov. Bill Sheffield to beef-up laws that would make life tougher for child abusers in Alaska.

Walsh's visit comes in a year when lawmakers are considering a number of bills that would make life tougher for child abusers.

Some of Alaska's child-related legislation is already solid, he said, especially criminal codes which mandate stiff sentences for child abusers. But he called other areas of state law "wimpy" and "three or four years behind many other states."

Walsh, whose story was aired across the nation in the made-

for-television movie "Adam," told a joint meeting of the House and Senate Judiciary committees that Alaska is just as ripe for child abuse as any other part of the country.

"I've only been in your state for two days and I've seen your newspapers are full of it," Walsh said. "You get a lot of the trash that comes up here from other parts of the country and thinks this is the wild, wild West and they can abuse your children and get away with it."

Walsh's son was taken from a Hollywood, Fla., shopping center in 1981 and found murdered two weeks later. Since that time, he and his wife, Reve, have fought for toughening child-protection laws.

Walsh was named by President Reagan as a special consultant to the newly formed National Center for Missing and Exploited Children. After seeing federal child-protection measures passed in Congress, Walsh has devoted the past year to changing state laws.

He offered the services of the national center and presented legislators with a proposed package of laws he called the "Rolls-Royce bills" of child-abuse.

Lawmakers in Alaska are already studying child-protection bills that would:

- Require fingerprinting and background checks on people who work with children;
- Allow the use of hearsay evidence by grand juries trying to indict alleged child abusers;
- Require school districts to schedule at least one day of child-abuse and sexual-abuse training.

## Senator issues budget warning

Associated Press

Juneau — The four-member Democratic minority in the Senate threatened Tuesday to debate the fiscal 1986 budget line-for-line when it hits the floor unless they get a chance to help put the spending plan together.

Sen. Joe Josephson, D-Anchorage, told the Republican-led majority that the first quarter of the session is under everyone's belts, but the minority hasn't been able to act "as full participants" in shaping the budget.

"Yet we understand the 16 members (of the majority caucus) can do whatever they want to do to represent their interests," Josephson said. "We could enjoy the prerogative of second-guessing, but

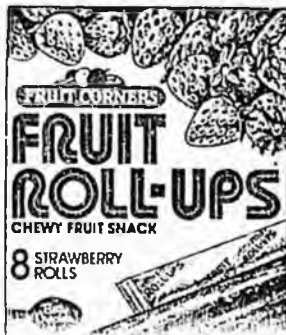
we'd prefer not to do that.

"We would like to be as accountable as you are with the 1986 budgets," he said. "We would rather be participants . . . Instead of talk about it on the floor.

"We want to be put on notice that the minority expects to be a part of the process," Josephson said. "If we can't do that, we will have no choice but offer our objections on the floor in a very extended way."

Josephson, along with Sens. Bill Ray of Juneau, Bob Ziegler of Ketchikan and Vic Fischer of Anchorage have been on the outside looking in so far this session as majority members have set their budget priorities.

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# Opinion

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# Story of Adam must not be repeated—ever

Everyone knows the story of Adam, the 6-year-old child who was kidnapped from a Florida shopping center and found killed two weeks later.

Adam's tragic story was told in a television movie that struck a nerve across the nation. That children can become victims of crime is a thought too outrageous to accept or to ignore.

One of those who chose not to accept or ignore these most serious of crimes is Adam's father, John Walsh.

Mr. Walsh has mounted a crusade against child abuse and other crimes against children. As part of his crusade, Mr. Walsh, a presidentially appointed consultant to the National Center for Missing and Exploited Children, came to the Capital City. His visit, sponsored by the Alaska Juvenile Crime Commission, is aimed at improving the state's laws and safeguards against child crimes.

His suggestions were far-ranging, yet basic. They include:

- Enact legislation requiring *all* persons who work with children to be fingerprinted and submit to background tests.

- Set up a state sexual abuse and exploitation unit to streamline the method of handling abuse cases. A major contribution such a unit would make is reducing the number of times victims would have to describe what hap-

# City continues work; despite order to stop

By BETSY LONGENBAUGH

The Juneau Empire Juneau City-Borough may be facing a fine of up to \$10,000 a day from the Corps of Engineers for continuing to place fill along First and Douglas streets in Douglas after being ordered to stop doing so, a city representative said Wednesday.

The city claims, however, it was only repairing damage from the Wednesday storm—action that does not require a corps permit. And city officials say a lack of communication caused the work to continue after the corps' cease and desist order.

Jan Vellinga, an environmental activist with the corps' Anchorage office, was in Juneau Tuesday and Wednesday to investigate complaints about the city's work.

Vellinga said the city is violating the Clean Water Act in putting in fill below the high tide mark along the Douglas street without a permit.

Vellinga said she had first complained about the problem in late November. She had asked for fill to be taken out of the area, which it was. She received a complaint about fill being put in above the high tide mark in December, and issued a cease and desist order Jan. 4.

On Feb. 8, she was told the work was continuing and came here this week to

Wednesday.

Frank Morris, a city engineer, said his department continued the work because of "lack of communication."

"We came in to riprap it," he said. "We weren't aware the cease and desist order had happened. ... Johnson's in a different department."

Although Morris and Johnson said their work was only replacing fill washed out by the storm, Vellinga said it is very obvious the city had gone beyond the scope of repair work.

"They went way beyond the extension of shore damage," said Vellinga.

Vellinga said First and Dock streets have been widened by the city work by between 10 and 25 feet and damaged intertidal areas.

Morris said the engineering department had not made plans to expand the road, but had also not done a survey before beginning the repair work.

"Basically, what we did was try to restore two-way traffic," he said. "It was an eyeball operation to try to get the thing fixed before we got another bad storm."

Teague said the city "is attempting to resolve the issue with the Corps of Engineers."

Vellinga was to return to Anchorage today to continue investigations and consider seeking legal action against the city. If found in civil violation, the

of victims are protected against all forms of crime.

Only the Legislature can make sure these most innocent session.

making the fight against child abuse a top priority.

We urge Alaska's legislators to join Gov. Sheffield's efforts will go for naught.

Of course, the governor can set all the priorities they want, but without swift legislative action the

child abuse one of his top priorities.

From the proper authorities will require statewide attention.

Some of these steps have already been taken in several areas of the state, but to assure that all child-abuse victims receive adequate, effective and immediate attention.

■ Establish and expand child-abuse education programs in schools.

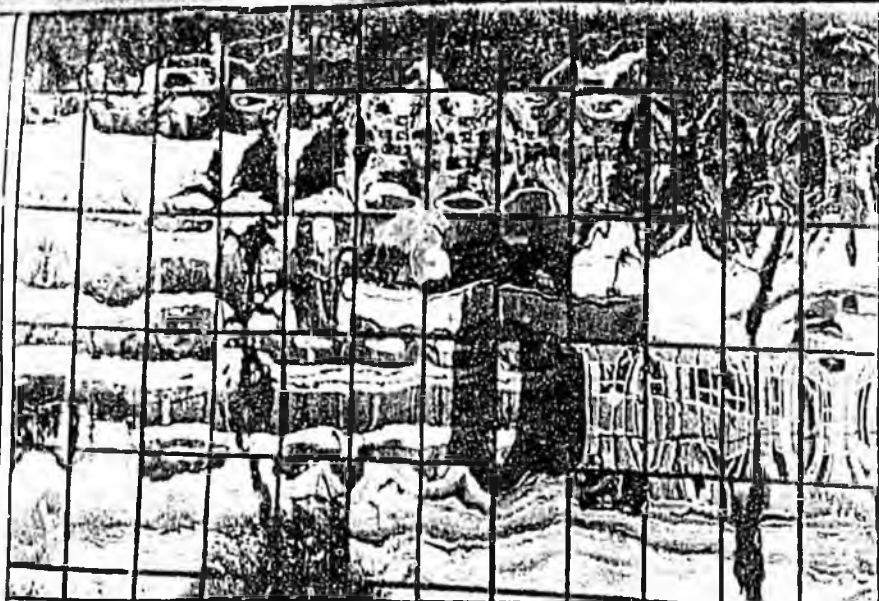
■ Mandate that all reports of child abuse get immediate attention.

■ Permit hearsay evidence in grand jury presentations.

■ Use television monitors to shield victims from public during trials. This is being used in several child abuse cases in the Lower 48.

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Bob Hollinen of The Times

### REFLECTION

Gorgeous Alaskan mountain peaks reflect off the Hunt building at 550 W. 7th Ave. in downtown Anchorage Wednesday. The photo was

taken from the J.C. Penney parking garage.

## Children's crusader heads to Alaska

*Father of abducted child to speak on adopting child protection laws*

by Earl Swift  
Times Writer

The father of a 6-year-old Florida boy whose 1981 abduction and murder attracted national headlines, spawned a movie and prompted child protection legislation in several states will meet with community members and legislators in Anchorage, Wasilla and Juneau early next week.

John Walsh, a consultant to Washington, D.C.'s National Center for Missing and Exploited Children, will appear in Anchorage and Wasilla next Sunday and Monday and in meetings with the governor and legislators Tuesday, Alaska Juvenile Crime

Commission director Marge Hall said Monday.

Walsh — whose personal crusade for federal and state laws making it easier for law enforcement agencies to track down missing children was a driving force behind the U.S. Justice Department's establishment of the national center last year — will discuss the adoption of child protection laws here that are currently used in a number of states, Hall said.

"I am delighted that John Walsh is coming," Hall said. "He is considered to be the number-one spokesman for parents of missing and exploited children."

He lived through his tragedy and he went on to enact legislation that would assist other parents."

Walsh gained national notoriety when his son, Adam, was abducted from a Sears store in Hollywood, Fla., in July 1981. The boy's severed head was found floating in a Florida canal two weeks later. The rest of his body was never recovered.

The tragedy prompted him to quit a lucrative consulting career and embark on a two-year fight to bring the country's missing children — of whom there are an estimated 1.8 million reported each year — to the attention of law enforcement agencies.

sexually touch him.

Betty Anderson allegedly molested the boy twice and the girl once, according to court documents.

The mother told jurors the children became extremely upset when the doctor attempted to examine them for evidence of sexual assault. She also told jurors how her children exhibited other evidence of sexual abuse.

Both children suffered from nightmares after the alleged abuses, she said, in which "they screamed 'no,' and just screamed."

The incidence of the nightmares is "not as frequent, but it still happens," the mother said, noting that earlier her son suffered nightmares about three times a week.

The mother said she began to be worried when her son began to show self-destructive tendencies.

An Anchorage psychologist testified earlier Wednesday that self-destructive tendencies are one of the many symptoms of sexual abuse.

The self-destructive tendencies exhibited by the boy included pounding his head against

investigators and by Assistant District Attorney Betsy Sholey.

In her opening statement Wednesday morning, Sholey said testimony of physicians will show the physical evidence of abuse and mental health professionals and child abuse experts will testify on the emotional and behavioral scars left behind.

Richard Anderson's defense attorney, David Weed, reserved his opening statement for later in the trial but Jensen reminded jurors that Sholey's statements are not to be taken as evidence but only what she hopes it will show.

Parents repeatedly had told state licensing officials that the care their children received at the Andersons' "was exceptional," Jensen said.

As for the testimony expected from the girl, Jensen said, "the only consistent thing" in her testimony will be "the inconsistencies."

The charges against the couple were handed down by an Anchorage grand jury after a two-month investigation by the Anchorage Police Department's Juvenile Division.



JOHN WALSH  
Brought attention to children

Times staff

Federal investigators expect to finish on-site ex-

we're examining. Both engines are up in Anchorage," Seidien said this morning. "I will close shop here tonight and we'll be in Anchorage tomorrow."

Team members also were review company records to check whether the plane had received proper maintenance and whether personnel had

# Alaska Juvenile Crime Commission

P.O. Box 4-2850 Anchorage, Alaska 99509 Ph. (907) 276-2066

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John Rabun  
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National Center for Missing  
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Washington D.C.

Dr. Vincent J. Fontana  
Professor of Clinical Pediatrics,  
New York University, College  
of Medicine  
Medical Director, New York  
Foundling Hospital

## JOHN WALSH

### Sunday, February 10, 1985 - Anchorage

11:00 a.m. -- Anchorage Times Reporter Interview

Daily News Reporter Interview (tentative)

Law Enforcement (tentative)

7:30 p.m. -- Public Meeting (Wasilla)

8:30 p.m. -- Reception

HOTEL CONFIRMED AT THE CAPTIAN COOK FOR SATURDAY AND SUNDAY

### Monday, February 11, 1985 - Anchorage

9:45 a.m. -- Mayor Tony Knowles (8th Floor, Hill Building)

10:30 a.m. -- PSA (NBC Channel 2)

11:45 a.m. - 1:00 p.m. -- Lunch at Sheraton

7:40 p.m. -- depart Anchorage Alaska Airlines Flight 70B

9:05 p.m. -- arrive in Juneau (Flight 70B)

HOTEL RESERVATIONS CONFIRMED AT THE CAPE FOX

### Tuesday, February 12, 1985 - Juneau

8:30 a.m. - 9:00 a.m. -- Senator Jan Faiks - call to confirm

10:00 a.m. - 10:30 a.m. -- Senator Kerttula (CONFIRMED) (Beth Kerttula)

11:00 a.m. - 12:00 p.m. -- Open

12:00 p.m. - 1:15 p.m. -- Lunch sponsored by Senator DeVries,  
Representative Hanley, and Senator Fahrenkamp

1:30 p.m. -- Speaking before combined Senate and House Judiciary  
Committee chaired by Senator Pat Rodey and Representative M. Mike Miller

2:00 p.m. -- Governor Sheffield, Commissioner Pugh (HESS), and  
Marsha Hubbard (CONFIRMED)

2:30 p.m. -- Public Safety Finance Committee (Representative Larson)  
(need to confirm)

4:30 p.m. -- Joint Community & Regional Affairs chaired by Senator  
DeVries and Representative Goll (TEN) (House and Senate) (Evyonne Alford)

5:30 p.m. -- Reception for John Walsh hosted by President of Senate, Don  
Bennett, Senator Faiks, and Senator Kerttula

HOTEL CONFIRMED AT THE CAPE FOX

Depart Juneau Wednesday, February 13, at 7:00 a.m. Alaska Airlines



Official Business

# Alaska State Legislature

Senate

Pouch V  
State Capitol  
Juneau, Alaska 99811

FEB. 11, 1985

TO: ALL LEGISLATORS

FROM: SENATOR JAY KERITULA *JMK*

RE: JOHN WALSH

ON TUESDAY, FEBRUARY 12, MR. JOHN WALSH WILL BE IN JUNEAU. MR. WALSH IS A LEADING ADVOCATE IN THE AREA OF CHILD ABDUCTION. I URGE ALL OF YOU TO TAKE ADVANTAGE OF THE OPPORTUNITY TO MEET HIM, AND HAVE ATTACHED A COPY OF HIS SCHEDULE FOR YOU.

SENATE PRESIDENT DON BENNETT, SENATOR FAIKS AND I ARE HOSTING A RECEPTION FOR MR. WALSH TOMORROW AT 5:30 IN THE BELTZ ROOM, I HOPE THAT YOU WILL BE ABLE TO ATTEND, ESPECIALLY IF YOU DO NOT HAVE A CHANCE TO MEET MR. WALSH EARLIER.



Official Business

# Alaska State Legislature

Senate

Pouch V  
State Capitol  
Juneau, Alaska 9981

SENATE PRESIDENT DON BENNETT

AND

SENATORS KERTTULA AND FAIKS

INVITE YOU

TO A RECEPTION

FOR MR. JOHN WALSH

ON

TUESDAY, FEBRUARY 12, 1985

AT 5:30pm

IN THE BUTROVICH ROOM

# Alaska State Legislature

BETTYE FAHRENKAMP, Chairman  
ARLISS STURGULEWSKI, Vice Chairman  
JOE JOSEPHSON  
PAUL FISCHER  
EDNA ARMSTRONG-DE VRIES



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(907) 465-3835

## Senate Committee on Health, Education and Social Services

### M E M O R A N D U M

TO: Members, Senate and House Committees on Health, Education and Social Services

FROM: Senator Bettye Fahrenkamp, Chairman *Bettye*  
Senate Committee on Health Education and Social Services

Senator Edna DeVries, Chairman *Edna*  
Senate Community and Regional Affairs Committee

RE: Luncheon Meeting with John Walsh

DATE: February 4, 1985

---

The Alaska Juvenile Crime Commission is sponsoring a visit to Alaska by John Walsh, Vice Chairman of the National Center for Missing and Exploited Children. Mr. Walsh is the father of Adam, whose abduction was the subject of a recent movie shown on national television by NBC. He will discuss model laws that are being drawn up by the Center concerning child exploitation.

Mr. Walsh's presentation will be made on Tuesday, February 12, from noon to 1:00 pm in the Butrovich Room. Please call Senator DeVries' office (465-4712) if you plan to attend the luncheon.



Official Business

# Alaska State Legislature

## Senate

### Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman  
Members  
Senator Ferguson, Vice Chairman  
Senator Coghill  
Senator Sturgulewski  
Senator V. Fischer

Pouch V  
Juneau, Alaska 99811

January 26, 1985

*Rep W*

TO: Representative Goll, Chairman  
House Community and Regional Affairs

FROM: Senator Edna DeVries, Chair *Edna*  
Senate Community and Regional Affairs

SUBJ: Joint House/Senate C&RA Meetings

I look forward to the two joint meetings we have planned:

Feb 5 - 3:30p Beltz Rm (211) Capitol

The annual report to the Legislature by the Local Boundary Commission. Annexations to the Cities of Fairbanks and Togiak to be considered.

Feb 12 - 4:30p ~~Beltz Rm (211)~~ Butrovich-Rm 205 Capitol

A report from John Walsh, Vice Chairman of the National Center for Missing and Exploited Children.

The Beltz Room will be set up for the House and Senate Committee Members to sit at the dais. If you have questions, please give me a call at 465-4712.