

State of Alaska FY2002 Governor's Operating Budget

Department of Health and Social Services
Audit
Component

Component: Audit

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Component Mission

To provide professional audit services to the Department.

Component Services Provided

Services Provided

- * Perform independent fiscal and compliance audits of the Department's grantees that fall within the state single audit requirement.
- * Monitor single audits of the Department's grantees performed by outside CPA firms, to reconcile these audits to division records; and bill grantees for refunds due DHSS.
- * Undertake special reviews and audits as requested.
- * Assist Legislative Audit with annual federal single audit of Department.

Component Goals and Strategies

Enable the Department and Division to effectively provide program services to the people of the State of Alaska.

Key Component Issues for FY2001 – 2002

The audit component was streamlined and transferred in the FY 2001 budget to the Division of Administrative Services. The transfer is intended to focus the mission of these auditors on department and grantee audits.

Major Component Accomplishments for FY2000

2 special audits and 4 special reviews performed
95 state and federal single audit reports reviewed
325 department grants reviewed
310 staff hours provided to Legislative Audit during the federal single audit of Department

Statutory and Regulatory Authority

Alaska Statutes:
AS 37.05 Public Finance, Fiscal Procedures Act

Administrative Code:
2 AAC 45.010 Audit Requirements

Single Audit Act of 1984, P.L. 98-502 as amended Single Audit Act Amendments of 1996, P.L. 104-156
OMB Circular A-133

Key Performance Measures for FY2002

Measure: Anticipate settling 100% of grants covered by State Single Audits.
(Not yet addressed by Legislature.)

Current Status:

FY99; Audit Reports Received were 85, Grants Covered were 289 with a dollar value of \$73,654,328; Grants Settled were 109 for 37.7%.

Measure: Follow up on 100% of Federal findings and questioned costs within 6 months.
(Not yet addressed by Legislature.)

Current Status:

In FY2000, we received 36 FY99 Federal Single Audit Reports. Of those, 90% were reviewed and settled within 6 months.

Measure: Anticipate providing Legislative Audit assistance with fieldwork.
(Not yet addressed by Legislature.)

Current Status:

In FY2000, we completed the fieldwork tasks assigned by Legislative Audit in 310 hours.

Measure: Anticipate completing 100% of special reviews within 90 days of request.
(Not yet addressed by Legislature.)

Current Status:

In FY 2000, 2 audits and 4 special reviews were requested. 100% were completed within 90 days.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Anticipate settling 100% of grants covered by State Single Audits.		X			
• Follow up on 100% of Federal findings and questioned costs within 6 months.		X			
• Anticipate providing Legislative Audit assistance with fieldwork.	X				
• Anticipate completing 100% of special reviews within 90 days of request.	X				

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Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	477.3	193.8	263.2
72000 Travel	5.2	4.0	6.0
73000 Contractual	32.9	2.0	6.0
74000 Supplies	0.7	1.8	2.3
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	516.1	201.6	277.5
Funding Sources:			
1002 Federal Receipts	148.0	0.0	63.7
1003 General Fund Match	219.1	0.0	0.0
1004 General Fund Receipts	60.4	105.8	106.3
1007 Inter-Agency Receipts	88.6	95.2	107.5
1053 Investment Loss Trust Fund	0.0	0.6	0.0
Funding Totals	516.1	201.6	277.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	148.0	0.0	0.0	63.7	0.0
Interagency Receipts	51015	88.6	95.2	95.2	107.5	100.0
Restricted Total		236.6	95.2	95.2	171.2	100.0
Total Estimated Revenues		236.6	95.2	95.2	171.2	100.0

Audit**Proposed Changes in Levels of Service for FY2002**

There are no service level changes from FY01 to FY02.

**Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	106.4	0.0	95.2	201.6
Adjustments which will continue current level of service:				
-Transfer in PCN 06-?022 with \$63.0 from Adm Support Svcs RP6-1-0002	0.0	63.0	0.0	63.0
-Year 2 Labor Costs - Net Change from FY2001	-0.1	0.7	-0.2	0.4
Proposed budget increases:				
-Increase I/A Receipts	0.0	0.0	12.5	12.5
FY2002 Governor	106.3	63.7	107.5	277.5

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Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	3	4	Annual Salaries	201,454
Part-time	0	0	COLA	2,410
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	67,520
			<i>Less 3.00% Vacancy Factor</i>	(8,142)
			Lump Sum Premium Pay	0
Totals	3	4	Total Personal Services	263,242

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Internal Auditor III	0	0	2	0	2
Internal Auditor IV	0	0	1	0	1
Totals	0	0	4	0	4