

State of Alaska FY2003 Governor's Operating Budget

Department of Health and Social Services Audit Component Budget Summary

Component: Audit

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Component Mission

To provide professional audit services to the Department.

Component Services Provided

- Perform independent fiscal and compliance audits of the Department's grantees as requested.
- 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.
- Provide federal sub recipient monitoring function for the 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 FY2002 – 2003

The audit component continues to streamline functions and to focus the auditors on department and grantee audits.

Major Component Accomplishments in 2001

- 1 special audits and 1 special review performed;
- 208 state and federal single audit reports reviewed;
- 610 department grants reviewed; and
- 168 staff hours were provided to Legislative Audit during the federal single audit of the Department.

Statutory and Regulatory Authority

Alaska Statutes:

AS 37.05 Public Finance, Fiscal Procedures Act

Administrative Code:

2 AAC 45.010 Audit Requirements

7 AAC 78 - DHSS Grant Programs

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

Audit
Component Financial Summary

All dollars in thousands

| Non-Formula Program: | FY2001 Actuals | FY2002 Authorized | FY2003 Governor |
|---------------------------------|----------------|-------------------|-----------------|
| Component Expenditures: | | | |
| 71000 Personal Services | 186.5 | 263.2 | 271.1 |
| 72000 Travel | 0.9 | 6.0 | 6.0 |
| 73000 Contractual | 4.5 | 6.0 | 6.0 |
| 74000 Supplies | 2.7 | 2.3 | 2.3 |
| 75000 Equipment | 3.5 | 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 | 198.1 | 277.5 | 285.4 |
| Funding Sources: | | | |
| 1002 Federal Receipts | 33.4 | 63.7 | 65.7 |
| 1004 General Fund Receipts | 73.8 | 106.3 | 109.3 |
| 1007 Inter-Agency Receipts | 90.3 | 107.5 | 110.4 |
| 1053 Investment Loss Trust Fund | 0.6 | 0.0 | 0.0 |
| Funding Totals | 198.1 | 277.5 | 285.4 |

Estimated Revenue Collections

| Description | Master Revenue Account | FY2001 Actuals | FY2002 Authorized | FY2002 Cash Estimate | FY2003 Governor | FY2004 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 | 33.4 | 63.7 | 63.7 | 65.7 | 70.0 |
| Interagency Receipts | 51015 | 90.3 | 107.5 | 107.5 | 110.4 | 115.0 |
| Investment Loss Trust Fund | 51393 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Restricted Total | | 124.3 | 171.2 | 171.2 | 176.1 | 185.0 |
| Total Estimated Revenues | | 124.3 | 171.2 | 171.2 | 176.1 | 185.0 |

Audit**Proposed Changes in Levels of Service for FY2003**

There are no service level changes in FY2003.

**Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor**

All dollars in thousands

| | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|--|----------------------|----------------------|--------------------|--------------------|
| FY2002 Authorized | 106.3 | 63.7 | 107.5 | 277.5 |
| Adjustments which will continue current level of service: | | | | |
| -Year 3 Labor Costs - Net Change from FY2002 | 3.0 | 2.0 | 2.9 | 7.9 |
| FY2003 Governor | 109.3 | 65.7 | 110.4 | 285.4 |

Audit

Personal Services Information

| | Authorized Positions | | Personal Services Costs | |
|---------------|------------------------------------|----------------------------------|----------------------------------|----------------|
| | <u>FY2002</u> <u>Authorized</u> | <u>FY2003</u> <u>Governor</u> | | |
| Full-time | 4 | 4 | Annual Salaries | 203,509 |
| Part-time | 0 | 0 | COLA | 4,276 |
| Nonpermanent | 0 | 0 | Premium Pay | 0 |
| | | | Annual Benefits | 71,480 |
| | | | <i>Less 2.92% Vacancy Factor</i> | (8,165) |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 4 | 4 | Total Personal Services | 271,100 |

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 |