

STATE OF ALASKA
LEGISLATIVE BUDGET AND AUDIT COMMITTEE
ANNUAL REPORT
2021

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LEGISLATIVE AUDITOR
Kris Curtis, CPA, CISA

LEGISLATIVE FISCAL ANALYST
Alexei Painter

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32nd Alaska State Legislature Legislative Budget & Audit Committee

January 17, 2022

Members of the Legislature

Fellow Members:

In accordance with AS 24.20.311, we are transmitting the 2021 annual report of the Legislative Budget and Audit Committee. This report summarizes the audit reports issued during the year.

Copies of each audit report released during 2021 are on file in the senate and house chambers, the two finance committees, the Division of Legislative Audit, various libraries throughout the state, and at <http://legaudit.akleg.gov>. We encourage all legislators to utilize this valuable information.

The Legislative Budget and Audit Committee wishes to thank the legislature for its support in 2021.

Respectfully submitted,

Legislative Budget and Audit Committee

A handwritten signature in blue ink, appearing to read "Natasha von Imhof".

Senator Natasha von Imhof, Chair

A handwritten signature in blue ink, appearing to read "Chris Tuck".

Representative Chris Tuck, Vice Chair

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ORGANIZATION AND FUNCTION

The Legislative Budget and Audit Committee is a permanent interim committee of the Legislature. It was established in 1955 as the Legislative Audit Committee. The committee is composed of 10 members and two alternates: the chairpersons of the senate and house finance committees; one member selected from each of the senate and house finance committees and appointed by the President of the Senate and the Speaker of the House, respectively; and three members and an alternate appointed from each house by the respective presiding officer. If the chairperson of a finance committee chooses not to serve, the presiding officer appoints a replacement from the finance committee. Alternate members are also appointed from the finance committees.

The committee has the responsibility for providing the legislature with fiscal analysis, budget reviews, audits and performance reviews of state government agencies, and for approving requests from the governor to revise the Appropriations Act. As a result of the passage of Ch. 18, SLA 1980, the committee has authority to monitor lending and investment activities of the State.

To provide the necessary technical assistance to accomplish the purposes, two permanent staff agencies have been created: the Division of Legislative Finance and the Division of Legislative Audit. These divisions report directly to the Legislative Budget and Audit Committee and are independent of executive and judicial agencies. The committee also has several authorized positions to assist with committee activities.

Division of Legislative Finance

One of the primary responsibilities of a state legislative body is to research, draft, and enact revenue and appropriation measures. The Legislative Finance Division has the following statutorily assigned responsibilities to support the legislative budget process:

1. Analyze the budget and appropriation requests of each department, institution, bureau, board, commission, or other agency of state government.

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2. Analyze the revenue requirements of the State.
 3. Provide the legislative finance committees with comprehensive budget review and fiscal analysis services.
 4. Cooperate with the Office of Management and Budget in establishing a comprehensive system for state program budgeting and financial management as set out in the Executive Budget Act (AS 37.07).
 5. Complete studies and prepare reports, memoranda, or other materials as directed by the Legislative Budget and Audit Committee.
 6. With the governor's permission, designate the legislative fiscal analyst to serve ex officio on the governor's budget review committee.
 7. Identify the actual reduction in state expenditures in the first fiscal year following a review under AS 44.66.040 resulting from that review and inform the Legislative Budget and Audit Committee of the amount of the reduction.
 8. Not later than the first legislative day of each first regular session of each legislature, conduct a review in accordance with AS 24.20.235 of the report provided to the division under AS 43.05.095.

The Legislative Finance Division reviews proposed changes to the operating budget and provides the Budget and Audit Committee with an analysis of proposed "revised programs" for committee decisions.

The Legislative Finance Division is staffed by the legislative fiscal analyst (director), six fiscal analysts, information technology staff, and an administrative officer. Division staff also includes the finance committee secretaries and, for budgetary purposes, the finance aides assigned to committee members.

Division of Legislative Audit

In accordance with the Constitution of the State of Alaska and Title 24 of the Alaska Statutes, the legislative auditor and staff conduct the post-audit function in the budget cycle. The Division of Legislative Audit was created in 1955.

All audits performed by the division are external audits; that is, they are performed by an auditor who is independent of the executive head of the government unit or agency being audited. The three major types of audits performed by the division are financial-compliance, performance, and special reports.

1. Financial-Compliance Audit

A financial-compliance audit determines (a) whether financial operations are properly conducted; (b) whether the financial reports of an agency are presented fairly; and (c) whether the entity has complied with applicable laws, regulations, administrative policies, and legislative intent.

2. Performance Audit

A performance audit is conducted to provide the legislature with an evaluation on the manner in which administrators of an agency have faithfully, efficiently, and effectively administered a program. Faithfulness refers to whether or not programs have been administered in accordance with promises made to the legislature and the expression of legislative intent. Effectiveness refers to whether or not planned program objectives have been achieved. Efficiency refers to whether or not program accomplishment has been achieved by using the least-cost combination of resources with a minimum of waste.

The 1977 legislature passed a “sunset law” which requires the division to conduct performance audits of boards, commissions, and agency programs subject to termination under AS 44.66. The audit report, along with other reports and testimony, is considered when determining if there is a public need for a board, commission, or program.

3. Special Audit Report

All special audits are conducted at the request of the committee. Any member of the legislature may request a special audit through the committee. A special audit can cover many things. It can be an audit that is restricted to one part of an agency's operations or it can be an audit reviewing financial transactions for a period of time shorter or longer than a fiscal year.

The Division of Legislative Audit also facilitates performance reviews as required by HB 30, enacted by the Alaska State Legislature in 2013. Performance reviews are systematic assessments of the appropriateness, effectiveness, and efficiency of a department; and are meant to provide information for policy makers, executive branch management, and the public. Performance reviews were defunded beginning in 2017.

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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SUMMARY OF: State of Alaska, Single Audit for the Fiscal Year Ended June 30, 2020

PURPOSE OF THE REPORT

This report summarizes our review of the State of Alaska's basic financial statements and the State's compliance with federal laws and regulations in the administration of approximately \$4.7 billion of federal financial assistance programs. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. It also complies with the federal Single Audit Act Amendments of 1996 and the related United States Office of Management and Budget Uniform Guidance.

The report contains an opinion on the basic financial statements of the State of Alaska for FY 20, findings and recommendations on financial and compliance matters, auditor's reports on internal controls and compliance, the Schedule of Expenditures of Federal Awards, and the Summary Schedule of Prior Audit Findings.

REPORT CONCLUSIONS

With the exception of General Fund rents and royalties and Note 2 relating to the State's Constitutional Budget Reserve Fund, the basic financial statements for the State of Alaska are fairly presented in accordance with accounting principles generally accepted in the United States of America.

With the exception of the Bureau of Land Management Fire Suppression program, the Coronavirus Relief Fund, the Temporary Assistance for Needy Families program, the Children's Health Insurance program, and the Medicaid cluster, the State has substantially complied with the applicable laws and regulations in the administration of its major federal financial assistance programs. The report does contain findings regarding material noncompliance with the provisions of laws and regulations, and material weaknesses and significant deficiencies in the State's internal control over financial reporting and internal control over federal compliance.

FINDINGS AND RECOMMENDATIONS

This report contains 94 findings, of which 41 are unresolved issues from last year. Some of the recommendations made in this report require significant changes in procedures, additional resources, or a shifting of priorities and, therefore, may take more than one year to implement. The Summary Schedule of Prior Audit Findings in Section III identifies the current status of prior financial and federal program related audit findings not resolved as of June 30, 2020.

Report Highlights

Why DLA Performed This Audit

The audit was requested to evaluate the corrective action taken by the Authority to address the prior audit findings related to select asset management issues.

What DLA Recommends

1. The Authority's board of trustees should consider liquidating the TLO managed commercial real estate investments or transferring the investments to the APFC as inflation-proofing.
2. The board of trustees should develop written procedures to ensure that annual withdrawals are correctly calculated.
3. The board of trustees should develop written policies to ensure Trust income reserves are correctly determined.
4. The board of trustees should consider developing written policies that require inflation-proofing occur annually if Trust income reserves are sufficient.

A Performance Review of the Department of Revenue, Alaska Mental Health Trust Authority, Status of Select Asset Management Issues

July 6, 2021

Audit Control Number 04-30099-21

REPORT CONCLUSIONS

A legislative audit released June 2018 found the Alaska Mental Health Trust Authority's (Authority) board of trustees violated State statutes and terms of the *State v. Weiss* settlement by diverting \$39.5 million of the Alaska Mental Health Trust (Trust) cash principal from the Alaska Permanent Fund Corporation (APFC) to purchase seven commercial real estate properties and \$1.8 million of cash principal to purchase/construct several program-related properties. During November 2019, Authority management reported that corrective action had been taken to address the prior audit findings. This audit evaluates the corrective action taken by the Authority. Specifically, the audit determines whether Trust cash principal diverted from the APFC was restored and whether policies and regulations used by the Authority to justify prior actions were amended to comply with statutes. This audit also evaluates the status of the commercial real estate investments and the Authority's intent regarding future management of the investments.

The audit concluded that the Authority's board of trustees restored Trust cash principal with \$41.3 million of Trust income reserves and continued to use the Trust Land Office (TLO) to manage the commercial real estate properties. The audit also found that Authority policies were partially amended to prohibit future investment of cash principal in commercial real estate outside of the APFC.

Beginning in 2014, Trust income reserves significantly exceeded target levels because excess income was not used to fully inflation-proof the Alaska mental health trust fund. The board of trustees

Report Highlights (Continued)

5. The board of trustees should develop written policies to annually evaluate whether Trust income must be transferred to the general fund.

REPORT CONCLUSIONS (Continued)

authorized inflation-proofing of up to \$120.3 million during its March 2021 meeting.

The Authority's decision to invest \$39.5 million of Trust income in the TLO managed commercial real estate properties decreased the liquidity of Trust income reserves and impaired the Authority's ability to inflation-proof. If excess Trust income was used to inflation-proof the Trust, the TLO commercial real estate investments would make up 59.5 percent of the remaining income reserves. The illiquid nature of such a large percentage of reserves calls into question the Trust's ability to meet its spending goals in a down market.

Although AS 37.14.041(b) requires Trust income in excess of the amount needed for the State's comprehensive mental health program be transferred to the State's general fund, the audit found the Authority did not have a written policy for identifying the amount available for transfer. When evaluating income reserves, auditors noted deficiencies in the Authority's methodology for calculating reserves and the annual withdrawal amount.

After the 2018 audit was released, the Authority's board of trustees transferred \$16.9 million of cash principal to the APFC from the trust authority development account. Subsequently, no principal was transferred for 15 months. More routine transfers began April 2020. Further, the audit found that cash principal was inappropriately used by the Authority for land development activities approved prior to FY 20. Policies were changed beginning in FY 20 to require land development activities be funded with Trust income.

According to Authority management, the value of the TLO managed commercial real estate investments increased by \$9.6 million since the prior 2018 audit and provided a net equity value of \$60.4 million; however, auditors note that the properties were not subject to an annual independent appraisal and two properties were projected to have negative cash flow for FY 21. At the time of the audit, the Authority intended to continue managing the commercial real estate properties as an investment of Trust income through the TLO.

Report Highlights

Why DLA Performed This Audit

This audit reviews DHSS's compliance with House Bill 151 foster care reform laws effective September 5, 2018, or December 4, 2018, including the requirements to search for relatives and family friends, provide training on the reasonable and prudent parent standard, and refer families to community organizations when child protective services are not needed and community services are necessary and available.

What DLA Recommends

1. OCS's director should implement supervisor certification procedures for relative and family friend searches.
2. OCS's director should improve procedures to ensure foster parents and caregivers in residential child care facilities are provided reasonable and prudent parent standard training.
3. OCS's director should consider amending regulations to require written training plans.
4. OCS's director should improve security over access to the Online Resource for Children of Alaska system.

A Special Review of the Department of Health and Social Services (DHSS), Office of Children's Services (OCS) Compliance with Foster Care Reform Laws, Part 1

November 10, 2020

Audit Control Number 06-30095-21

REPORT CONCLUSIONS

The audit concluded OCS procedures do not require supervisors to certify in writing whether a search for relatives and family friends was performed; however, auditors generally found searches were conducted. The audit also found that training regarding the reasonable and prudent parent standard was not consistently provided to foster parents. Further, OCS staff did not formally identify and document foster parent training needs.

Due to the COVID-19 pandemic, auditors were unable to obtain the documentation necessary to identify whether OCS staff sought parental consent to refer families to community organizations when child protective services were not needed, or for those families that provided consent, whether referrals were timely. Additionally, auditors were unable to calculate the degree families provided consent because OCS staff did not track the referrals when child protective services were not needed.

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Report Highlights

Why DLA Performed This Audit

The audit was performed to determine if there is a continued need for the board and if its termination date should be extended. The board is set to sunset on June 30, 2022, and will have one year from that date to conclude its operations.

What DLA Recommends

1. The audit makes no formal recommendations.

A Sunset Review of the Department of Commerce, Community, and Economic Development, State Physical Therapy and Occupational Therapy Board (board)

April 2, 2021

Audit Control Number 08-20125-21

REPORT CONCLUSIONS

Overall, the audit concludes that the board served the public's interest by conducting meetings in accordance with state laws; amending certain regulations to improve the professions of physical therapy and occupational therapy; and effectively licensing and regulating physical therapists, physical therapy assistants, occupational therapists, and occupational therapy assistants.

In accordance with AS 08.03.010(c)(17), the board is scheduled to terminate on June 30, 2022. We recommend that the legislature extend the board's termination date eight years to June 30, 2030.

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Report Highlights

Why DLA Performed This Audit

The purpose of the audit was to determine if there is a need for the board's continued existence and whether its termination date should be extended. In addition, the audit examined the board's license process and identified the cause of delays. The board is scheduled to sunset June 30, 2022, and will have one year from that date to conclude its administrative operations.

What the Legislative Auditor Recommends

1. The DCCED commissioner should ensure AMCO staff vacancies are filled in a timely manner and the AMCO director should implement written licensing procedures.
2. The board should significantly enhance or replace its licensing database and automate the application process where possible.
3. The board and AMCO director should strengthen procedures for entering restricted purchasers in the statewide database of written orders.
4. The board and AMCO director should implement procedures to ensure

A Sunset Review and A Special Review of the Department of Commerce, Community, and Economic Development (DCCED), Alcoholic Beverage Control Board (board)

September 10, 2021

Audit Control Number 08-20127-21

REPORT CONCLUSIONS

Overall, the audit found that board meetings were conducted effectively, regulations were adopted to implement statutory changes, and investigations were conducted in a timely manner. The audit also concluded that the Alcohol and Marijuana Control Office's (AMCO) operations were impeded by the lack of an automated application process and significant vacancies. Further, deficiencies in controls over processing licensee fee refunds were identified.

A review of the board's license process identified that 76 percent of new license applications and 85 percent of transfer applications received during FY 19 and FY 20 were issued within six months. A backlog of renewal applications caused by unfilled vacancies led AMCO staff to issue approximately 300 temporary licenses in February 2021, which allowed licensees to continue operating pending application review. The audit identified the following opportunities for gaining licensing efficiencies:

1. Improving the completeness and accuracy of initial applications.
2. Reducing delays associated with waiting for compliance information.
3. Issuing licenses timely once all information has been received.

Automating the application process and filling vacancies in a timely manner are key to improving efficiency.

Report Highlights (Continued)

municipalities receiving refunds of biennial license fees are actively enforcing alcoholic beverage laws.

5. The AMCO director should improve procedures and fill vacancies in a timely manner to ensure refunds to municipalities are appropriately reviewed.

REPORT CONCLUSIONS (Continued)

In accordance with AS 44.66.010(a)(1), the board is scheduled to terminate on June 30, 2022. We recommend the legislature extend the board's termination date to June 30, 2026, which is four years less than the maximum allowed in statute. The reduced extension reflects the need for more timely oversight to evaluate the board's progress in addressing licensing inefficiencies and filling vacancies.

Report Highlights

Why DLA Performed This Audit

The audit's purpose was to determine if there is a need for the board's continued existence and whether its termination date should be extended. The board is set to sunset June 30, 2022, and will have one year from that date to conclude its administrative operations.

What DLA Recommends

1. The governor should make board appointments in compliance with statutory requirements.
2. The Division of Corporations, Business and Professional Licensing's director should allocate sufficient resources to ensure cases are addressed in a timely manner.

A Sunset Review of the Department of Commerce, Community, and Economic Development, Board of Chiropractic Examiners (board)

June 22, 2021

Audit Control Number 08-20128-21

REPORT CONCLUSIONS

Overall, the audit concluded that the board served the public's interest by conducting meetings in accordance with State laws, amending certain regulations to improve the chiropractic profession, and effectively licensing and regulating chiropractic physicians. Additionally, the audit found one board member did not meet statutory requirements for appointment and additional resources were needed to investigate cases in a timely manner.

In accordance with AS 08.03.010(c)(5), the board is scheduled to terminate on June 30, 2022. We recommend that the legislature extend the board's termination date five years to June 30, 2027, which is less than the eight-year maximum allowed in statute. The reduced extension is due to an issue identified during the audit that may impact the board's ability to protect the public. The details of the issue are not included in this report to preserve the confidentiality of an ongoing investigation. The reduced extension reflects the need for continued oversight.

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Report Highlights

Why DLA Performed This Audit

The audit was performed to determine if there is a continued need for the board and if its termination date should be extended. The board is set to sunset on June 30, 2022, and will have one year from that date to conclude its administrative operations.

What DLA Recommends

1. DCBPL's director should dedicate resources to ensure licensees holding a DEA number are consistently recorded in the licensing database.
2. The board chair and DCBPL's director should change the license renewal form to allow the board to monitor compliance with continuing education requirements.
3. DCBPL's director should ensure adequate resources are available to perform continuing education audits.

A Sunset Review of the Department of Commerce, Community, and Economic Development, Board of Examiners in Optometry (board)

June 9, 2021

Audit Control Number 08-20129-21

REPORT CONCLUSIONS

Overall, the audit concluded, with certain exceptions, that board operations were conducted in the public's interest. The board conducted its meetings in compliance with state laws, effectively licensed optometrists, and actively amended regulations to address statutory changes and improve the licensing process. The Division of Corporations, Business and Professional Licensing (DCBPL) staff failed to operate in the public's interest by not consistently recording licensees with federal Drug Enforcement Administration (DEA) registration numbers in the licensing database, not ensuring continuing education audits were conducted timely, and not monitoring licensees' compliance with requirements for continuing education in pain management and opioid use and addiction.

In accordance with AS 08.03.010(c)(15), the board is scheduled to terminate on June 30, 2022. We recommend the legislature extend the board's termination date to June 30, 2028, which is two years less than the maximum allowed in statute. The reduced extension reflects the need for more routine oversight in recognition of audit findings.

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Report Highlights

Why DLA Performed This Audit

The audit was performed to determine if there is a continued need for RCA and if its termination date should be extended. RCA is set to sunset on June 30, 2022, and will have one year from that date to conclude its operations.

What the Legislative Auditor Recommends

1. The RCA chair should clarify regulations concerning the cancelation of scheduled public meetings.

A Sunset Review of the Department of Commerce, Community, and Economic Development, Regulatory Commission of Alaska (RCA)

September 21, 2021

Audit Control Number 08-20131-21

REPORT CONCLUSIONS

Overall, the audit concluded RCA operated in an effective manner and served the public's interest by:

- assessing the capabilities of utility and pipeline companies to safely serve the public;
- evaluating tariffs and charges made by regulated entities;
- verifying the pass-through charges to consumers from electric and natural gas utilities;
- adjudicating disputes between ratepayers and regulated entities;
- providing consumer protection services; and
- performing financial reviews of utilities for the State's power cost equalization program.

In accordance with AS 44.66.010(a)(3), RCA is scheduled to terminate on June 30, 2022. We recommend the legislature extend the termination date eight years to June 30, 2030.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT

COMMITTEE

Division of Legislative Audit



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MEMORANDUM

TO: Members of the Legislative Budget
and Audit Committee

FROM: Kris Curtis, CPA, CISA ^{KC}
Legislative Auditor

DATE: April 21, 2021

RE: Interim Report: Status of State Medical Board Audit Recommendations

In accordance with chapter 20 SLA 2019 (Senate Bill 172), we have determined the status of recommendations contained in our sunset audit of the State Medical Board (board) dated April 25, 2019 (Audit Control No. 08-20118-19). Recommendations include:

1. The board should adopt regulations to guide the process for registering with the controlled substance prescription database.
2. The board should develop procedures to ensure licensees with a Drug Enforcement Administration (DEA) number register in the controlled substance prescription database.
3. The board chair should work with Division of Corporations, Business, and Professional Licensing's (DCBPL) director to establish and implement procedures to ensure board disciplinary actions are reported in accordance with state law.

Our limited review does not constitute an audit and was not conducted in accordance with auditing procedures. During this limited review, auditors interviewed the board chair and DCBPL staff regarding status of the recommendations; obtained and reviewed new regulations and registration procedures to ensure the regulations and procedures addressed the prior findings; obtained and reviewed initial licensure applications to ensure the prescription drug monitoring program registration requirements were included; and verified that board actions were reported to the Federation of State Medical Boards (FSMB).

Our review concluded that, of the three audit recommendations, two were resolved and one is in progress. The board and DCBPL staff should continue to develop procedures to ensure licensees with a DEA number register in the controlled substance prescription database. As discussed below, only 66 percent of licensees with a DEA number had registered as of February 11, 2021. The following are the details regarding the status of the sunset recommendations.

Implementation Status as of March 2021

#	Quick Status	Recommendation	Status Detail
1	RESOLVED	The board should adopt regulations to guide the process for registering with the controlled substance prescription database.	<p>The board drafted regulations which were publicly noticed August 2020 and adopted by the board at the November 2020 meeting. The regulations were approved by the lieutenant governor February 2021 and became effective March 2021.</p> <p>The new regulations include licensee registration requirements for the controlled substances prescription database.</p>
2	IN PROGRESS	The board should develop procedures to ensure licensees with a DEA number register in the controlled substance prescription database.	<p>No progress in drafting the procedures was made until auditors inquired regarding the status. Procedures were drafted and became effective February 2021. The procedures outlined the process to ensure that, during the initial licensure process, applicants register with the controlled substance prescription database; however, the procedures did not include a process for renewal licensure. Once the auditors brought the deficiency to the attention of the board’s executive administrator, procedures were updated to include renewal licensure. Revised procedures became effective March 2021.</p> <p>Although procedures were developed, not all initial application forms were updated to include the</p>

			<p>controlled substance prescription database registration requirement. According to the board’s executive administrator, all initial applications will be revised by the end of March 2021 to include the controlled substance prescription database registration requirement and registration fee.</p> <p>The compliance rate for the board licensees’ registration with the controlled substance prescription database was 66 percent, as reported in the controlled substance prescription database board report dated February 2021.</p>
3	RESOLVED	<p>The board chair should work with the DCBPL director to establish and implement procedures to ensure board disciplinary actions are reported in accordance with state law.</p>	<p>Procedures were written by DCBPL’s chief investigator and became effective January 2020. Eight licensees with 11 board actions issued between January 2020 and January 2021 required FSMB reporting. Based on auditor review, all board actions were reported to the FSMB.</p>

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Report Highlights

Why DLA Performed This Audit

The audit determines whether there is a need for the council's continued existence and whether the council's termination date should be extended. The council is set to terminate June 30, 2022, and will have one year from that date to conclude its administrative operations.

What the Legislative Auditor Recommends

1. The executive director should allocate resources to ensure the annual report is submitted in accordance with council bylaws.
2. The executive director should improve training to help ensure document retention procedures are followed.
3. The executive director should work with the Department of Law to expedite regulatory updates.
4. The executive director should continue to work with the Department of Public Safety and the Office of Information Technology to improve access to the Battering Intervention Program database.

A Sunset Review of the Department of Public Safety, Council on Domestic Violence and Sexual Assault (council)

July 30, 2021

Audit Control Number 12-20130-21

REPORT CONCLUSIONS

The audit concluded that the council generally operated in the public's interest by funding and monitoring Alaskan domestic violence and sexual assault programs and prevention activities. The council served as the central coordinator for related services throughout the state, conducted meetings in accordance with council bylaws, effectively met most statutory duties, and did not duplicate the efforts of other entities.

The audit also concluded that the council should improve document retention, access to the Battering Intervention Program database, and timeliness of annual report submission and regulation changes.

In accordance with AS 44.66.010(a)(5), the council is scheduled to terminate June 30, 2022. We recommend the legislature extend the council's termination date six years, to June 30, 2028.