

**Senate Finance / Department of Administration Subcommittee**  
**Subcommittee Members: Sen. Kiehl, Sen. Tobin, & Sen. Bjorkman**

**Narrative Closeout Report**  
**April 12, 2023**

**RECOMMENDATIONS:**

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The Senate Finance Budget Subcommittee for the Department of Administration submits the following FY24 recommendations to the Senate Finance Committee:

<b>Fund Group: (dollars are in thousands)</b>	<b>Senate Sub</b>
Unrestricted General Funds (UGF)	\$86,690.5
Designated General Funds	\$31,886.1
Other Funds	\$205,977.1
Federal Funds	\$1441.6.0
<b>TOTAL FUNDS</b>	<b>\$325,995.3</b>

<b>Positions:</b>	
Permanent Full-time	<b>1289</b>
Permanent Part Time	7
Temporary	25
<b>TOTAL POSITIONS</b>	<b>1321</b>

**BUDGET ACTIONS:**

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The Senate Finance Budget Subcommittee for the Department of Administration reviewed the Governor's FY24 budget request. The following are highlights of the Subcommittee's action.

**Governor's Amended Budget Request:**

The Senate Finance Subcommittee accepted all of the Governor's requested changes.

**Subcommittee Additions, Reductions and Changes**

The Senate Finance Subcommittee did not add additional funding.

**Organizational Changes:**

The Senate Finance Subcommittee separated the Office of Information Technology into four allocations, to better track where funds are spent. The first three allocations break out the

Chief Information Officer's management budget, the help desk budget, and the cybersecurity budget. The fourth allocation includes software licensing, backbone infrastructure, and server hosting and storage.

### **Intent or Conditional Language**

The Senate Finance Subcommittee did not add intent or conditional language.

### **Additional Recommendations**

The Senate Finance Subcommittee recommends the full Finance Committee add \$1,000.0 UGF to restore grants to rural public radio. The Subcommittee recommends the funding come with intent language stating: "It is the intent of the legislature that the Department of Administration allocate funds for radio grants to rural stations whose broadcast coverage areas serve 20,000 people or less." The funding and intent language mirror additions in the other body. Public radio meets an essential public safety need in rural communities by reliably providing weather updates and emergency broadcast alerts in otherwise unserved areas.

The Senate Finance Subcommittee heard testimony on the successes and challenges of centralized services the Department of Administration provides to other Executive Branch agencies. On the whole, these services are effective. At the same time, the Subcommittee identified some areas where returning specific, limited responsibilities to other departments will improve efficiency and those agencies' ability to serve Alaskans.

The Senate Finance Subcommittee specifically recommends:

1. Transfer a Human Resource Business Partner (HRBP) from the Division of Personnel to the Department of Law. The Department of Law and the Department of Administration currently share an HRBP. This role is an important point of contact for all managers in a Department to consult on sensitive HR issues. The HRBP can best provide timely counsel if they are dedicated to one Department, as is the case for all other Executive Branch departments.
2. Transfer a Human Resource Recruitment Technician from the Division of Personnel to the Departments of Transportation & Public Facilities, Corrections, Family & Community Services, and Health. Most departments recently received a Human Resource Recruitment Technician to help with the current recruitment challenges and vacancy rates. The four largest departments in the state have hiring workloads beyond what a single recruitment technician can do.
3. Deny moving 33 of the 35 procurement positions shown in Management Plan. The Office of Procurement and Property Management (OPPM) is currently providing services to the Departments of Environmental Conservation and Law. OPPM is not prepared to take on additional work for other departments at this time, so 33 positions and associated funding should remain with their current departments. The governor's

budget request appropriately reflects the two positions moved from the Department of Law.

4. Return payroll technicians to the Departments of Corrections, Public Safety, and Natural Resources. Centralized payroll in the Division of Finance is still working to automate systems. They are currently doing many payroll functions by hand, which makes it difficult to handle payroll with one-of-a-kind work schedules or contract terms. By returning specialized payroll to the agencies, the Division of Finance can focus on automating more payroll processes. This recommendation matches the governor's request to return specialized payroll functions for the Alaska Marine Highway System to DOT. The Subcommittee recommends the full Finance Committee return payroll functions to the Department of Corrections for correctional officers, the Department of Public safety for Troopers, and the Department of Natural Resources for wildland firefighters.
5. Return IT help desk positions to three departments with sizable 24/7 operations: Corrections, Family & Community Services, and Public Safety. The centralized IT help desk does not provide 24/7 support to the 24/7 operations in these Departments. Each Department has round-the-clock needs which can be met by having their help desk in the Department.
  - a. Department of Corrections: four Network Tech 1/2 positions and one Network Specialist 3.
  - b. Department of Family and Community Services: four network tech 1/2 positions and one Network Specialist 1.
  - c. Department of Public Safety: two Microcomputer/Network Specialist 1/2 positions and one Data Communication Specialist 2.
6. Return specialized IT help desk positions to the Department of Health. This formalized DOH's dedicated IT help support for complex needs. These four Network Tech 1/2 positions and one Network Specialist 1 job need to be dedicated and can best serve that mission within the department.
7. Reappropriate \$3.5 million from the Azure cloud migration to migrate IRIS to a cloud platform in order to automate payroll functions.

## **ATTACHED REPORTS**

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The Senate Finance Subcommittee for the Department of Administration adopts the following attached reports:

1. Agency Totals
2. Trans Compare 1: Adjusted Base+ to Senate Subcommittee
3. Trans Compare 2: Gov Amend+ to Senate Subcommittee
4. Wordage

Respectfully Submitted,

Senator Jesse Kiehl