

State of Alaska Department of Administration

FY2025 Governor Budget Overview
Presentation to House Finance Subcommittee
Commissioner, Paula Vrana
Administrative Services Director, Leslie Isaacs
February 13, 2024



Department of Administration FY2025 Governor Operating Budget: [Mission and Organization](#)

Mission: Provide consistent and efficient support services to state agencies so that they may better serve Alaskans.

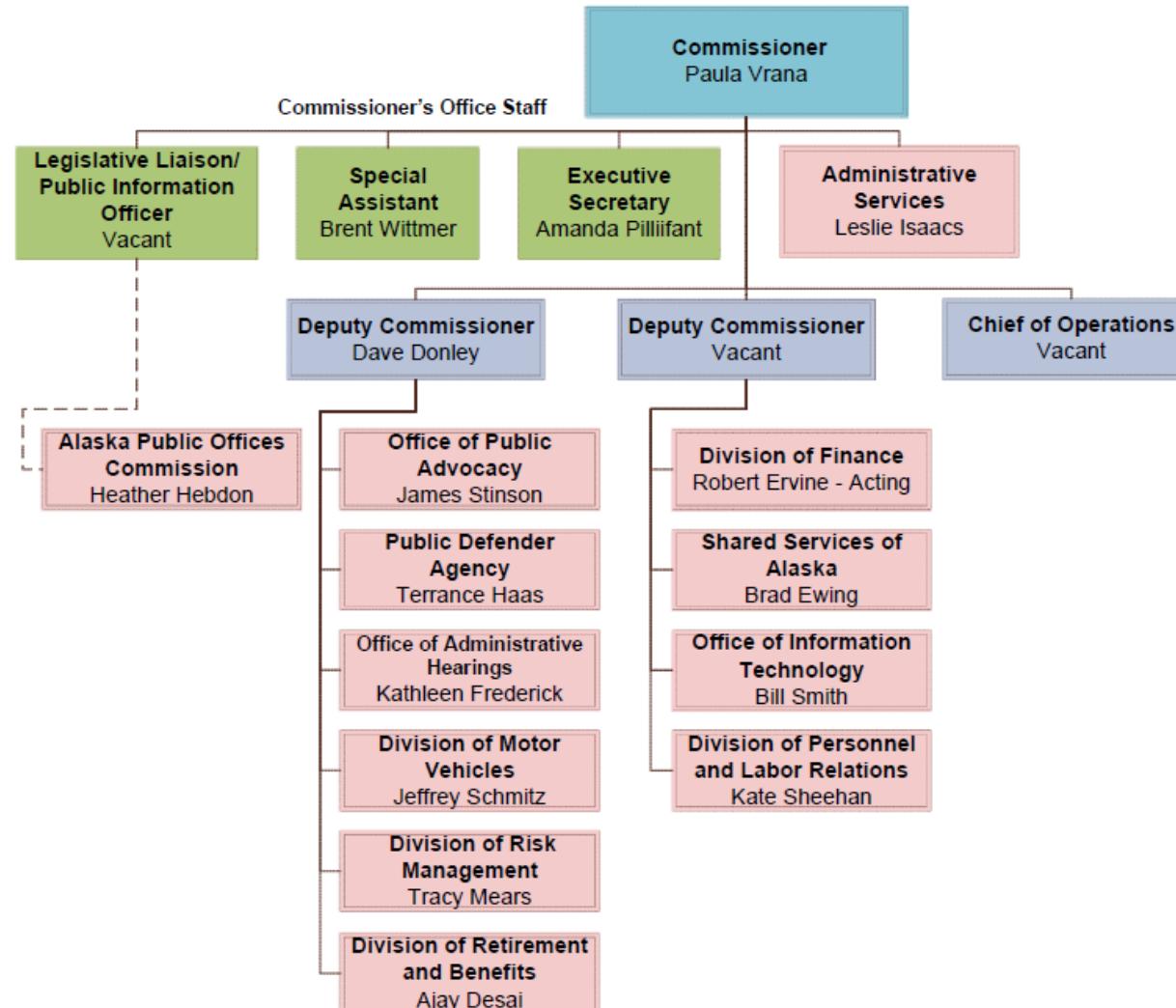
Services to State Agencies

Services to the Public

Office of Admin. Hearings	Admin. Services	Finance	Retirement and Benefits	Office of Public Advocacy	Public Defender Agency
Personnel and Labor Relations	Shared Services of Alaska	Office of Information Technology	Alaska Public Offices Commission	Public Communications Services	Motor Vehicles
Procurement and Property Management	Risk Management	Retirement and Benefits			



Department of Administration FY2025 Governor Operating Budget: Leadership Organization



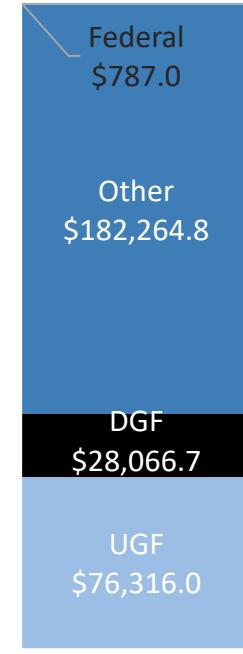
Department of Administration: Historical Budget Comparison



FY2020 Actuals

(FY2020 - FY2025)
(\$ in thousands)

Total
\$287,434.5



FY2021 Actuals

Total
\$294,501.0



FY2022 Actuals

Total
\$323,154.7



FY2024 MGMT Plan

Total
\$320,051.1



FY2025 Gov Proposed



Department of Administration FY2025 Governor Operating Budget: Funding Sources

(\$ in thousands)

- DOA Budget: 27% UGF, 10% DGF, 62% Other Funds, 0.4% Federal
- DOA Fund Sources: 44% duplicated fund sources

DOA Operating	UGF	DGF	GF Subtotal	Other	Federal	Total	PFT
Formula							
Non-Formula	87,923.1	33,031.5	120,954.6	197,852.9	1,243.6	320,051.1	1,181
*Duplicated				(140,302.4)			
Non-Duplicated Total	87,923.1	33,031.5	120,954.6	57,550.5	1,243.6	320,051.1	1,181

Fund Type	Funding Source	FY25 Gov.	Fund Type	Funding Source	FY25 Gov.
UGF	1003: G/F Match	250.0	Other	1007: Interagency Receipts (duplicated)	79,593.3
	1004: General Fund	84,228.6		1017: Benefit System Receipts	42,750.9
	1037: General Fund / Mental Health	3,444.5		1023 FICA Acct	216.6
DGF	1005: General Fund / Program Receipts	33,031.5		1029 P/E Retire	9,964.2
Federal	1002: Federal Receipts	584.2		1034 Teach Ret	3,833.3
	1033: Surplus Property	659.4		1042: Judicial Retirement System	122.9
				1045: National Guard & Naval Militia Retirement System	291.0
				1081: Information Services Fund (duplicated)	60,709.1
				1092: Mental Health Trust Authority Authorized Receipts	371.6



Department of Administration FY2025 Governor Operating Budget: Department Summary

Department of Administration: Fund Category Comparison

(\$ in thousands)

- FY2024 Management Plan
- FY2025 Governor

$\Delta = -\$1,900.8$
% $\Delta = -2\%$

$\Delta = +\$1,145.4$
% $\Delta = +4\%$

$\Delta = -\$3,103.6$
% $\Delta = -1\%$

$\Delta = -\$2,150.2$
% $\Delta = -1\%$

$\Delta = -\$198.0$
% $\Delta = -14\%$

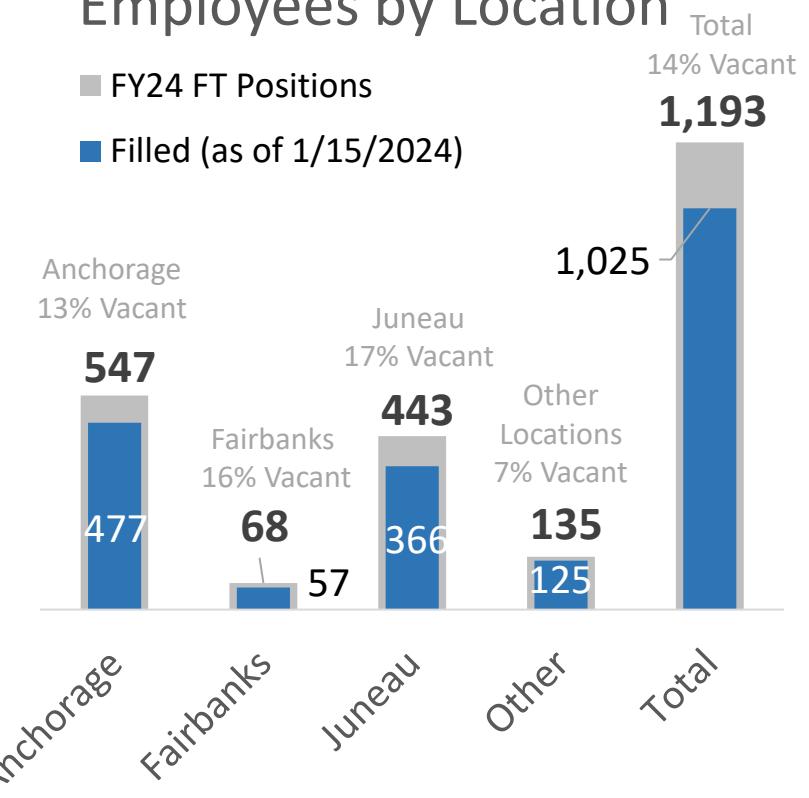
	UGF	DGF	Other	Fed	Total
■ FY2024 Management Plan	\$89,823.9	\$31,886.1	\$200,003.1	\$1,441.6	\$323,154.7
■ FY2025 Governor	\$87,923.1	\$33,031.5	\$197,852.9	\$1,243.6	\$320,051.1



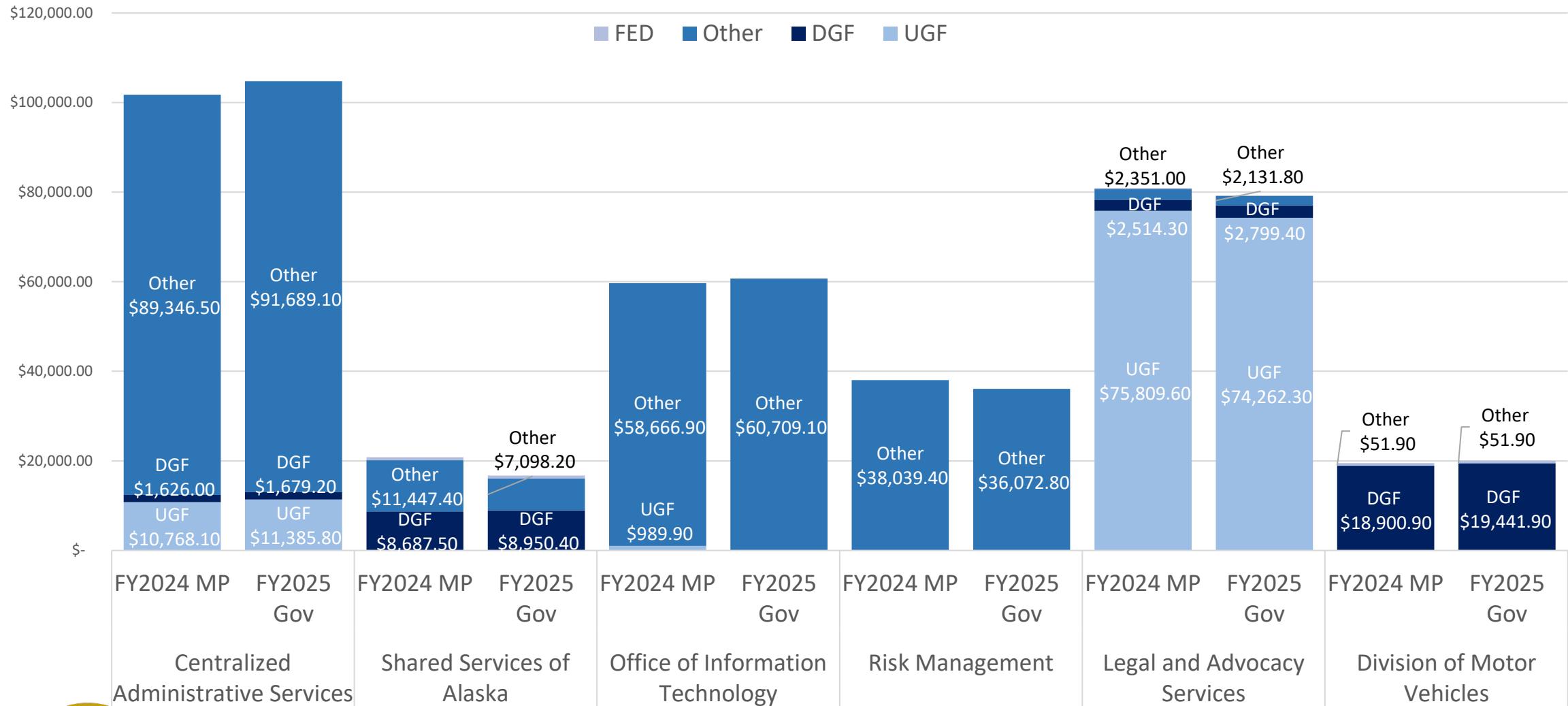
Position Count and Employees by Location

■ FY24 FT Positions

■ Filled (as of 1/15/2024)



Department of Administration FY2025 Governor Operating Budget: Results Delivery Units - Overview



Significant Proposed Changes in FY2025 Governor Budget

(\$ in thousands)

Component	Description	Budget	Fund Source Type	Positions
Budget				
Administrative Hearings	Replace Unavailable Interagency Receipts with General Funds	\$525.0	IA into UGF	
Finance	Recruitment and Retention Incentives for Payroll Services	\$650.0	IA	
Finance	Add three Full-Time Positions to Support IRIS and ALDER	\$413.0	IA	+3 FT
Procurement and Property Management	Delete Interagency Receipt Authority No Longer Needed	-\$4,556.6	IA	
Licensing, Infrastructure, & Servers	Continue Microsoft Licensing for End Users	\$1,030.0	ISF	
Licensing, Infrastructure, & Servers	Increase Bandwidth Available to State of Alaska Agencies	\$163.0	ISF	
Office of Public Advocacy	Replace Unavailable Federal Receipts to Support Existing Programs	\$214.0	Fed into UGF	
Office of Public Advocacy	Align Authority with Anticipated Interagency and Prgm Receipt Revenue Levels	\$113.1	IA into DGF	
Public Defender Agency	Align Authority with Anticipated Interagency and Prgm Receipt Revenue Levels	\$172.0	IA into DGF	
Structural				
N/A	There are No Planned Structural Changes to DOA	N/A		
Capital				
Finance	Expand and Complete Digitization of Payroll Services and Recruitment	\$2,050.0	UGF	
Information Technology	Statewide Public Service Digital Assistant - Requirements, Definition, and Road Mapping	\$300.0	UGF	



Office of Information Technology

Services Provided:

- Compliance and security
- Governance and policy
- Statewide IT controls and review
- Manage statewide demand and utilization
- Enterprise and shared IT services

Significant FY2025 Budget Changes

- +\$1,030.0 ISF – Continue Microsoft End User Licensing
- +\$163.0 ISF – Increase Bandwidth for State Agencies
- **Capital:** \$300.0 UGF - Scope for Public Service Digital Assistant

Office of Information Technology Personal Services Info (as of 1/15/24)	
Total PFT Positions:	161
Vacant PFT Positions:	36
Percent PFT Vacant:	22.4%
FY2024 Mgmt Plan PS Budget:	\$22,188.3
FY2023 Actual PS Expenditures:	\$29,804.7
Primary Difficulty:	Recruitment and Retention difficulties



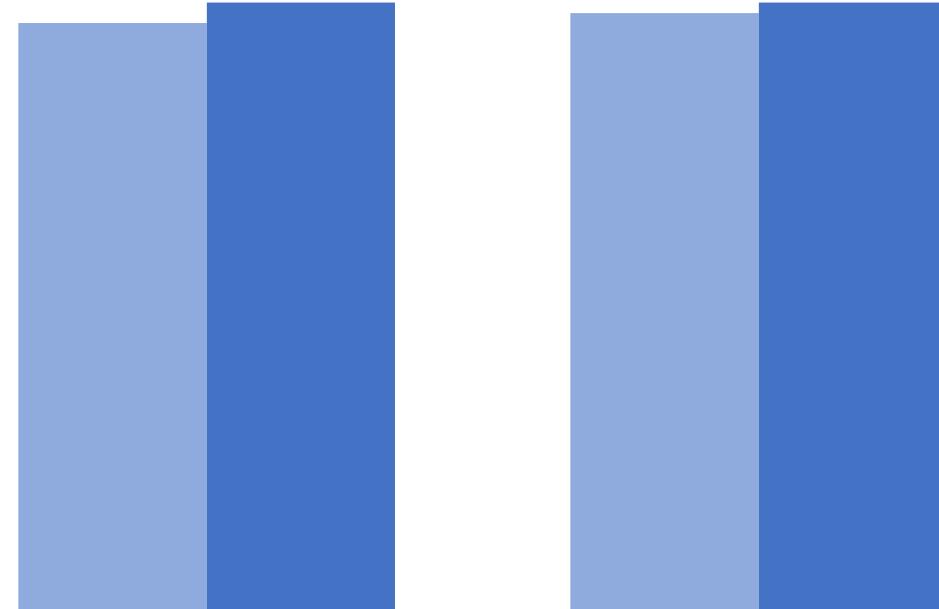
Office of Information Technology: Fund Category Comparison

(\$ in thousands)

■ FY2024 Management Plan ■ FY2025 Governor

$\Delta = +\$2,042.2$
% $\Delta = +3\%$

$\Delta = -\$1,052.3$
% $\Delta = +2\%$



$\Delta = -\$989.9$
% $\Delta = -100\%$

	UGF	Other	Total
FY2024 Management Plan	\$989.9	\$58,666.9	\$59,656.8
FY2025 Governor	\$0.0	\$60,709.1	\$60,709.1



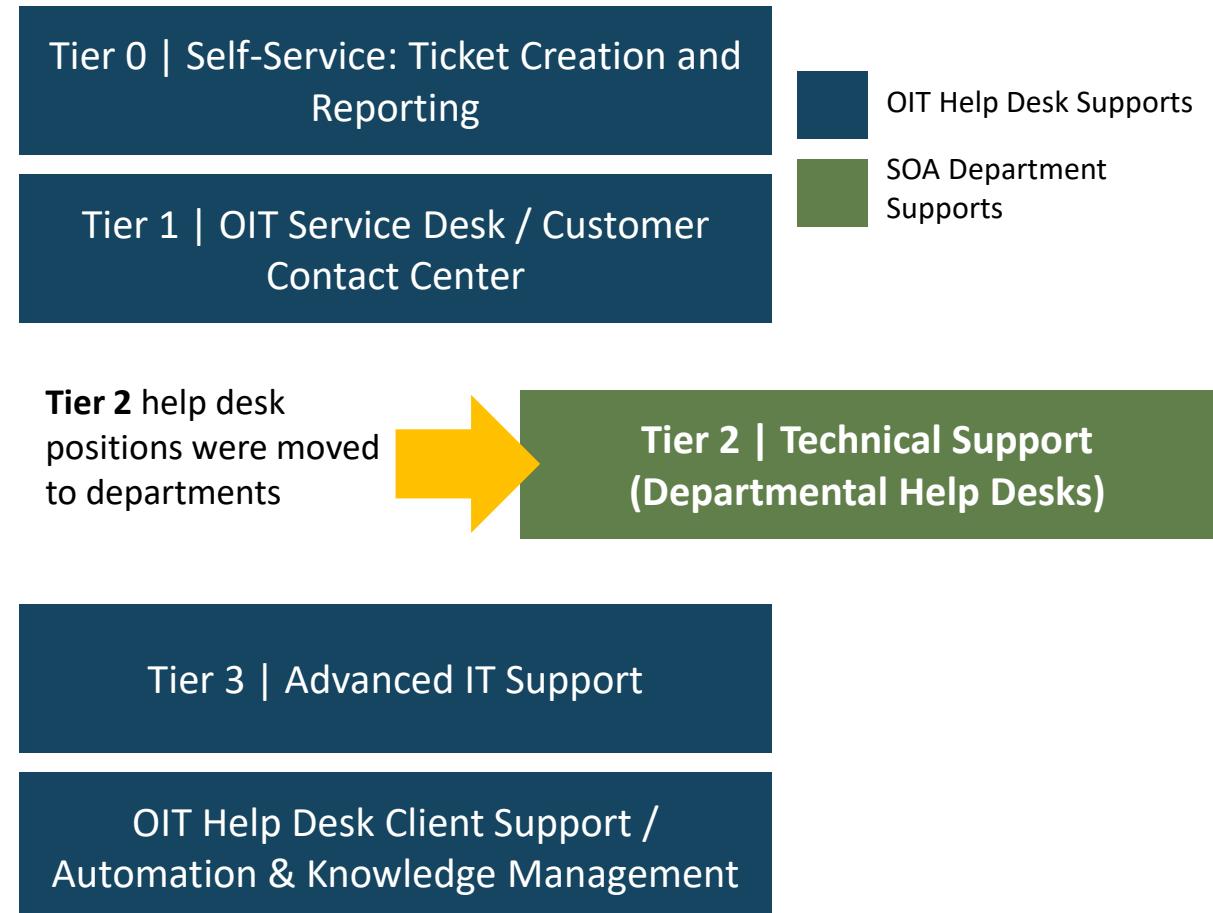
Department of Administration FY2025 Governor Operating Budget: [Office of Information Technology](#)

Help Desk Transformation

FY2024 budget **moved 63 help desk support positions from DOA to State of Alaska (SOA) departments**

Aligned administrative processes to:

- 🛡️ Maintain the State of Alaska's security posture
- ⚙️ Maintain operational efficiency through the standardization of processes
- 🔄 Provide continuous improvement of Office of Information Technology (OIT) and department provided IT support



Department of Administration FY2025 Governor Operating Budget: [Office of Information Technology](#)

Cloud Migration & Mainframe Update

Azure Rapid Cloud Migration

Purpose | To reduce on-premise risk to State of Alaska (SOA) services

Result | As of 1/15/2024, **61% of SOA servers have been addressed**; ~900 Applications migrated to date

Up Next | Complete the assessment process for the remaining servers by May 2024

Mainframe Update

Purpose | To stabilize costs and mainframe programming support for remaining users by moving to a cloud-based mainframe

- December 2023 | *Contract Signed*
- January – March 2024 | *Project Kickoff & Assessment*
- April 2024 – December 2025 | *Transition to Ensono for Mainframe Management and Migrations*
- December 2025 | *Estimated Project End Date*



Centralized Administrative Services

Services Provided:

- Administrative Hearing Services
- Statewide Accounting Services
- Statewide Human Resource Services
- Labor Union Negotiation, Arbitration, and Conflict Resolution
- Retirement and Benefits and Health Plan Administration Services

Significant FY2025 Budget Changes

- +\$650.0 IA - Payroll Services Retention Incentives
- +3 FTE, \$413.0 IA - Support IRIS and ALDER programming
- \$525.0 Fund Change - IA to UGF to Replace Uncollectible Revenues in Office of Admin. Hearings
- **Capital:** \$2,050.0 UGF - Complete Digitization of Payroll Services

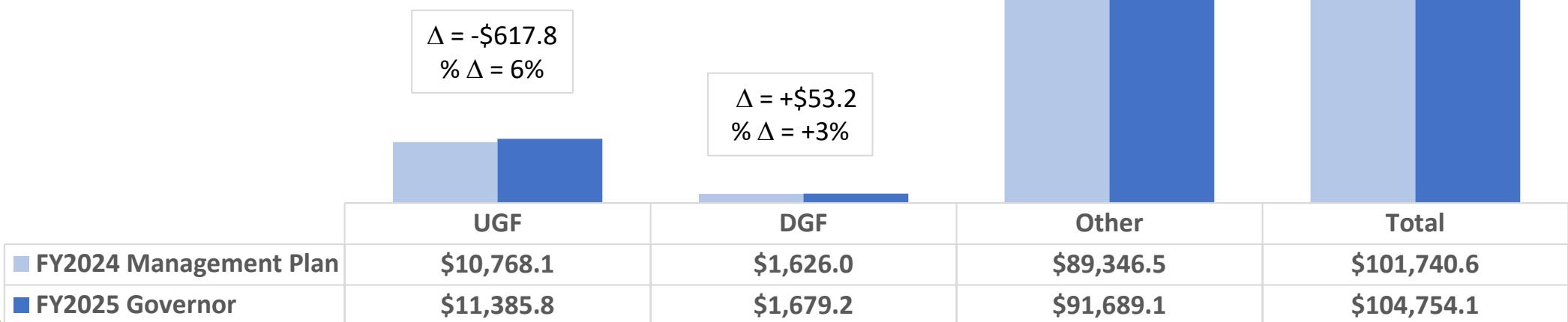
Centralized Administrative Services Personal Services Info (as of 1/15/24)	
Total PFT Positions:	358
Vacant PFT Positions:	62
Percent PFT Vacant:	17.3%
FY2024 Mgmt Plan PS Budget:	\$45,335.2
FY2023 Actual PS Expenditures:	\$40,263.5
Primary Difficulty:	Recruitment and Retention difficulties



Centralized Administrative Services: Fund Category Comparison

(\$ in thousands)

■ FY2024 Management Plan ■ FY2025 Governor



Shared Services of Alaska

Services Provided:

- Financial Transaction Processing
- Central Mail Services
- Procurement Services
- Federal Surplus Property Program

Significant FY2025 Budget Changes

- -\$4,556.6 IA – Reduce Interagency Authority No Longer Needed

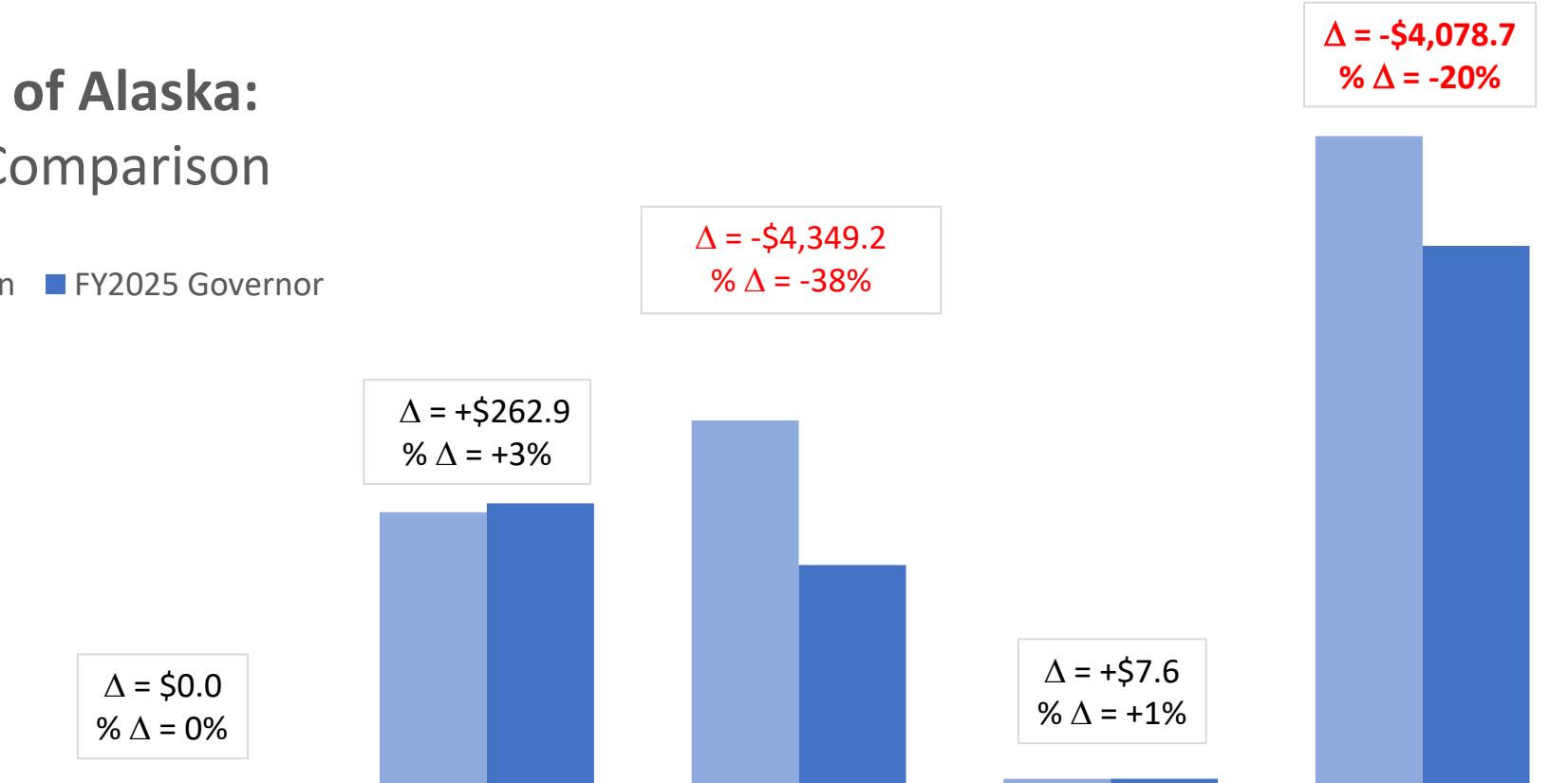
Shared Services of Alaska Personal Services Info (as of 1/15/24)	
Total PFT Positions:	109
Vacant PFT Positions:	6
Percent PFT Vacant:	5.5%
FY2024 Mgmt Plan PS Budget:	\$11,717.4
FY2023 Actual PS Expenditures:	\$11,351.3
Primary Difficulty:	Maintain consistent processing times and service delivery as workloads fluctuate throughout the year.



Shared Services of Alaska: Fund Category Comparison

(\$ in thousands)

■ FY2024 Management Plan ■ FY2025 Governor



	UGF	DGF	Other	Federal	Total
■ FY2024 Management Plan	\$0.0	\$8,687.5	\$11,447.4	\$651.8	\$20,786.7
■ FY2025 Governor	\$0.0	\$8,950.4	\$7,098.2	\$659.4	\$16,708.0



Risk Management

Services Provided:

- Claims Processing
- Litigation Management
- Contract Review
- Insurance Administration
- Insurance Consulting

Significant FY2025 Budget Changes

- -\$2,000.0 IA – Reduce State Insurance Catastrophe Reserve Account for Fiscal Note SLA 2022 HB 102

Risk Management Personal Services Info (as of 1/15/24)	
Total PFT Positions:	6
Vacant PFT Positions:	0
Percent PFT Vacant:	0%
FY2024 Mgmt Plan PS Budget:	\$857.9
FY2023 Actual PS Expenditures:	\$623.0
Primary Difficulty:	Variable annual spending based on number of claims.

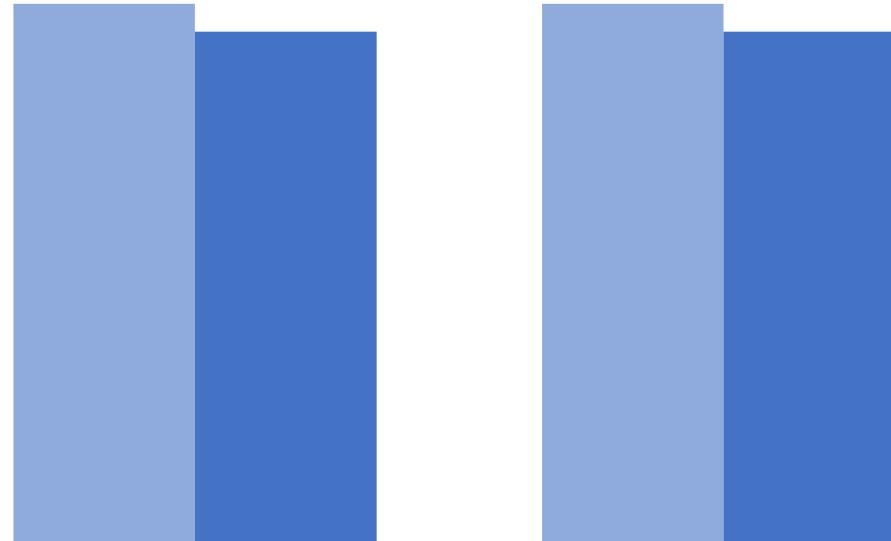


Risk Management: Fund Category Comparison (\$ in thousands)

■ FY2024 Management Plan ■ FY2025 Governor

Δ = -\$1,966.6
% Δ = -5%

Δ = -\$1,966.6
% Δ = -5%



Δ = \$0.0
% Δ = 0%

	UGF	Other	Total
■ FY2024 Management Plan	\$0.0	\$38,039.4	\$38,039.4
■ FY2025 Governor	\$0.0	\$36,072.8	\$36,072.8



Legal and Advocacy Services*

Services Provided:

- Public Guardians
- Elder Fraud
- Guardian ad litem (Representation for Children in Need)
- Court Appointed Special Advocates
- Child in Need of Aid (CINA) Parent and Child Representation
- Public Defender & Public Advocacy for
 - Misdemeanors and Felonies
 - Juvenile Delinquency
 - 5th Amendment appointments
 - Commitments
 - Appeals & Post Conviction Relief
 - Petitions to Revoke Probation and Parole

Significant FY2025 Budget Changes

- Fund Source Changes
 - OPA \$214.0 Fed to GF
 - OPA \$113.1 IA to DGF
 - PDA \$172.0 IA to DGF
- **FY2024 Supplemental:** +4 Non-Permanent Positions, \$411.0 UGF - Support Public Guardian Program.

Legal and Advocacy Services	
Personal Services Info (as of 1/15/24)	
Total PFT Positions:	392
Vacant PFT Positions:	37
Percent PFT Vacant:	9.4%
FY2024 Mgmt Plan PS Budget:	\$59,323.7
FY2023 Actual PS Expenditures:	\$52,837.7
Primary Difficulty:	Training and long-term retention of newly recruited employees.

* These agencies are required to meet ethical and constitutional obligations to court appointed indigent Alaskans



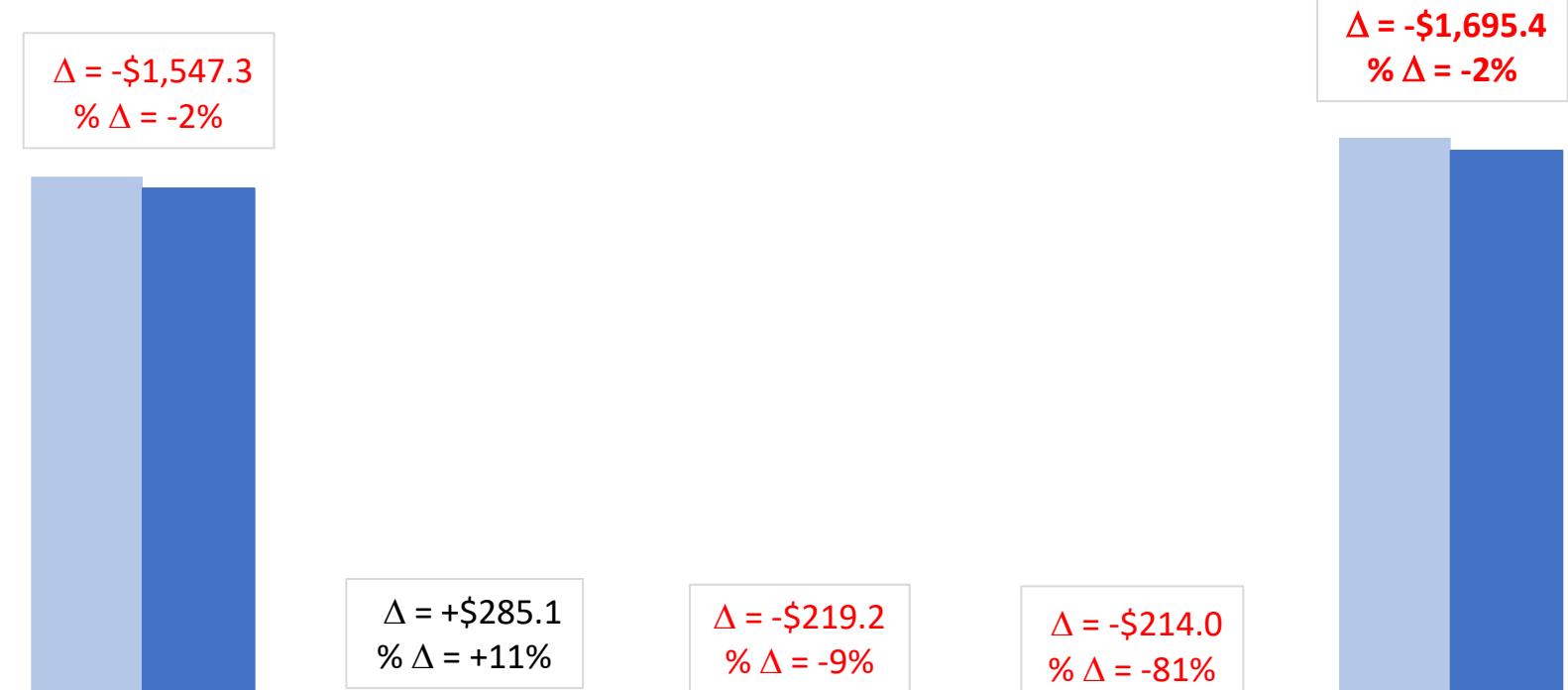
Department of Administration FY2025 Governor Operating Budget: Legal and Advocacy Services

Legal and Advocacy Services:

Fund Category Comparison

(\$ in thousands)

- FY2024 Management Plan
- FY2025 Governor



Division of Motor Vehicles

Services Provided:

- Provide Licensing, Registration, and Titling services to Alaskans
- Commercial Drivers Licensing
- Driver Training Resources
- Crash Data Repository
- Remove Driving Privileges from Unsafe and Uninsured Drivers
- Issue Federal REAL IDs
- Screening for Fraudulent ID Activity

Significant FY2025 Budget Changes

- No Significant FY2025 Budget Changes

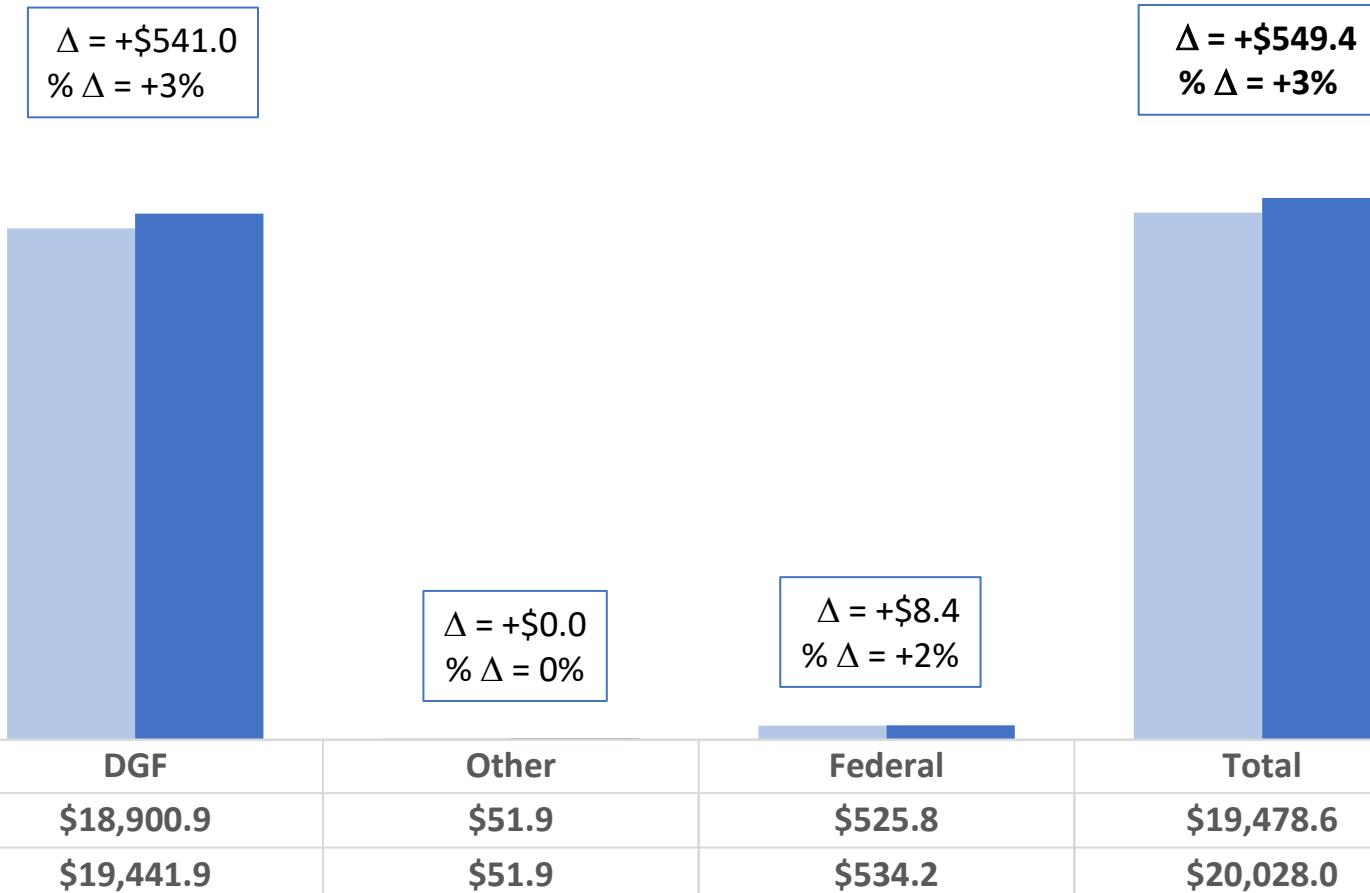
Motor Vehicles Personal Services Info (as of 1/15/24)	
Total PFT Positions:	143
Vacant PFT Positions:	12
Percent PFT Vacant:	8.4%
FY2024 Mgmt Plan PS Budget:	\$12,534.3
FY2023 Actual PS Expenditures:	\$10,772.4
Primary Difficulty:	High turnover in entry level positions.



Division of Motor Vehicles:

Fund Category Comparison (\$ in thousands)

■ FY2024 Management Plan
■ FY2025 Governor



Mid-Year Status Report Items

1. Office of Procurement & Property Management – Procurement positions returning to agencies
2. Office of Information Technology – Reorganization into four new allocations
3. Office of Information Technology – Helpdesk positions returning to agencies
4. Office of Public Advocacy and Public Defender Agency – Supplemental contract attorney support
5. Office of Public Advocacy – 7 new positions and funding for increased contract attorney support
6. Public Defender Agency – 7 new positions and funding for increased contract attorney support



Questions?

Contact Information

Paula Vrana, Commissioner - (907) 465-1176 - doa.commissioner@alaska.gov

Leslie Isaacs, Administrative Services Director – (907) 465-5655 - leslie.isaacs@alaska.gov

