

State of Alaska Department of Administration

FY2025 Centralized Services

Presentation to Senate Finance Subcommittee

Director of Shared Services of Alaska, Brad Ewing

Director of Personnel & Labor Relations, Kate Sheehan

Director of Retirement & Benefits, Ajay Desai

Director of Finance, Stephanie Allison

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Shared Services of Alaska (SSOA)

Director: Brad Ewing



Shared Services of Alaska: 109 positions, 5% vacancy rate

- **Accounting:** 82 positions, 4% vacancy rate
 - Accounts payable
 - Purchase cards
 - Travel and expense reimbursement
 - Aged accounts receivable and debt recovery
- **Print Services:** 5 positions, 5% vacancy rate
 - Retrieve, sort, and process State incoming mail, outgoing mail, and inter-agency mail
 - Complete high-volume inserting services
- **Office of Procurement and Property Management:** 22 positions, 12% vacancy rate
 - Statewide contracting
 - DOA procurement
 - Surplus property
 - Policy
 - Training

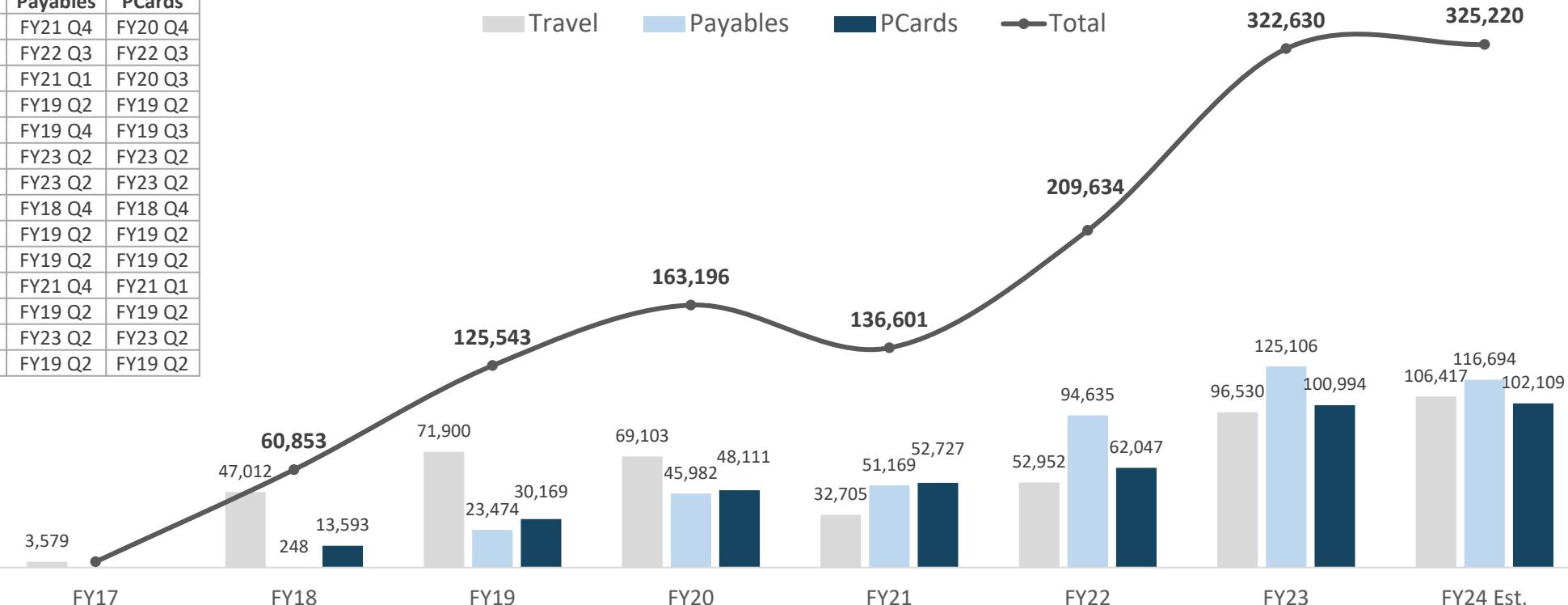


Department of Administration: Shared Services of Alaska

- SSOA processed +54% more transactions from FY22 to FY23: Travel +81%, Payables +32%, PCards +63%
- Department onboarding completed in FY23, on track to process similar number of transactions in FY24

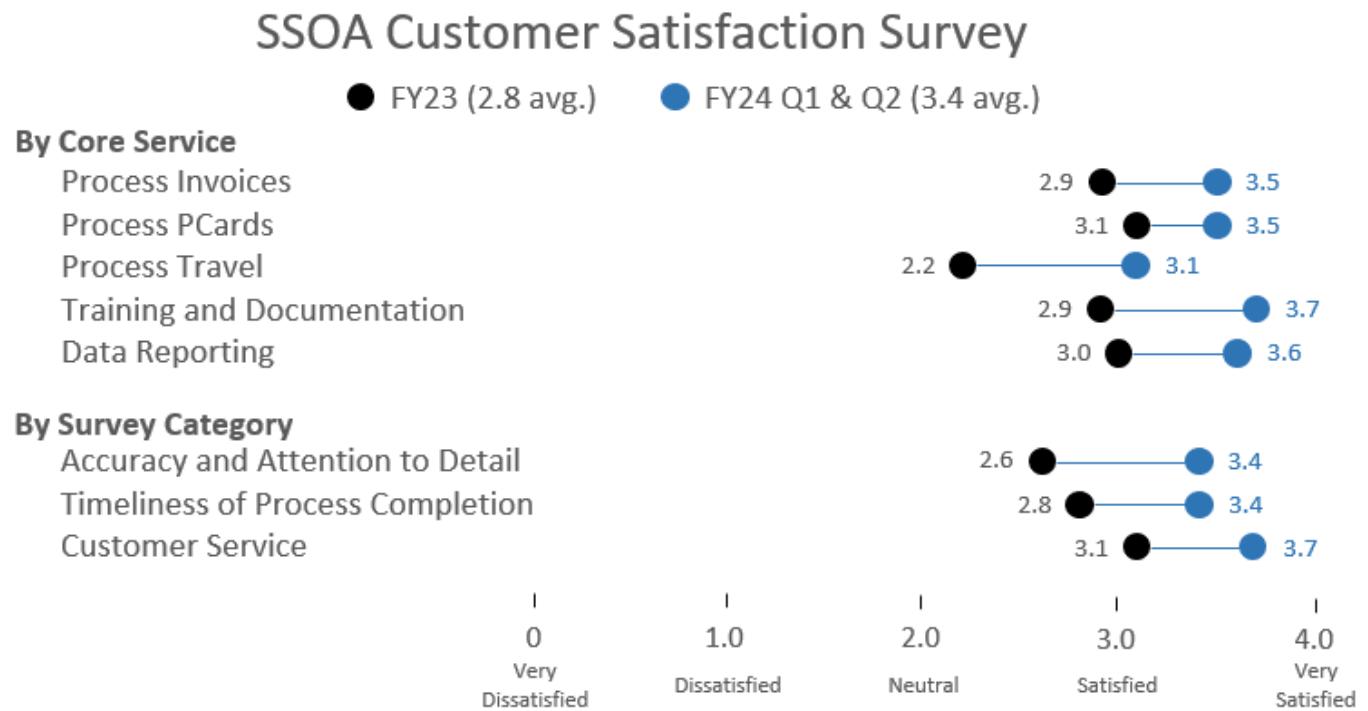
	Travel	Payables	PCards
DOTPF	FY17 Q4	FY21 Q4	FY20 Q4
DFG	FY22 Q3	FY22 Q3	FY22 Q3
DPS	FY18 Q1	FY21 Q1	FY20 Q3
DOC	FY17 Q4	FY19 Q2	FY19 Q2
DNR	FY18 Q2	FY19 Q4	FY19 Q3
DOH	FY18 Q1	FY23 Q2	FY23 Q2
DFCS	FY18 Q1	FY23 Q2	FY23 Q2
DOA	FY17 Q3	FY18 Q4	FY18 Q4
DOLWD	FY17 Q3	FY19 Q2	FY19 Q2
DEC	FY18 Q2	FY19 Q2	FY19 Q2
Law	FY18 Q2	FY21 Q4	FY21 Q1
DCCED	FY18 Q1	FY19 Q2	FY19 Q2
DOA	FY17 Q3	FY23 Q2	FY23 Q2
DEED	FY17 Q4	FY19 Q2	FY19 Q2

Transactions Processed by SSOA



Department of Administration: Shared Services of Alaska

- SSOA meets monthly with each department's finance officer and conducts quarterly surveys
- Customer satisfaction ratings between 'satisfied' and 'very satisfied' with SSOA



- Significant improvements in customer satisfaction from FY23 to FY24
- Many more opportunities for SSOA to improve
 - Maintain Service Level Agreement (SLA) processing targets throughout year
 - Internal/external trainings
 - Data reporting to support SSOA staff and departments
 - Management training/mentorship

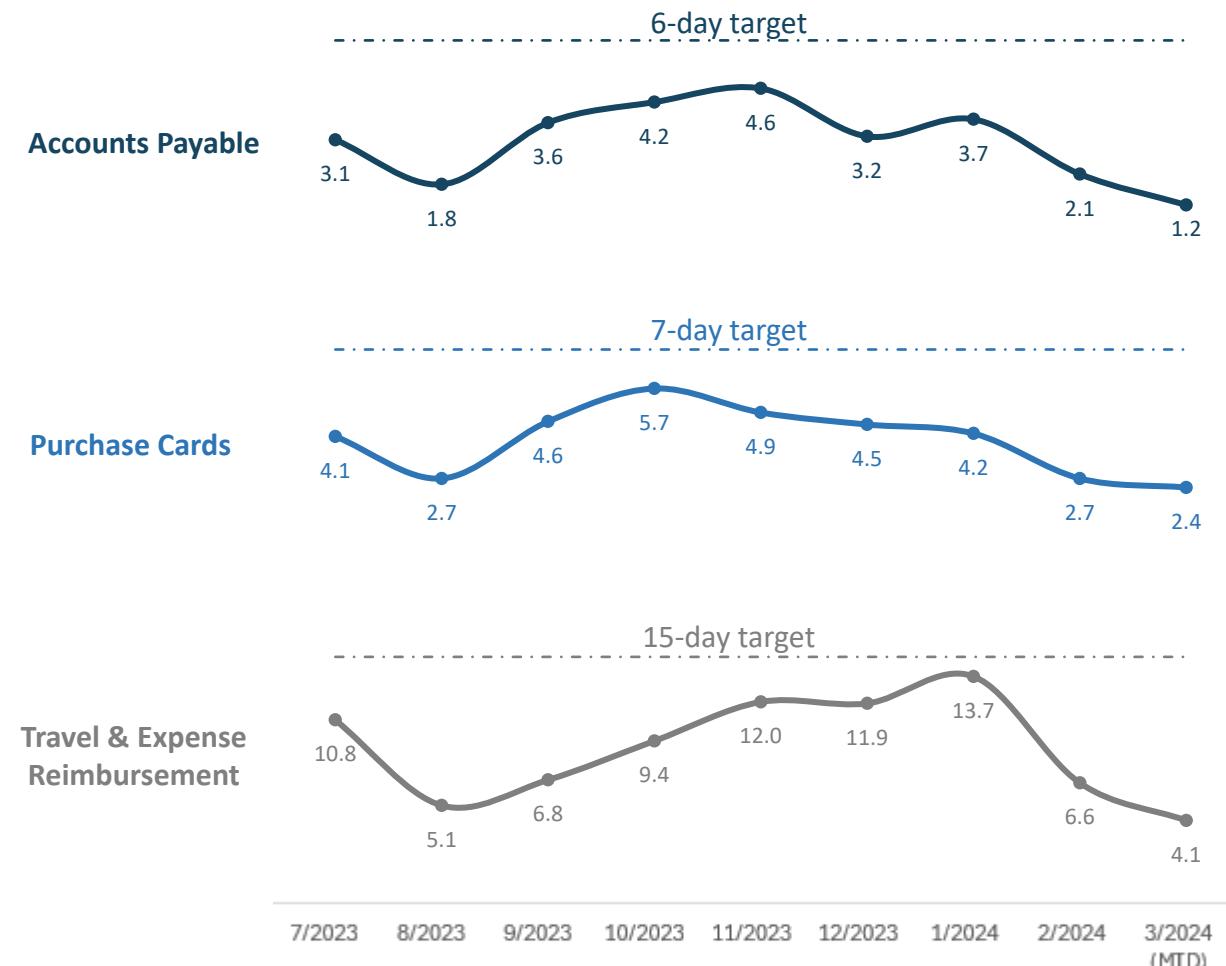


Accounting

- Accomplishments
 - Average vacancy rate of 4%
 - Customer satisfaction ratings
 - 3.4 out of 4.0, between 'satisfied' and 'very satisfied'
 - Efficiency gains
 - Expenditures per transaction processed: -56% from FY18 - FY23
 - Process improvements
 - Payable PCard process
- Challenges
 - Fiscal year closeout
 - Seasonality, aligning workloads
 - Standardization
- Plans for Upcoming Year
 - Improve trainings
 - Improve data reporting
 - Improve processes and standardization



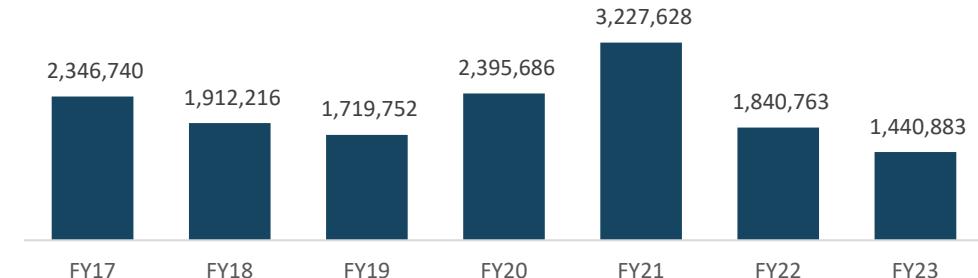
SSOA Processing Times vs. Service Level Targets



Print Services

- Five positions, 5% vacancy rate
- Accomplishments
 - Timely processed incoming, interagency, and outgoing mail for all client agencies
 - Timely processed large volume annual mail outs: Permanent Fund Dividend, unemployment insurance checks, retirement and benefit checks, quarterly tax jobs, and the required 1099s and W2 mailings
 - Coordinated with vendors, terminated contracts, and procured new meters and software to align equipment with current business needs and USPS regulations
- Challenges
 - Aligning services and equipment with future State business needs as agencies increasingly use electronic notifications
- Plans for Upcoming Year
 - Collaborate with departments to plan for future service delivery

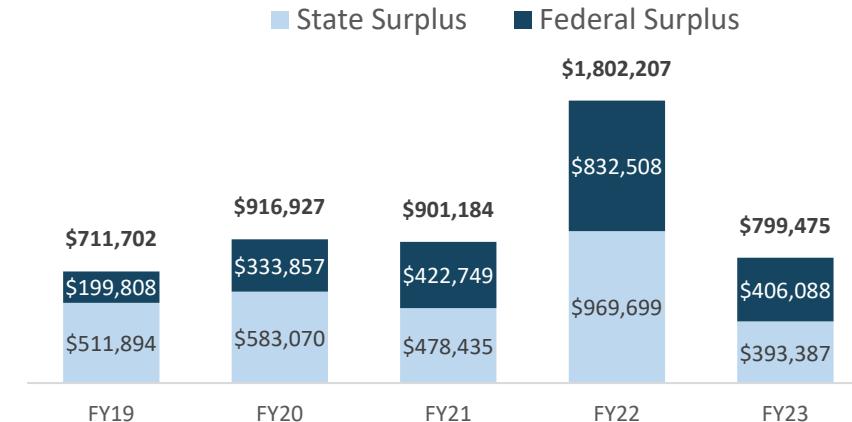
Outgoing Mail Processed By SSOA



Office of Procurement and Property Management

- 22 positions, 12% vacancy rate
- Core Services and Accomplishments
 - **Statewide Contracting:** Oversee 316 contracts
 - **DOA Procurement:** Purchase and contract support for DOA
 - **Surplus Property**
 - State: \$395,987 from 4,917 auctions/transactions in FY23
 - Federal: \$403,488 from 8,191 auctions/transactions in FY23
 - **Policy:** Established a dedicated policy and oversight team
 - **Training**
 - 65 procurement classes with 573 attendees in FY23
 - Average course rating of 3.8 out of 4.0 in FY23
- Opportunities to Improve
 - Standardization
 - Integrated Resource Information System (IRIS) functionality
 - Vacancies and turnover

State and Federal Surplus Property Revenue



Department of Administration



Division of Retirement & Benefits

Director: Ajay Desai



Core Function: Administer State of Alaska and political subdivision retirement and benefit plans

- Deliver retiree pension plans [Public Employees Retirement System (PERS) and Teachers Retirement System (TRS) defined benefit & defined contribution; Judicial Retirement System (JRS) defined benefit; Special Systems defined benefit; Military defined benefit; Supplemental Annuity Plan; Deferred Compensation Plan]
- Deliver Alaska Care Defined Benefit and Defined Contribution retiree medical plans, and the Alaska Care retiree dental, vision, and audio plan (optional)
- Deliver Alaska Care active employee medical, dental, and vision plan
- Deliver optional Long Term Care plan
- Deliver optional Voluntary Supplemental Benefits to eligible active employees and retirees



Successes:

- Issued PERS and TRS Annual Comprehensive Financial Reports on the earliest date in years
- Managed and administered two rounds of communication with members affected by the Alaska Supreme Court's Metcalfe vs. State decision
- Enhanced AlaskaCare dental benefits for members with intellectual developmental delays
- Reduced mental health office visit copays to align with mental health parity
- Extended enhanced telemedicine benefits
- Added acupuncture to employee plan coverage

Challenges:

- Staffing – vacancy rate plus retention of current employees
- Steadily increasing volume of retirement applications, refunds, and member contacts
- BEnefits And Retirement System (BEARS) implementation timeline



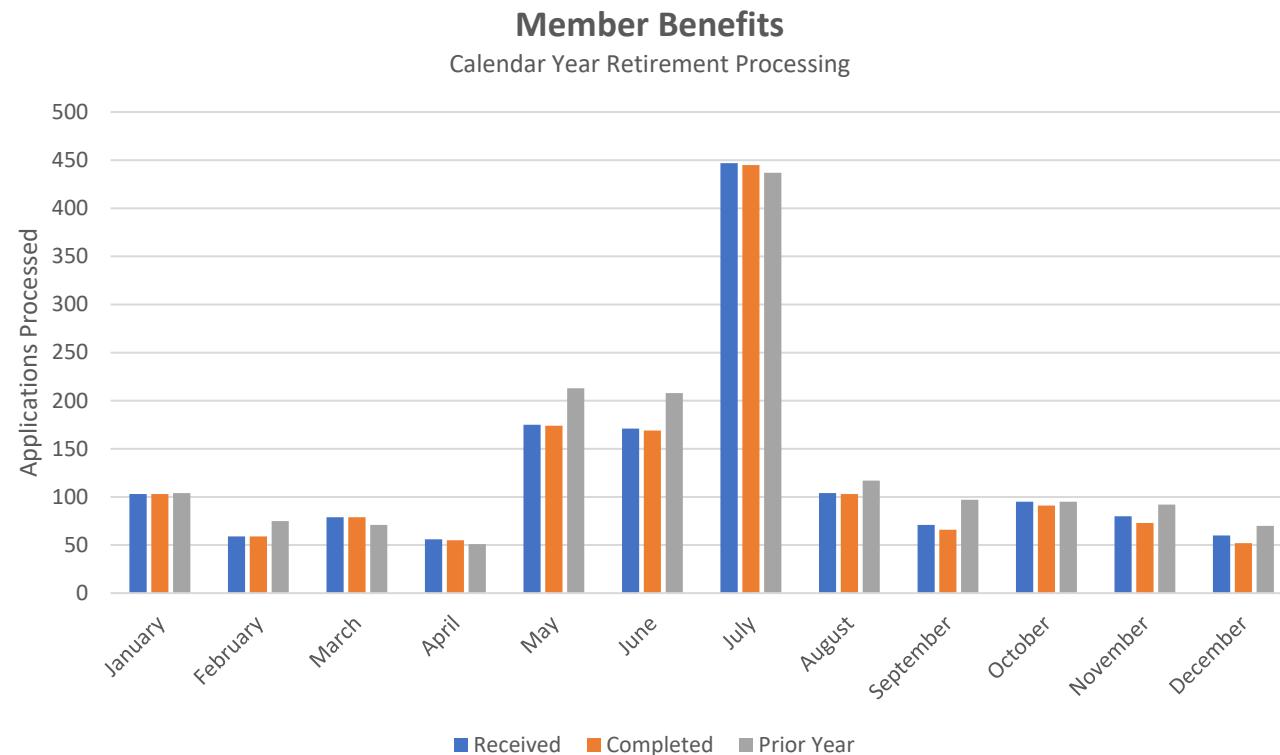
Retirement and Benefits: 129 positions, 20% vacancy rate

- **Member Benefits:** 31 positions, 42% vacancy rate
 - Retirement, Survivor, Disability, and Adjustment Benefit Processing
 - Appeals and Risk Mitigation
- **Health Plan Administration:** 15 positions, 20% vacancy rate
 - Health Plan Policy
 - Health Plan Administration Operations
- **Finance:** 29 positions, >1% vacancy rate
 - Accounting
 - Retiree and Employer Payroll
 - Audit and Compliance
- **Operations:** 54 positions, 1% vacancy rate
 - Member Education Center – Member Service Contact Center and Member Counseling
 - Administrative Services
 - Information Services
 - Communications
 - IT/Project Support



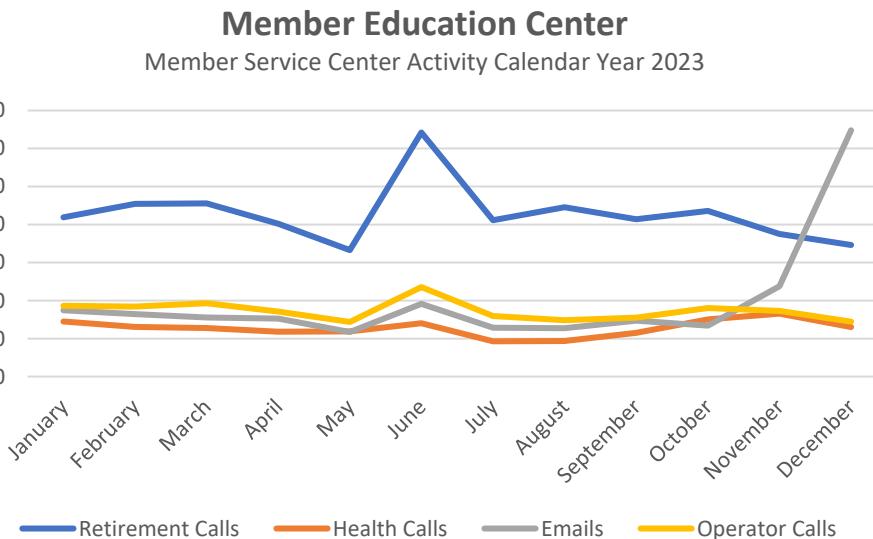
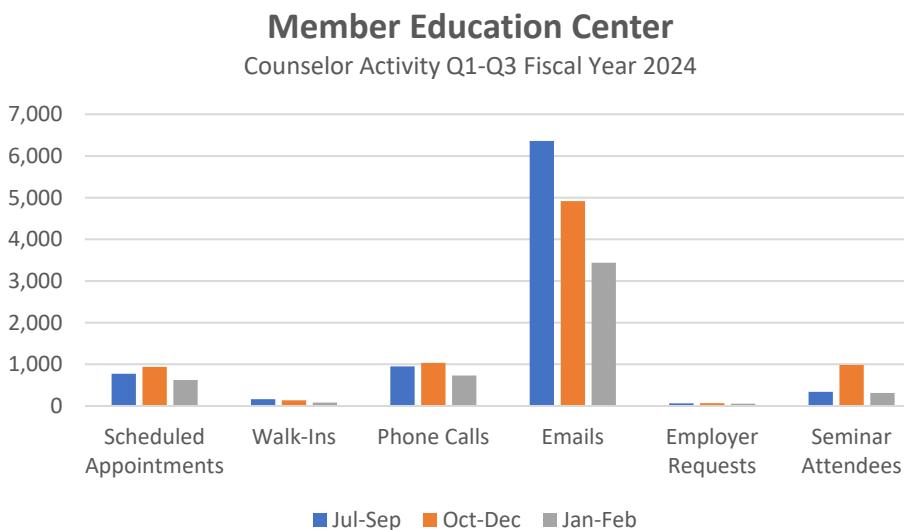
Department of Administration: Retirement and Benefits

- Retirement requests continue to increase year over year
- Current vacancy rate has had an impact on retirement processing times
- DRB is actively working with Recruitment to mitigate staffing shortages



Department of Administration: Retirement and Benefits

- DRB consolidated the Member Service Contact Center and the Counselors into the Member Education Center
- Assistance and Counseling requests continue to increase year over year
- Call queue assistance times have increased due to staffing shortages throughout the Division
- Wait times for Counseling appointments have decreased significantly in CY23



Department of Administration



Division of Finance

Director: Stephanie Allison



Department of Administration: Finance: Vacancies in Payroll Services

A Quick Look at Vacancies:

	Filled	Vacant	Total	Vacancy Rate	EE Count
Department	1010	175	1185	14.8%	1025
Agency	Filled	Vacant	Total	Vacancy Rate	EE Count
COM-Office of the Commissioner	4	2	6	33.3%	4
DAS-Administrative Services	10	3	13	23.1%	10
DLR-Labor Relations	4	2	6	33.3%	4
DMV-Motor Vehicles	128	18	146	12.3%	130
DOP-Personnel	74	1	75	1.3%	74
DRB-Retirement and Benefits	103	19	122	15.6%	103
DRM-Risk Management	5	1	6	16.7%	5
DSS-Shared Services	85	3	88	3.4%	85
FIN-Finance	87	34	121	28.1%	87
OAH-Office of Administrative Hearings	14	2	16	12.5%	14
OIT-Office of Information Technology	127	35	162	21.6%	127
OPA-Office of Public Advocacy	153	23	176	13.1%	165
PDA-Public Defender Agency	192	26	218	11.9%	193
POC-Alaska Public Offices Commission	6	3	9	33.3%	6
PPM-Office of Procurement and Property Management	18	3	21	14.3%	18

Payroll Services and Production	
	Count of PCN
Filled	50
HUMAN RESOURCE CONSULTANT 5	1
HUMAN RESOURCE TECHNICIAN 1	2
HUMAN RESOURCE TECHNICIAN 2	27
HUMAN RESOURCE TECHNICIAN 3	6
OFFICE ASSISTANT 2	5
PAYROLL MANAGER	1
PAYROLL SERVICES SUPERVISOR	4
PAYROLL SPECIALIST 1	1
PAYROLL SPECIALIST 2	3
Vacant	28
DIVISION OPERATIONS MANAGER	1
HUMAN RESOURCE TECHNICIAN 1	4
HUMAN RESOURCE TECHNICIAN 2	14
HUMAN RESOURCE TECHNICIAN 3	5
OFFICE ASSISTANT 2	1
PAYROLL SERVICES ASSISTANT MANAGER	1
PAYROLL SERVICES SUPERVISOR	1
TRAINING SPECIALIST 2	1
Grand Total	78
Payroll Vacancy Rate	35.90%



Challenges

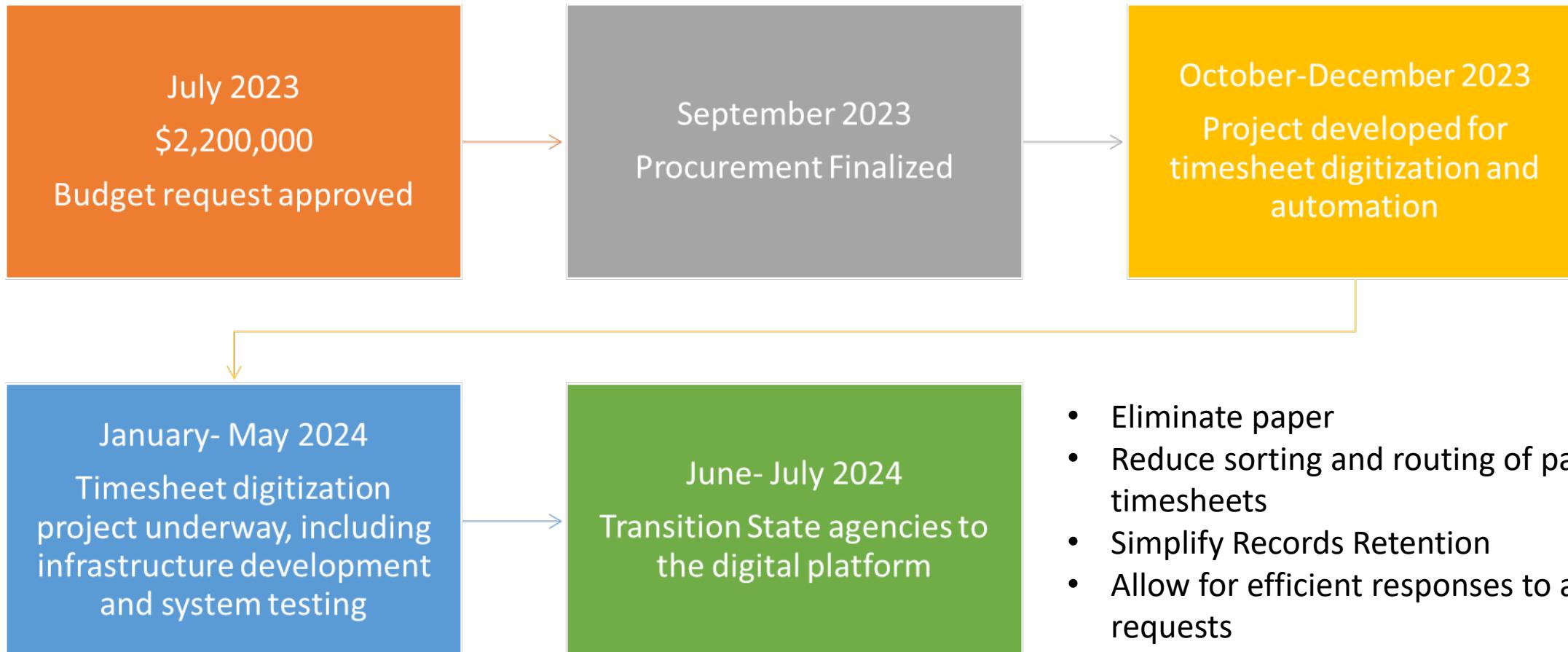
- Frequent need for overtime
- Limited remote work due to paper- based processes
- Manual, paper-based data entry
- Extensive delay in training following hire
- Client frustration at a peak due to delayed response and resolution resulting in a stressful work environment

What's Being Done

- Recruitment – 15 hires made in the last 3 months
- Opened Anchorage Payroll Office
- Reduced Vacancy rate – was 46% and is currently 36%
- Established a training team and training strategy
- Digitizing timesheets to make the process more efficient and enable flexibility for the payroll staff
- Developing a helpdesk to better support the client service aspects of payroll, including a Notice of Pay Problems (NOPP) submission system



Department of Administration: Finance: Payroll Digitization Project



Developments for the Future

- Division of Finance (DOF) has implemented a Robotic Process Automation system (RPA). This system provides for a wide range of automation services, some as simple as receiving a spreadsheet and using the data to create documents in IRIS, and some as complex as reading the data from PDF documents and creating transactions in IRIS.
- DOF is requesting three new PCNs in the budget that will be addressing the RPA and Human Resource Management (HRM) area.
- IRIS is moving to the “cloud.” CGI, the author of Advantage, which is the IRIS system, hosts Advantage in their data center under the SaaS (software as a service) model. Once we have moved over our operations to the CGI data center this May, we will have new, advanced features available to us within the IRIS system.
 - “Flow” will have the potential to greatly enhance the flexibility of IRIS for the State. It is a feature of the SaaS-based CGI Advantage platform that we can use to design forms and pages that operate in the scope of the Advantage application so we can quickly add features and capabilities to IRIS that suit our needs.



Department of Administration



Division of Personnel & Labor Relations

Director: Kate Sheehan



Who is Responsible for What Tasks?

Personnel and Labor Relations

- Labor Relations
- Classification
- Employee Planning and Information Center
- Workforce Services
- Equal Employment Opportunity Program
- Learning and Development
- Employee Relations

Division of Finance

- Payroll Services

Departments

- Human Resource Business Partners
- Recruitment



Division of Personnel: 74 positions, 1.4% vacancy rate (1 position vacant)

- **Director's Office:** 8 positions, 0% vacancy rate
- **Classification:** 17 positions, 0% vacancy rate
- **Workforce Services:** 5 positions, 0% vacancy rate
- **Employee Relations:** 29 positions, 0.4% vacancy rate
- **Learning and Development:** 3 positions, 0% vacancy rate
- **Equal Employment Opportunity Program:** 5 positions, 0% vacancy rate
- **Employee Planning and Information Center:** 7 positions, 0% vacancy rate

Division of Labor Relations: 7 positions, 28% vacancy rate (2 positions vacant)



Updates from Last Year

- Moved recruitment back to departments.
- Working on statewide salary study.
- Onboarding all executive branch agencies to online performance management system.
- Expanded Workplace Alaska (Neo Gov/Attract).
- Moving to competency based minimum qualifications.
- Implemented statewide tracking and management for Family Medical Leave Act.
- Handled approximately 1,600 Human Resource cases.
- Established new Academy for Supervisors course.



Challenges

- Training workforce with limited training staff
- Onboarding employees
- Lack of Employee Relations, Equal Employment Opportunity Program, and Labor Relations case management system



Future Plans

- Implement Academy for Supervisors 200
- Implement Leadership Acceleration Program
- Implement more robust Internship Program
- Finalize statewide salary study
- Negotiate with seven unions
 - Alaska State Employees Association
 - Confidential Employees Association
 - Teachers Association of Mt. Edgecumbe
 - Alaska Vocation Technical Center Teacher's Association
 - Masters, Mates, and Pilots
 - Marine Engineers Beneficial Association
 - Inlandboatmen's Union of the Pacific



Questions?

Contact Information

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

Eric DeMoulin, Administrative Services Director – (907) 465-5655 - eric.demoulin@alaska.gov

