

Department of Administration

FY2027 Governor Budget Overview

House Finance Subcommittee

Stefanie Bingham, Administrative Services Director

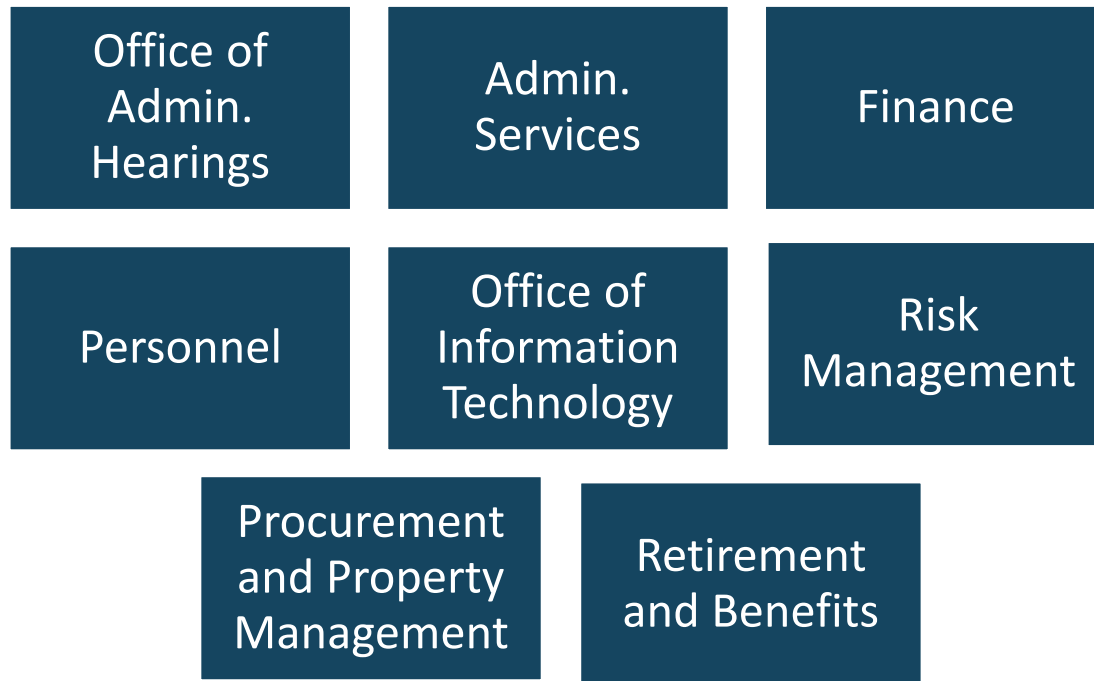
January 29, 2026



Mission and Organization

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

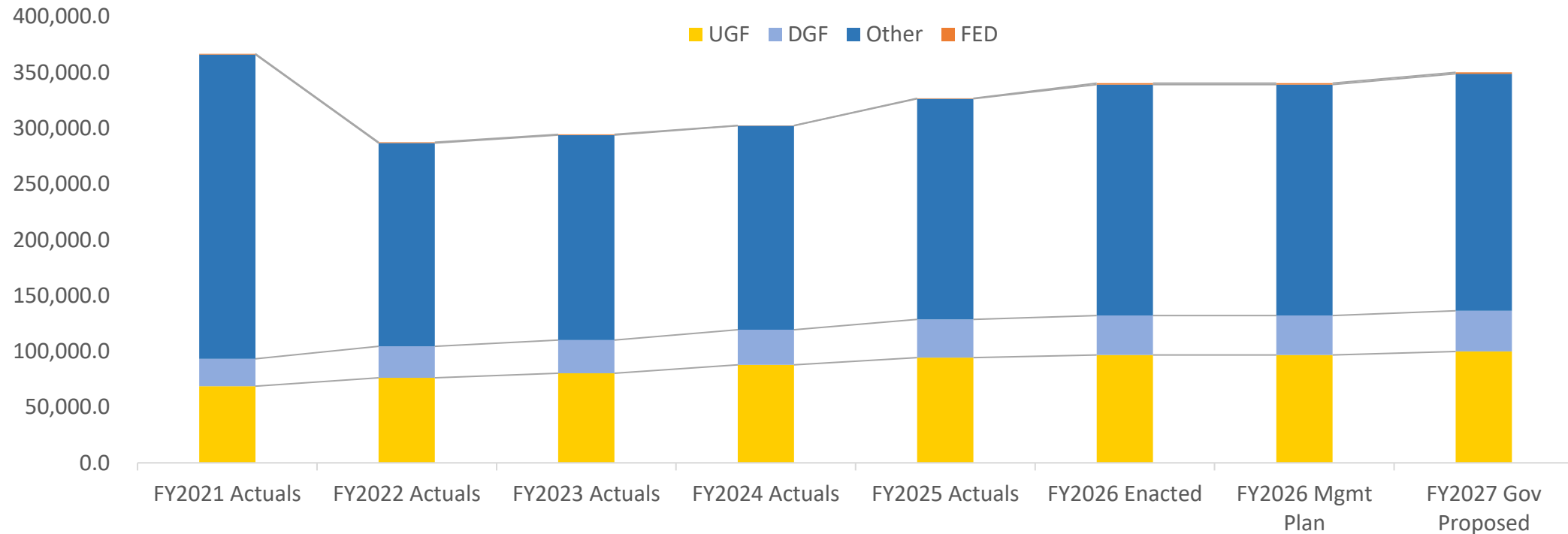
Services to State Agencies



Services to the Public



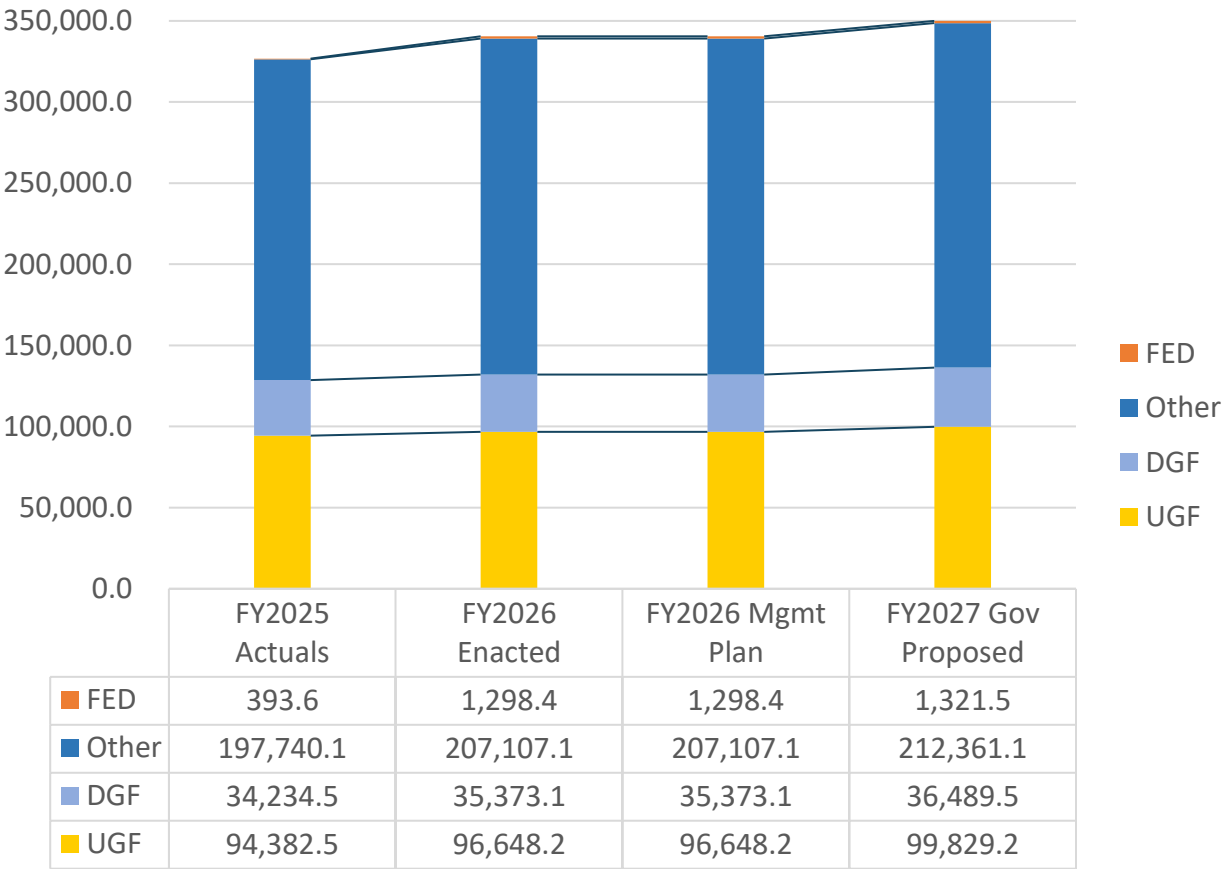
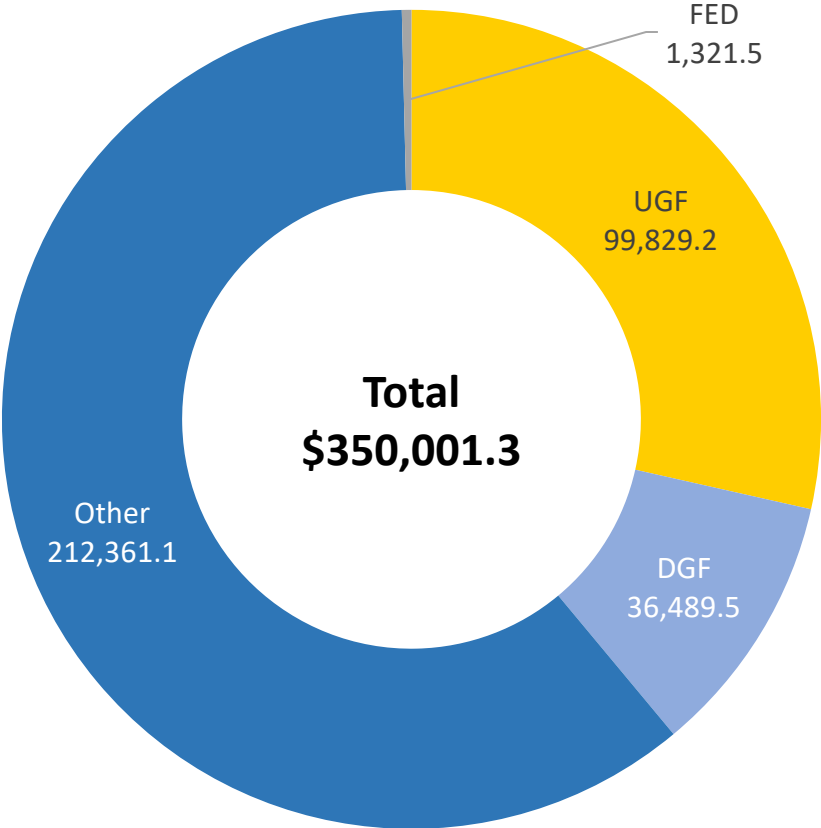
Historical Budget Comparison



	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov Proposed
UGF	68,728.0	76,316.0	80,326.3	87,879.2	94,382.5	96,648.2	96,648.2	99,829.2
DGF	24,543.7	28,066.7	29,795.0	31,464.2	34,234.5	35,373.1	35,373.1	36,489.5
Other	272,743.4	182,264.8	183,754.1	182,805.0	197,740.1	207,107.1	207,107.1	212,361.1
FED	744.2	787.0	625.6	419.9	393.6	1,298.4	1,298.4	1,321.5
Grand Total	366,759.3	287,434.5	294,501.0	302,568.3	326,750.7	340,426.8	340,426.8	350,001.3

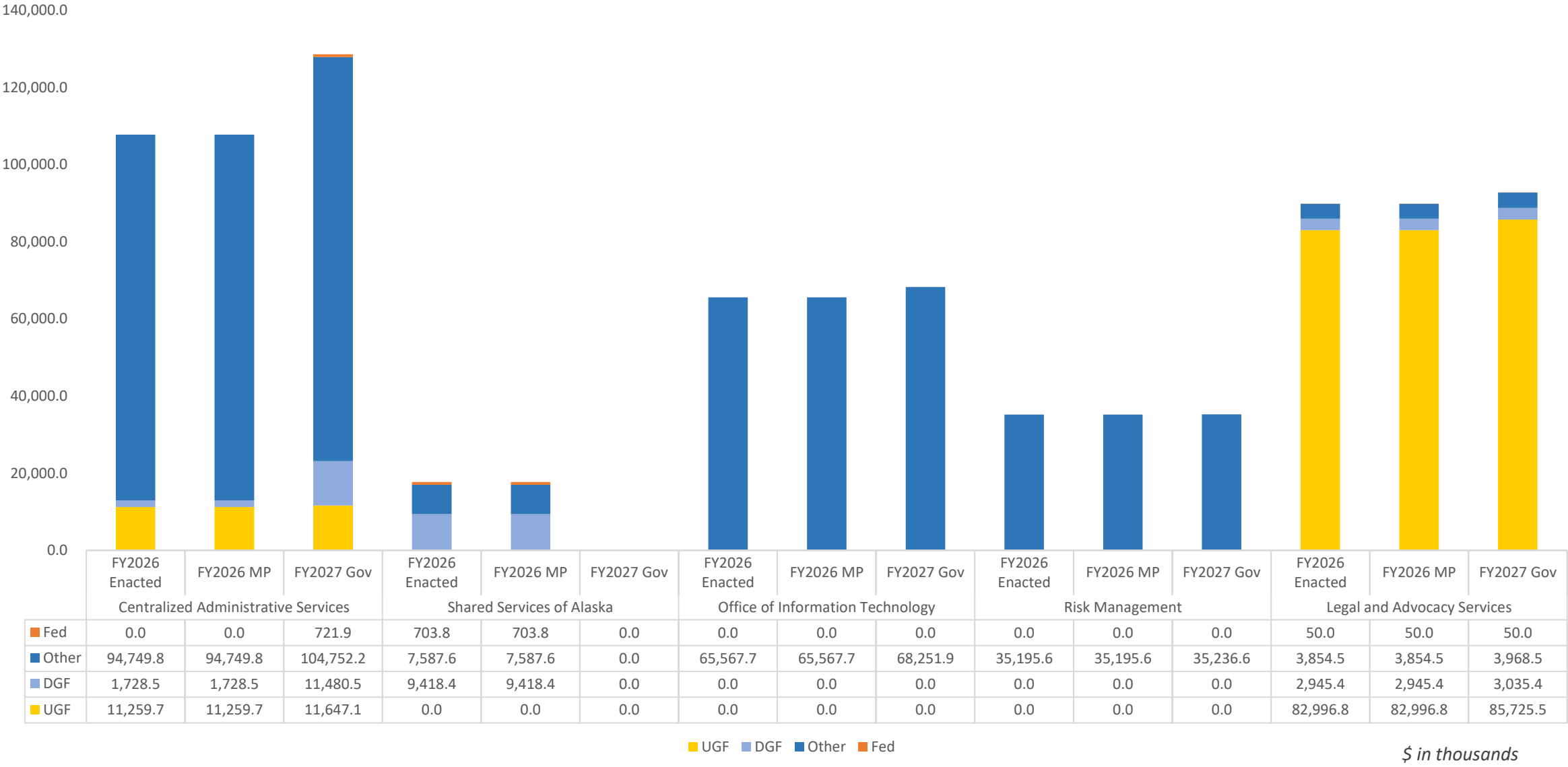
\$ in thousands

Total Budget by Fund Group



\$ in thousands

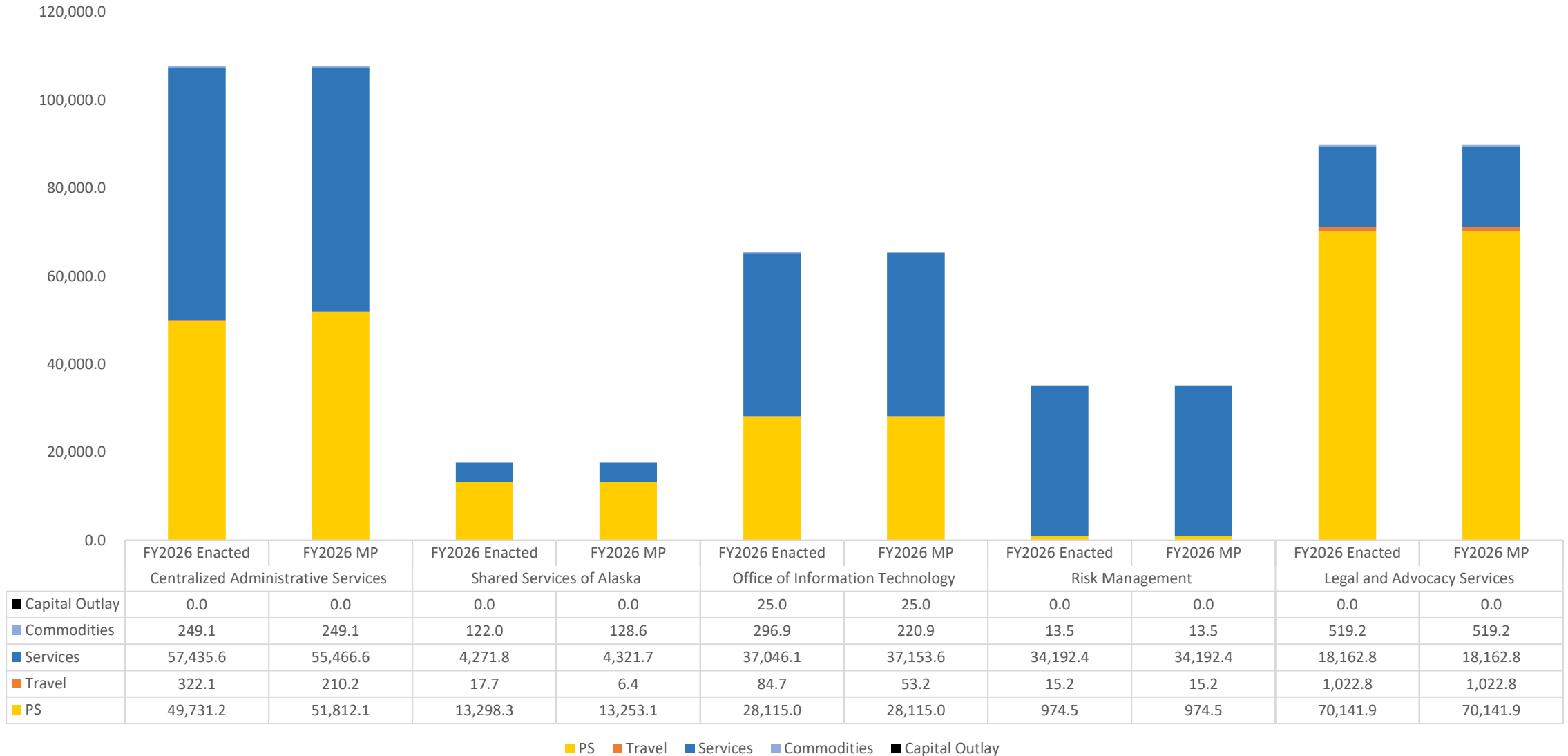
Overview by Results Delivery Unit



FY2026 Governor's Requests

Division	FY2026 Governor's Request	Amount (\$ in thousands)	PFT	Fund Source	Type	Impact
Office of Public Advocacy	Add One Administrative Support Position to Help Keep Pace with Expanding Operations +1 PFT Administrative Officer 1	\$143.3	1.0	UGF	Inc	Administrative bottlenecks continue to delay core functions and reduce operational efficiency. The workload is expected to increase further with the transition away from Shared Services of Alaska. This request is not being resubmitted in FY2027 due to the current fiscal environment.
Office of Public Advocacy	Add One Paralegal to Reduce Congestion in Assigning Statewide Cases +1 PFT Paralegal 2	\$128.0	1.0	UGF	Inc	OPA continues to rely on a double-filled paralegal position to meet statewide case assignment demands. Limited paralegal capacity constrains timely conflict checks and case assignments and increases operational risk. This request is not being resubmitted in FY2027 due to the current fiscal environment.
Office of Public Advocacy	Add one Attorney 5 to Provide Legal Support and Leadership to the Public Guardian Section	\$242.3	1.0	UGF	Inc	The Public Guardian Section continues to operate without dedicated supervisory legal leadership. Interim oversight is being provided by the Deputy Director, limiting capacity for broader agency management. This request is not being resubmitted in FY2027 due to the current fiscal environment.
Office of Information Technology	Microsoft 365 Copilot Artificial Intelligence (AI) Tools for State Employees	\$732.7	-	UGF	Inc	The limited rollout has resulted in uneven access across departments, with most employees lacking AI tools that could improve productivity and efficiency. Departments continue to self-fund licenses as needed, leading to inconsistent adoption and constrained efficiency gains. The request is not being brought forward again in FY2027 due to fiscal constraints, though broader expansion remains a future consideration.
Office of Information Technology	Artificial Intelligence Projects	\$360.0	-	UGF	IncOTI	AI initiatives identified by departments were not centrally advanced, limiting coordinated implementation of high-value use cases. Projects proposed for FY2026, including payroll support and licensing improvements, did not move forward, and most AI efforts remain department-funded and fragmented. This request is not being brought forward again in FY2027 due to fiscal constraints.
Motor Vehicles	Expand Division of Motor Vehicle Programming and IT Capabilities +1 PFT Analyst Programmer 2/3/4	\$152.5	1.0	DGF	Inc	Programming and IT capacity constraints continue to limit the division's ability to keep pace with required system changes, extending project timelines and placing pressure on the delivery of core motor vehicle services. Without additional capacity, the existing project backlog is expected to persist and grow as new requirements emerge. This position request is not being brought forward in FY2027 as the division is prioritizing the most critical needs within current statewide budget constraints.

FY2026 Enacted/Management Plan by Line Item



\$ in thousands

Recent Accomplishments

- Maintained retirement and benefits operations by compensating employees impacted by the eReporting outage and processing the majority of July 2025 retirements despite vacancies
- Improved statewide customer service, efficiency, and access through coordinated payroll, retirement, personnel, procurement, and surplus property initiatives
- Automated payroll timesheet approvals and digitized adjustments, eliminating manual review of up to 7,500 timesheets per pay period
- Advanced workforce modernization by completing the statewide salary study and implementing competency-based recruitment across eight departments
- Strengthened procurement performance and public resource stewardship through faster reviews, improved customer satisfaction, and record-setting federal surplus property distribution
- Stabilized indigent defense services by reducing attorney vacancies, expanding in-house felony capacity, and sustaining jury trials despite workforce and caseload pressures
- Modernized statewide IT infrastructure by migrating disaster recovery and Oracle systems to the cloud, reducing recovery time from days to minutes

High-Level FY2027 Budget Changes

Department-wide

- Information Technology Classification Study Implementation, **\$2,093.2 (\$148.2 UGF, \$75.7 DGF, \$1,869.3 Other)**
- Salary and AlaskaCare Rate Adjustments, **\$7,738.1 (\$3,186.9 UGF, \$1,040.7 DGF, \$3,487.4 Other, \$23.1 FED)**

Shared Services of Alaska

- Transfer of positions to other agencies for accounts payable, travel, and expense activities, **-57 PFT**
- Transfer of positions to the Division of Finance for data reporting and collection activities, **-\$10,752.6 (-\$6,619.8 DGF, -\$4,132.8 Other), -24 PFT, -6 NP**
- Deletion of Division Director due to reorganization, **-1 PFT**

UGF = Unrestricted General Fund; DGF = Designated General Fund; PFT = Permanent Full-time position; NP = Non-permanent position.

\$ in thousands

High-Level FY2027 Budget Changes

Division of Finance

- Transfer of payroll positions to DOC, DFG, LAW, DMVA, DNR, DPS, and DOT&PF, **-40 PFT**
- Transfer of Accountant 4/5 to the Office of the Governor, **-1 PFT**

Office of Information Technology

- Deletion of a long-term vacant Data Communications Specialist 1/2 position, **-\$140.5 Other, -1 PFT**

Public Defender Agency

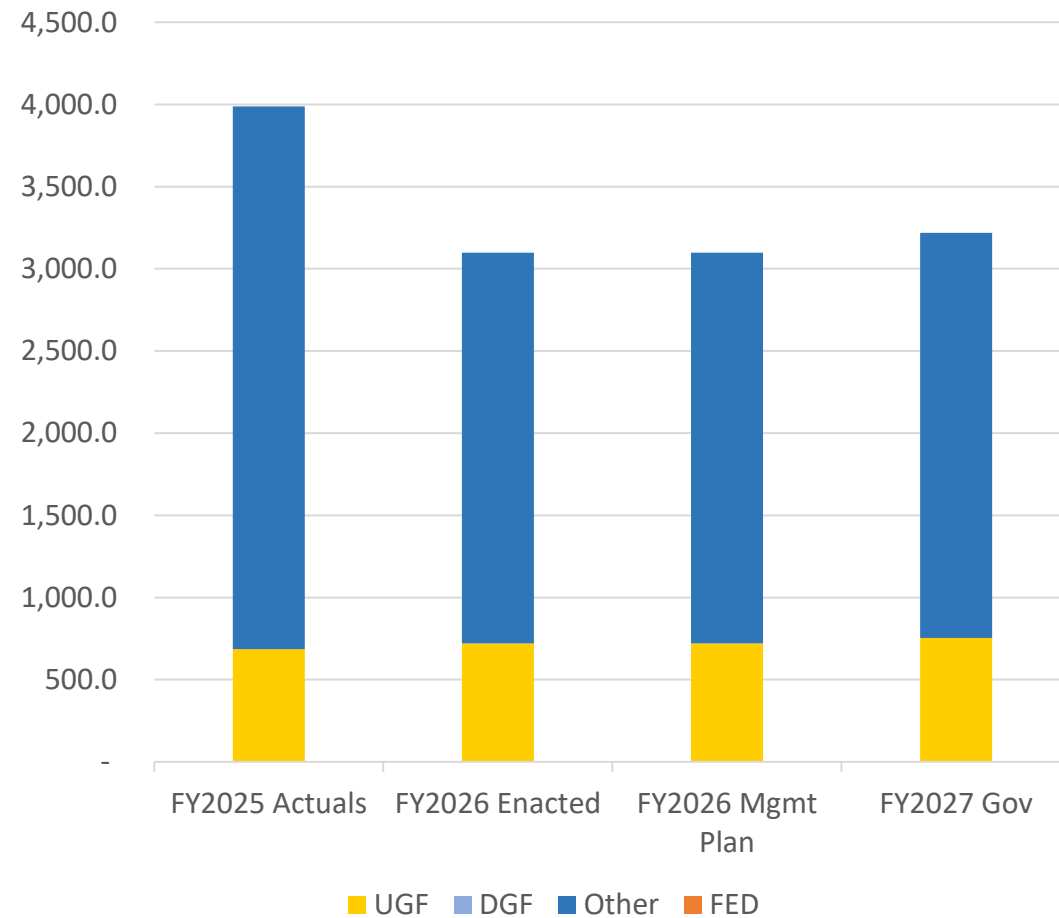
- MH Trust: Holistic Defense Social Worker (FY27–FY32), **\$119.2 Other**

UGF = Unrestricted General Fund; DGF = Designated General Fund; PFT = Permanent Full-time position; NP = Non-permanent position.

\$ in thousands

Administrative Services

Mission: Provide budget and financial guidance and training to department staff.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	686.1	720.7	720.7	753.9	33.2
DGF	-	-	-	-	-
Other	3,301.8	2,377.0	2,377.0	2,465.5	88.5
Fed	-	-	-	-	-
Total	3,987.9	3,097.7	3,097.7	3,219.4	121.7
PFT	18	16	16	16	-
PPT	-	-	-	-	-
NP	-	-	-	-	-
Total	18	16	16	16	-

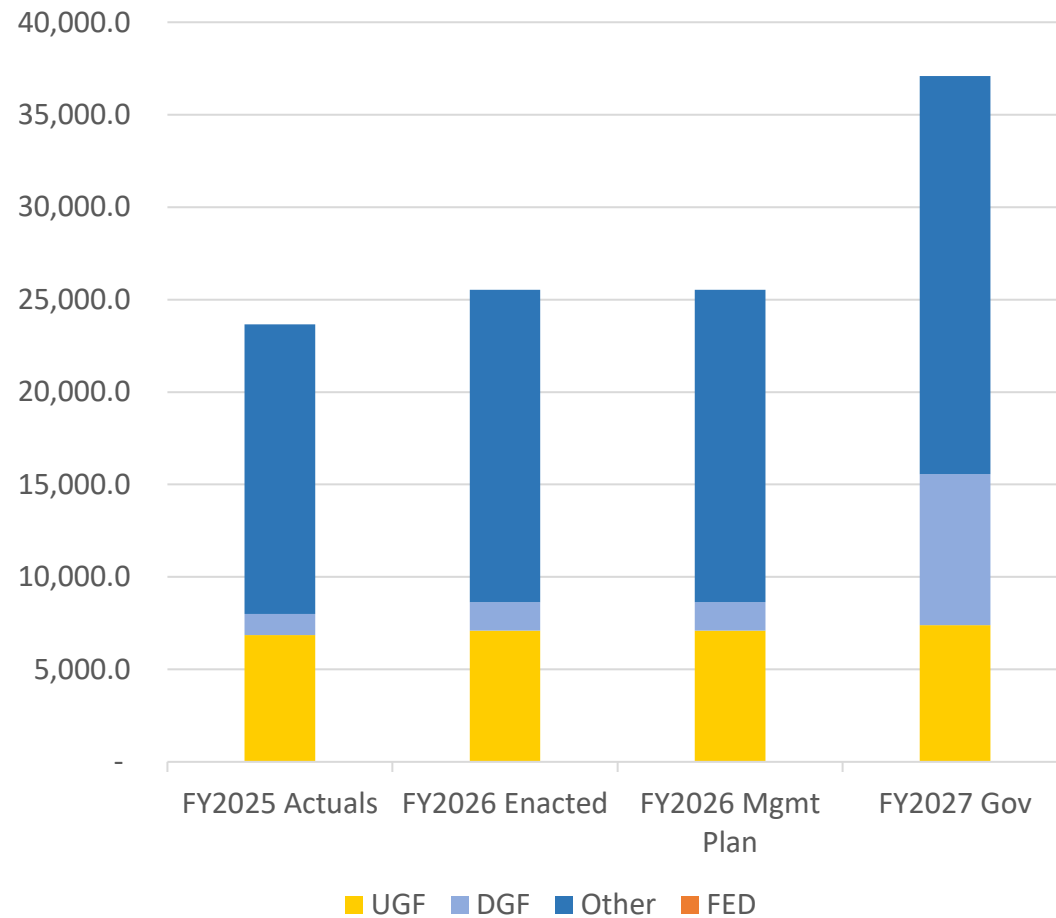
Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Transfer authority to the Commissioner's Office to support two full-time positions (Deputy Commissioner and Chief Operations Officer), **-\$214.0 (Other)**
- IT Classification Study Implementation, **\$4.0 UGF, \$11.0 Other**
- Salary and AlaskaCare Rate Adjustments, **\$29.2 UGF, \$77.5 Other**

\$ in thousands

Division of Finance

Mission: Provide accounting, payroll, and travel services for State government.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	6,848.7	7,091.6	7,091.6	7,387.8	296.2
DGF	1,146.5	1,548.5	1,548.5	8,175.1	6,626.6
Other	15,667.4	16,894.0	16,894.0	21,520.3	4,626.3
Fed	-	-	-	-	-
Total	23,662.6	25,534.1	25,534.1	37,083.2	11,549.1
PFT	125	126	127	110	(17)
PPT	1	-	-	-	-
NP	-	-	-	6	6
Total	126	126	127	116	(11)

Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Transfer of payroll positions back to some agencies, **-40 PFT**
- Transfer of Fund Accountant to the Office of the Governor, **-\$154.1 UGF, -1 PFT**
- Transfer of positions from Shared Services of Alaska for data reporting and collection activities, **\$10,752.6 (\$6,619.8 DGF, \$4,132.8 Other), 24 PFT, 6 NP**
- IT Classification Study Implementation, **\$124.1 UGF, \$26.0 Other**
- Salary and AlaskaCare Rate Adjustments, **\$326.2 UGF, \$6.8 DGF, \$467.5 Other**

\$ in thousands

Division of Personnel

Mission: Provide policy, consultative guidance, and direct human resource services to State of Alaska executive branch agencies.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	1,004.5	1,107.8	1,107.8	1,135.6	27.8
DGF	-	-	-	-	-
Other	11,082.7	12,319.5	12,319.5	12,890.0	570.5
Fed	-	-	-	-	-
Total	12,087.2	13,427.3	13,427.3	14,025.6	598.3
PFT	76	76	76	76	-
PPT	-	-	-	-	-
NP	-	-	-	-	-
Total	76	76	76	76	-

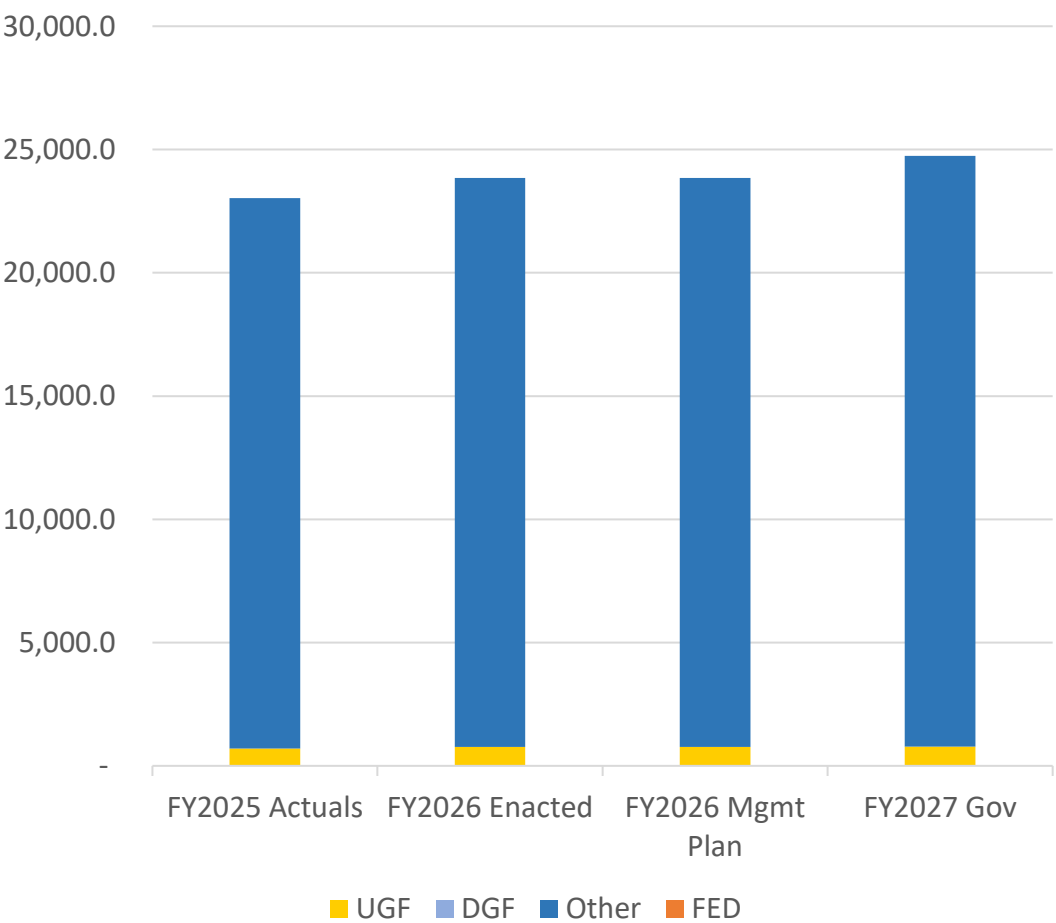
Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Salary and AlaskaCare Rate Adjustments, \$27.8 UGF, \$570.5 Other

\$ in thousands

Division of Retirement and Benefits

Mission: Administer State of Alaska and political subdivision retirement and benefit plans.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	703.5	770.8	770.8	786.1	15.3
DGF	-	-	-	-	-
Other	22,328.0	23,073.3	23,073.3	23,960.9	887.6
Fed	-	-	-	-	-
Total	23,031.5	23,844.1	23,844.1	24,747.0	902.9
PFT	124	124	124	124	-
PPT	-	-	-	-	-
NP	5	5	4	-	(4)
Total	129	129	128	124	(4)

Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- IT Classification Study Implementation, **\$1.0 UGF, \$166.9 Various Funds (Other)**
- Salary and AlaskaCare Rate Adjustments, **\$14.3 UGF, \$721.7 Various Funds (Other)**

\$ in thousands

Shared Services of Alaska

Mission: Provide back-office support of common administrative transactions to allow State of Alaska departments to use budget and staff to focus on core mission and responsibilities.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	-	-	-	-	-
DGF	8,946.5	9,418.4	9,418.4	-	(9,418.4)
Other	6,642.3	7,587.6	7,587.6	-	(7,587.6)
Fed	389.6	703.8	703.8	-	(703.8)
Total	15,978.4	17,709.8	17,709.8	-	(17,709.8)
PFT	109	107	107	-	(107)
PPT	-	-	-	-	-
NP	6	6	6	-	(6)
Total	115	113	113	-	(113)

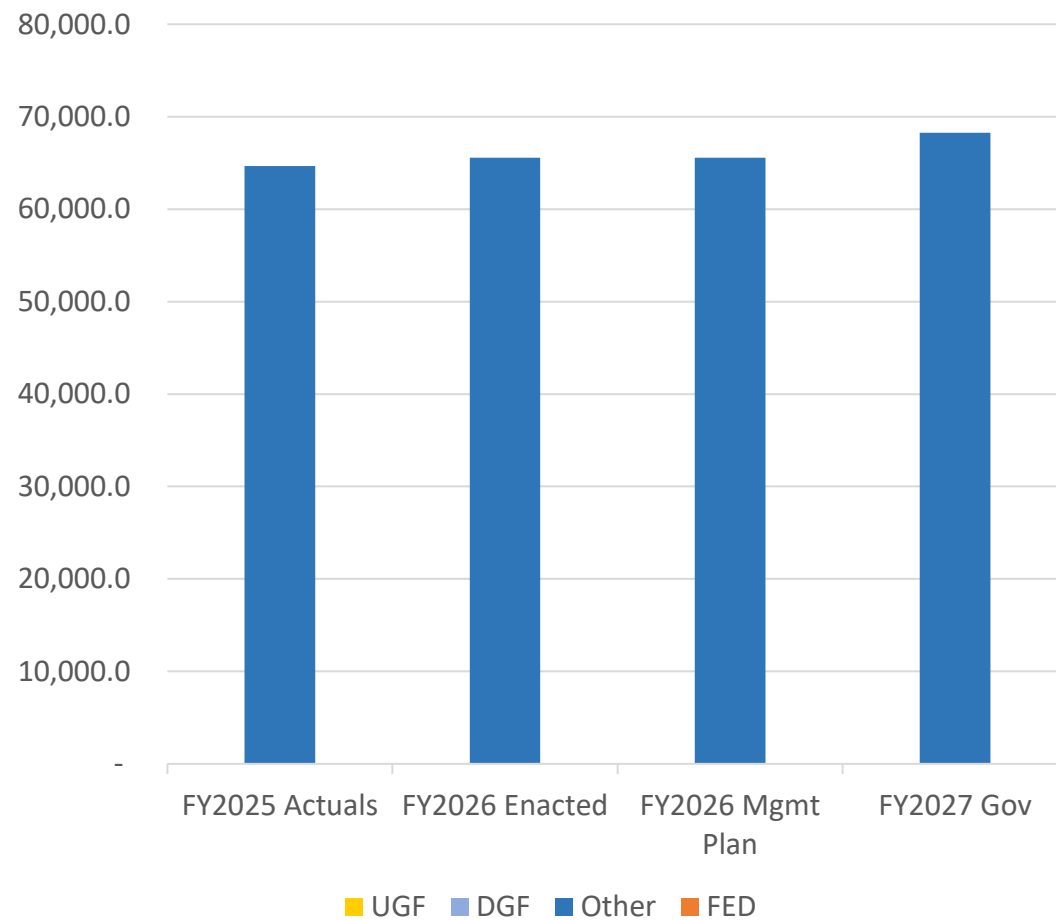
Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Transfer of positions to other agencies for accounts payable, travel, and expense activities, **-57 PFT**
- Transfer of positions to the Division of Finance for data reporting and collection activities, **-\$10,752.6 (-\$6,619.8 DGF, -\$4,132.8 Other), -24 PFT, -6 NP**
- Salary and AlaskaCare Rate Adjustments, **\$234.9 DGF, \$149.8 Other**

\$ in thousands

Office of Information Technology

Mission: Provide a robust and secure information technology infrastructure together with enterprise services that support State agencies' business needs.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	-	-	-	-	-
DGF	-	-	-	-	-
Other	64,672.8	65,567.7	65,567.7	68,251.9	2,684.2
Fed	-	-	-	-	-
Total	64,672.8	65,567.7	65,567.7	68,251.9	2,684.2
PFT	157	157	156	155	(1)
PPT	-	-	-	-	-
NP	-	-	5	5	-
Total	157	157	161	160	(1)

Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Deletion of a long-term vacant Data Communications Specialist 1/2 position, **-\$140.5 Other, -1 PFT**
- IT Classification Study Implementation, **\$1,666.4 Other**
- Salary and AlaskaCare Rate Adjustments, **\$1,158.3 Other**

\$ in thousands

Risk Management

Mission: Mitigate the risk of the State’s risk of financial loss (cost of risk) from accidental loss and injury.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	-	-	-	-	-
DGF	-	-	-	-	-
Other	33,299.3	35,195.6	35,195.6	35,236.6	41.0
Fed	-	-	-	-	-
Total	33,299.3	35,195.6	35,195.6	35,236.6	41.0
PFT	6	6	6	6	-
PPT	-	-	-	-	-
NP	-	-	-	-	-
Total	6	6	6	6	-

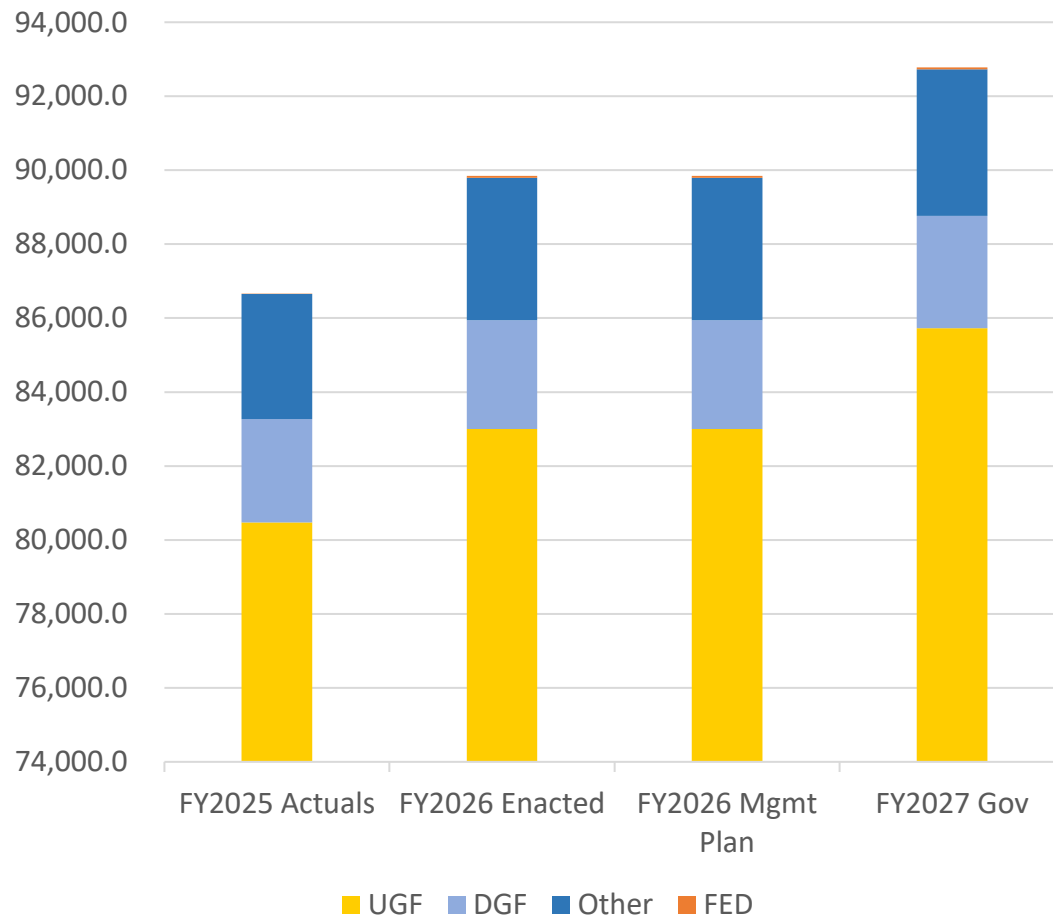
Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Salary and AlaskaCare Rate Adjustments, **\$41.0 Other**
- State Insurance Catastrophe Reserve Account Lapse Balance Appropriation (*Language*)
- Working Reserve Account Lapse Balance Appropriation (*Language*)

\$ in thousands

Legal and Advocacy Services

Mission: Provide legal advocacy and guardian services to vulnerable Alaskans; provide constitutionally mandated legal representation to indigent clients appointed by the court.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	80,474.0	82,996.8	82,996.8	85,725.5	2,728.7
DGF	2,799.4	2,945.4	2,945.4	3,035.4	90.0
Other	3,381.9	3,854.5	3,854.5	3,968.5	114.0
Fed	4.0	50.0	50.0	50.0	-
Total	86,659.3	89,846.7	89,846.7	92,779.4	2,932.7
PFT	403	404	404	404	-
PPT	3	2	2	2	-
NP	15	15	11	11	-
Total	421	421	417	417	-

Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- Salary and AlaskaCare Rate Adjustments, **\$2,728.7 UGF**, **\$90.0 DGF**, **\$76.2 Other**
- MH Trust: Holistic Defense Social Worker (FY27-FY32), **\$119.2 Other**

\$ in thousands

Division of Motor Vehicles

Mission: To create, record and renew registration of vehicle ownership and provide testing, issuance, and reporting of driver licensing.



	FY2025 Actuals	FY2026 Enacted	FY2026 Mgmt Plan	FY2027 Gov	Mgmt Plan to Gov
UGF	-		-	-	-
DGF	21,123.8	21,114.3	21,114.3	21,803.6	689.3
Other	50.0	51.9	51.9	51.9	-
Fed	-	544.6	544.6	549.6	5.0
Total	21,173.8	21,710.8	21,710.8	22,405.1	694.3
PFT	144	144	144	144	-
PPT	2	2	2	2	-
NP	-	-	-	-	-
Total	146	146	146	146	-

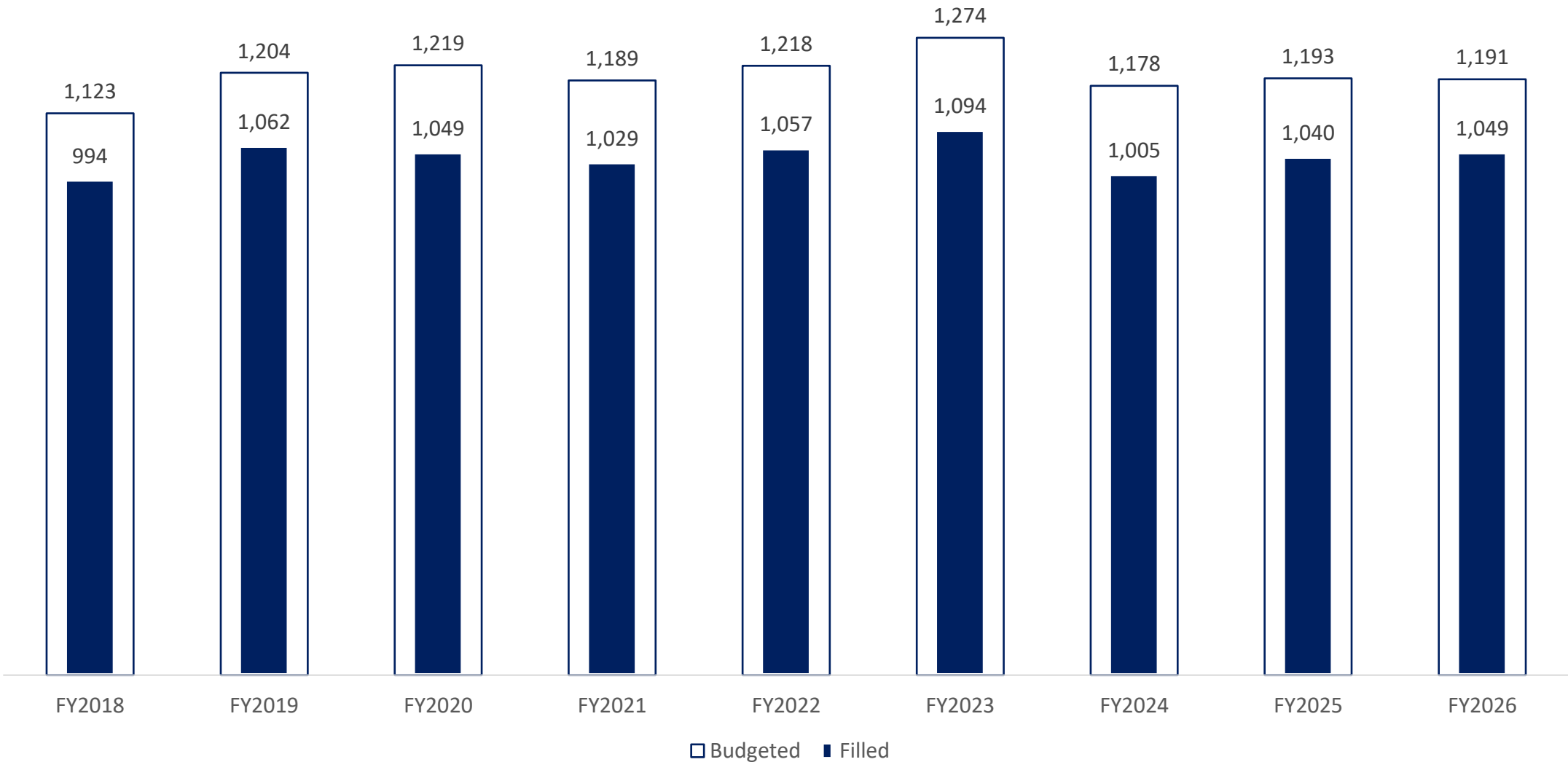
Notable Budget Changes (FY2026 Mgmt Plan to FY2027 Governor)

- IT Classification Study Implementation, **\$75.0 DGF**
- Salary and AlaskaCare Rate Adjustments, **\$614.3 DGF, \$5.0 FED**

\$ in thousands

Historical Department Vacancy

Budgeted vs. Filled Positions



Full-time positions only, data as of 12/15/20XX of each year

Vacancy Percentage by RDU

RDU	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Centralized Admin Services	11.1%	12.0%	12.7%	14.2%	11.6%	18.7%	19.0%	18.4%	19.7%
Shared Services of Alaska	17.1%	19.7%	14.5%	24.8%	14.0%	14.9%	6.4%	4.6%	5.6%
Office of Information Technology	19.0%	17.7%	17.5%	19.2%	15.1%	15.6%	22.4%	10.8%	9.6%
Risk Management	0.0%	0.0%	0.0%	25.0%	0.0%	16.7%	0.0%	0.0%	33.3%
Legal & Advocacy Services	5.1%	7.1%	15.4%	6.4%	9.9%	8.2%	12.0%	12.9%	7.2%
Alaska Public Offices Commission	12.5%	0.0%	12.5%	12.5%	22.2%	22.2%	33.3%	11.1%	33.3%
Division of Motor Vehicles	11.6%	6.8%	7.1%	9.2%	22.3%	13.9%	8.4%	7.6%	10.4%
Total	10.9%	9.0%	11.4%	15.9%	13.6%	15.7%	14.5%	9.3%	17.0%

Full-time positions only, data as of 12/15/20XX of each fiscal year

Vacancy Percentage by Component

Component	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Administrative Hearings	6.3%	18.8%	18.8%	18.8%	6.7%	6.7%	6.7%	26.7%	6.7%
Office of the Commissioner	33.3%	60.0%	0.0%	0.0%	16.7%	28.6%	42.9%	42.9%	28.6%
Administrative Services	7.1%	5.9%	20.0%	8.3%	9.1%	27.3%	23.1%	5.6%	18.8%
Finance	15.9%	20.0%	16.0%	8.2%	18.7%	25.6%	31.7%	32.0%	23.6%
Personnel	12.6%	10.2%	8.5%	21.7%	9.3%	9.1%	4.1%	5.3%	19.7%
Retirement and Benefits	7.7%	7.6%	13.6%	10.5%	7.4%	16.4%	13.9%	12.1%	16.9%
Shared Services of Alaska	17.1%	19.7%	14.5%	24.8%	14.0%	14.9%	6.4%	4.6%	5.6%
Office of Information Technology	19.0%	17.7%	17.5%	19.2%	15.1%	15.6%	22.4%	10.8%	9.6%
Risk Management	0.0%	0.0%	0.0%	25.0%	0.0%	16.7%	0.0%	0.0%	33.3%
Office of Public Advocacy	3.1%	5.7%	13.3%	5.6%	4.9%	5.6%	11.9%	13.2%	4.9%
Public Defender Agency	6.5%	8.1%	17.0%	7.1%	14.1%	10.2%	12.0%	12.7%	9.0%
Alaska Public Offices Comm	12.5%	0.0%	12.5%	12.5%	22.2%	22.2%	33.3%	11.1%	33.3%
Motor Vehicles	11.6%	6.8%	7.1%	9.2%	22.3%	13.9%	8.4%	7.6%	10.4%
Total	11.7%	13.9%	12.2%	13.1%	12.3%	16.4%	16.7%	14.2%	17.0%

Full-time positions only, data as of 12/15/20XX of each fiscal year

Contact Information

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