

# **State of Alaska FY2015 Governor's Operating Budget**

## **Department of Revenue Unclaimed Property Component Budget Summary**

**Component: Unclaimed Property**

**Contribution to Department's Mission**

The mission of the Unclaimed Property program is to administer Alaska's Uniform Unclaimed Property Act (AS 34.45).

**Core Services**

- Receive and account for unclaimed property in the form of cash, securities, and safe deposit boxes from companies, organizations (profit and non-profit) and government agencies throughout the United States in accordance with Alaska's Unclaimed Property Act
- Provide services to reunite owners, heirs or legal representatives with their unclaimed property
- Determine entitlement by analyzing statutes, court orders, legal cases, and reviewing evidence
- Promote unclaimed property reporting
- Account for and post liability accruals such as; mergers, splits, dividends, security proceeds and interest

**Major Component Accomplishments in 2013**

- Established an audit/compliance/outreach position to educate holders and owners about Alaska's Uniform Property Unclaimed Act.
- Transferred \$5.0 million into the state general fund for FY2013 collections in excess of refunds. Since the inception of the program in 1986, a total of \$89 million has been transferred to the state general fund from the Unclaimed Property Trust account.
- During the past five years 72,181 accounts, totaling \$21 million dollars has been returned to current or former Alaska owners and businesses.
- During the past five years \$20.25 million has been transferred to the general fund.

**Key Component Challenges**

- Align unclaimed property practices with banking and business transactions utilizing electronic deposits, payments, and debit cards for credit balances, payroll, and social services programs. Re-evaluate last known contact other than a mailing address.
- Productivity and move towards paperless environment, via secure online report, and remit payment portal.
- Online claim verifications and process payments electronically.
- New property types such as Health Savings and College Savings Plans create challenges in establishing procedures that will not diminish the property value under Federal Tax laws for early withdrawals and transfers.
- Identity theft and fraud contribute to the challenges of determining and validating entitlement to unclaimed property accounts.
- 258,892 property accounts are held in trust, totaling \$34.5 million dollars

**Significant Changes in Results to be Delivered in FY2015**

No changes in results delivered.

**Statutory and Regulatory Authority**

AS 34.45      Alaska's Uniform Unclaimed Property Act

Contact Information
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### Unclaimed Property Component Financial Summary

All dollars shown in thousands

	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	320.9	384.0	394.5
72000 Travel	4.6	8.2	8.2
73000 Services	118.8	59.6	49.3
74000 Commodities	4.4	7.7	7.7
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>448.7</b>	<b>459.5</b>	<b>459.7</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	267.4	275.3	275.4
1005 General Fund/Program Receipts	181.3	184.2	184.3
<b>Funding Totals</b>	<b>448.7</b>	<b>459.5</b>	<b>459.7</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
General Fund Program Receipts	51060	181.3	184.2	184.3
<b>Restricted Total</b>		<b>181.3</b>	<b>184.2</b>	<b>184.3</b>
<b>Total Estimated Revenues</b>		<b>181.3</b>	<b>184.2</b>	<b>184.3</b>

**Summary of Component Budget Changes  
From FY2014 Management Plan to FY2015 Governor**

*All dollars shown in thousands*

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<b>FY2014 Management Plan</b>	<b>275.3</b>	<b>184.2</b>	<b>0.0</b>	<b>0.0</b>	<b>459.5</b>
<b>Adjustments which will continue current level of service:</b>					
-Reverse Alaska State Employees Association One-Time Payment Sec22f Ch14 SLA2013 (HB65) and Sec12 Ch15 SLA2013 (HB66)	-1.0	-1.0	0.0	0.0	-2.0
-FY2015 Salary Increases	1.7	1.6	0.0	0.0	3.3
-FY2015 Health Insurance and Working Reserve Rate Reductions	-0.6	-0.5	0.0	0.0	-1.1
<b>FY2015 Governor</b>	<b>275.4</b>	<b>184.3</b>	<b>0.0</b>	<b>0.0</b>	<b>459.7</b>

### Unclaimed Property Personal Services Information

Authorized Positions			Personal Services Costs	
	<b>FY2014 Management Plan</b>	<b>FY2015 Governor</b>		
Full-time	4	4	Annual Salaries	251,100
Part-time	0	0	COLA	3,362
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	152,227
			Less 3.00% Vacancy Factor	(12,189)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>4</b>	<b>4</b>	<b>Total Personal Services</b>	<b>394,500</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	2	0	2
Unclaimed Property Agent	0	0	1	0	1
Unclaimed Property Manager	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>