

State of Alaska FY2015 Governor's Operating Budget

Department of Revenue Criminal Investigations Unit Component Budget Summary

Component: Criminal Investigations Unit

Contribution to Department's Mission

The mission of the Criminal Investigations Unit (CIU) is to enforce Department of Revenue's criminal laws and regulations through investigation, public education and use of legal process, and provide inter-law enforcement agency support through data exchange and joint operations.

Core Services

- Investigate taxpayer fraud and crimes relating to tax programs
- Investigate child support cases relating to fraud and non-compliance with court orders
- Investigate Permanent Fund Dividend (PFD) fraud and crimes relating to PFD eligibility
- Assist law enforcement through participation in working groups and information sharing

Major Component Accomplishments in 2013

- The number of criminal cases in all the Criminal Investigations Unit (CIU) supported programs increased from 26 total prosecutions in FY2012, to 63 in FY2014, representing a 238% overall increase in the department.
- As of June 30th there have been 7 Permanent Fund Dividend Division (PFD) convictions effecting 92 applications. There are currently 29 cases at Office of Special Prosecutions and Appeals (OSPA) pending prosecution affecting an additional 224 more PFD applications.
- Additionally, through civil and criminal actions, CIU has recovered nearly \$210,000 in restitution between FY2011 and FY2013 with another \$253,000 associated with criminal cases currently pending prosecution at OSPA.
- CIU referred 8 Tax cases to OSPA and completed 330 compliance inspections throughout the state.
- Due to the consolidation effort at CIU, the department had an increase of Child Support related cases. The department went from 21 criminal cases to 35 cases sent to prosecution in FY2013.

Key Component Challenges

The Criminal Investigations Unit analyzes potential fraud and other criminal activity occurring in programs within the Tax Division, Child Support Services Division, and Permanent Fund Dividend Division. The nature of investigating is becoming more dangerous and criminal activity seems to be crossing programs. The challenges faced by this unit include developing ways to improve investigator safety in the field, ability to respond to divisional workflow, and encouraging more efficient multi program travel.

- Improving investigator safety.
- Responding more effectively to divisional workflow.
- Encourage more efficient multi program travel.

Significant Changes in Results to be Delivered in FY2015

No changes in results delivered.

Statutory and Regulatory Authority

AS 43 Revenue and Taxation

FY2015 Governor
Department of Revenue

Released December 12, 2013
Page 2

AS 25.27 Child Support Services Agency

Contact Information
<p>Contact: Jerry Burnett, Director, Administrative Services Phone: (907) 465-2312 Fax: (907) 465-1685 E-mail: jerry.burnett@alaska.gov</p>

**Criminal Investigations Unit
Component Financial Summary**

All dollars shown in thousands

	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,355.3	1,417.8	1,415.6
72000 Travel	23.6	50.4	50.4
73000 Services	219.4	172.1	169.5
74000 Commodities	10.6	25.0	25.0
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
Expenditure Totals	1,608.9	1,665.3	1,660.5
Funding Sources:			
1007 Interagency Receipts	1,608.9	1,665.3	1,660.5
Funding Totals	1,608.9	1,665.3	1,660.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	1,608.9	1,665.3	1,660.5
Restricted Total		1,608.9	1,665.3	1,660.5
Total Estimated Revenues		1,608.9	1,665.3	1,660.5

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

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<i>All dollars shown in thousands</i>					
FY2014 Management Plan	0.0	0.0	1,665.3	0.0	1,665.3
Adjustments which will continue current level of service:					
-Reverse Alaska State Employees Association One-Time Payment Sec22f Ch14 SLA2013 (HB65) and Sec12 Ch15 SLA2013 (HB66)	0.0	0.0	-10.1	0.0	-10.1
-FY2015 Salary Increases	0.0	0.0	12.2	0.0	12.2
-FY2015 Health Insurance and Working Reserve Rate Reductions	0.0	0.0	-4.3	0.0	-4.3
Proposed budget decreases:					
-Reduction in Contractual Services	0.0	0.0	-2.6	0.0	-2.6
FY2015 Governor	0.0	0.0	1,660.5	0.0	1,660.5

**Criminal Investigations Unit
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2014 Management Plan	FY2015 Governor		
Full-time	13	13	Annual Salaries	912,570
Part-time	0	0	COLA	12,310
Nonpermanent	0	0	Premium Pay	6,644
			Annual Benefits	529,757
			Less 3.54% Vacancy Factor	(51,801)
			Lump Sum Premium Pay	6,120
Totals	13	13	Total Personal Services	1,415,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant II	1	0	0	0	1
Dept Investigations Manager	1	0	0	0	1
Investigator II	0	0	1	0	1
Investigator III	7	0	1	0	8
Investigator IV	2	0	0	0	2
Totals	11	0	2	0	13