



ALASKA STATE LEGISLATURE

SENATE FINANCE BUDGET SUBCOMMITTEE

DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF ADMINISTRATION

FY2019 SENATE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT

April 4, 2018

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RECOMMENDATIONS:

The Senate Finance Budget Subcommittee for the Department of Administration submits a recommended operating budget for FY2019 to the Senate Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 69,847.9
Designated General Funds (DGF)	32,769.0
Other Funds	234,128.9
Federal Funds	3,900.0
TOTAL	\$340,645.8

BUDGET ACTION:

The Senate Finance Budget Subcommittee for the Department of Administration received an agency budget overview on February 9, 2018 and held a final meeting on April 4, 2018, to analyze the Governor's amended budget.

The following are the budget action highlights:

- Legal and Advocacy Services – Office of Public Advocacy - Public Guardian Personal Services Support – In an effort to keep new positions to a minimum, 5 of the 10 positions requested have been approved and are being funded as one-time items, so they can be reevaluated next year to determine their effectiveness - \$500.0 UGF (OTI)
- Legal and Advocacy Services – Public Defender Agency – Public Defense Support to reduce delay, litigation and case costs – An identical increment was included in the fast track supplemental. This request is being funded as a one-time item, so it can also be reevaluated next year. \$453.5 UGF (OTI)
- Shared Services of Alaska – Business Transformation Office – Debt Collection and Vendor Fees – Per the Department, debt

collections and vendor fees are projected to be higher than originally requested; therefore, receipt authority has been increased by \$700.0 DGF.

Additional Action:

- Shared Services of Alaska – Facilities – Reduce Interagency Receipt Authority to Align with Actual Expenditures – (\$567.6) I/A Receipts – mirrors the action of the House.
- Information Services Fund – Delete All Receipt Authority for the Information Services Fund component as it is unnecessary to their core services and historically not used – (\$55.0) Statutory Designated Program Receipts – mirrors the action of the House.

Aside from the aforementioned changes, the subcommittee recommends adoption of the Governor's amended budget.

Between the FY15 Management Plan and the FY19 Senate Subcommittee Budget, UGF has decreased by \$16,000.1 (18.6%).

BUDGET CONSIDERATION DEFERRED TO FULL FINANCE:

The Subcommittee received a request from Quinlan Steiner, Public Defender, separate from the Governor's request, for \$1,034.0 UGF to fund 4 attorneys and 1 staff position. Public Defender Agency caseloads are projected to exceed the ABA guideline for maximum ethically permissible caseloads of 150 cases per attorney per year. If the agency does not receive additional funding, they may be forced to refuse cases. The House Finance Committee approved this request.

While the subcommittee is sympathetic to the need for additional public defenders, it felt it was appropriate to defer this item to the full Finance committee for further discussion and consideration.

ATTACHED REPORTS:

The Senate Finance Budget Subcommittee for the Department of Administration adopts the attached reports:

Legislative Finance Division Reports – Senate Structure

1. Agency Totals – FY2019 Operating Budget
2. Transaction Comparison between 19ADJ Base and Senate Subcomm
3. Transaction Comparison between 19Gov Amd and Senate Subcomm
4. Wordage



Senator Gary Stevens, Chair
Senate Finance Budget Subcommittee for the Department of Administration

2018 Legislature - Operating Budget Agency Totals - Senate Structure

Numbers

Agency: Department of Administration

	[1] 19Adj Base	[2] 19GovAmd	[3] SenateSub	[4] House	19Adj Bas to SenateSub	[3] - [1]	19GovAmd to SenateSub	[3] - [2]	SenateSub to House
Total	334,971.3	341,068.4	340,645.8	341,944.8	5,674.5	1.7 %	-422.6	-0.1 %	1,299.0
Objects of Expenditure									
1 Personal Services	126,636.8	128,259.2	127,759.2	129,721.2	1,122.4	0.9 %	-500.0	-0.4 %	1,962.0
2 Travel	1,266.9	1,266.9	1,266.9	1,266.9	0.0		0.0		0.0
3 Services	197,187.0	201,661.7	201,739.1	201,076.1	4,552.1	2.3 %	77.4		-663.0
4 Commodities	3,091.7	3,091.7	3,091.7	3,091.7	0.0		0.0		0.0
5 Capital Outlay	2,235.6	2,235.6	2,235.6	2,235.6	0.0		0.0		0.0
7 Grants, Benefits	4,553.3	4,553.3	4,553.3	4,553.3	0.0		0.0		0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Funding Sources									
1002 Fed Rcpts (Fed)	3,597.3	3,572.4	3,572.4	3,572.4	-24.9	-0.7 %	0.0		0.0
1004 Gen Fund (UGF)	66,765.4	68,218.9	67,718.9	69,717.9	953.5	1.4 %	-500.0	-0.7 %	1,999.0
1005 GF/Prgrm (DGF)	22,969.6	23,607.6	24,307.6	23,607.6	1,338.0	5.8 %	700.0	3.0 %	-700.0
1007 I/A Rcpts (Other)	134,323.5	123,542.4	122,974.8	122,974.8	-11,348.7	-8.4 %	-567.6	-0.5 %	0.0
1017 Group Ben (Other)	30,175.6	33,900.6	33,900.6	33,900.6	3,725.0	12.3 %	0.0		0.0
1023 FICA Acct (Other)	152.0	132.0	132.0	132.0	-20.0	-13.2 %	0.0		0.0
1029 PERS Trust (Other)	8,574.1	8,404.1	8,404.1	8,404.1	-170.0	-2.0 %	0.0		0.0
1033 Surpl Prop (Fed)	327.6	327.6	327.6	327.6	0.0		0.0		0.0
1034 Teach Ret (Other)	3,073.2	3,248.2	3,248.2	3,248.2	175.0	5.7 %	0.0		0.0
1037 GF/MH (UGF)	2,129.0	2,129.0	2,129.0	2,129.0	0.0		0.0		0.0
1042 Jud Retire (Other)	76.0	81.0	81.0	81.0	5.0	6.6 %	0.0		0.0
1045 Nat Guard (Other)	232.0	267.0	267.0	267.0	35.0	15.1 %	0.0		0.0
1061 CIP Rcpts (Other)	738.0	738.0	738.0	738.0	0.0		0.0		0.0
1081 Info Svc (Other)	37,773.6	47,554.7	47,554.7	47,554.7	9,781.1	25.9 %	0.0		0.0
1092 MHTAAR (Other)	0.0	280.5	280.5	280.5	280.5	>999 %	0.0		0.0
1108 Stat Desig (Other)	55.0	55.0	0.0	0.0	-55.0	-100.0 %	-55.0	-100.0 %	0.0
1147 PublicBldg (Other)	15,399.5	15,399.5	15,399.5	15,399.5	0.0		0.0		0.0
1162 AOGCC Rct (DGF)	7,461.4	7,461.4	7,461.4	7,461.4	0.0		0.0		0.0
1220 Crime VCF (Other)	1,148.5	1,148.5	1,148.5	1,148.5	0.0		0.0		0.0

2018 Legislature - Operating Budget Agency Totals - Senate Structure

Numbers

Agency: Department of Administration

	[1] 19Adj Base	[2] 19GovAmd	[3] SenateSub	[4] House	[3] - [1] 19Adj Bas to SenateSub	[3] - [2] 19GovAmd to SenateSub	[4] - [3] SenateSub to House
<u>Funding Sources (continued)</u>							
1248 ACHI Fund (DGF)	0.0	1,000.0	1,000.0	1,000.0	1,000.0	0.0	0.0
<u>Positions</u>							
Perm Full Time	1,179	1,189	1,184	1,198	5	-5	14
Perm Part Time	10	10	10	10	0	0	0
Temporary	25	25	25	25	0	0	0
<u>Funding Summary</u>							
Unrestricted General (UGF)	68,894.4	70,347.9	69,847.9	71,846.9	953.5	-500.0	1,999.0
Designated General (DGF)	30,431.0	32,069.0	32,769.0	32,069.0	2,338.0	700.0	-700.0
Other State Funds (Other)	231,721.0	234,751.5	234,128.9	234,128.9	2,407.9	-622.6	0.0
Federal Receipts (Fed)	3,924.9	3,900.0	3,900.0	3,900.0	-24.9	0.0	0.0

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Admin

Agency: Department of Administration

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
Centralized Administrative Services												
Retirement and Benefits												
Stakeholder Engagement for Alaska Health System Reform	Inc011	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
1248 ACHI Fund (DGF)		250.0										
Evaluate Consolidated Purchasing and Health Care Cost Reduction Strategies	Inc011	750.0	0.0	0.0	750.0	0.0	0.0	0.0	0.0	0	0	0
1248 ACHI Fund (DGF)		750.0										
Realign Funding with Cost Allocation Plan	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1017 Group Ben (Other)												
1023 FICA Acct (Other)		-25.0										
1029 PERS Trust (Other)		-170.0										
1034 Teach Ret (Other)		175.0										
1042 Jud Retire (Other)		5.0										
1045 Nat Guard (Other)		35.0										
* Allocation Difference *		1,000.0	0.0	0.0	1,000.0	0.0	0.0	0.0	0.0	0	0	0
Health Plans Administration												
Administrative Fee Increase due to Medicare Part D Employer Group Waiver Plan Participation	Inc	3,750.0	0.0	0.0	3,750.0	0.0	0.0	0.0	0.0	0	0	0
1017 Group Ben (Other)		3,750.0										
* Allocation Difference *		3,750.0	0.0	0.0	3,750.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		4,750.0	0.0	0.0	4,750.0	0.0	0.0	0.0	0.0	0	0	0
Shared Services of Alaska												
Business Transformation Office												
Debt Collection and Vendor Fees	Inc	500.0	0.0	0.0	500.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		500.0										
Add \$700.0 Of Additional Debt Collection and Vendor Fees	Inc	700.0	0.0	0.0	700.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		700.0										
* Allocation Difference *		1,200.0	0.0	0.0	1,200.0	0.0	0.0	0.0	0.0	0	0	0
Purchasing												
State Surplus Property Sales Growth	Inc	138.0	0.0	0.0	138.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		138.0										
* Allocation Difference *		138.0	0.0	0.0	138.0	0.0	0.0	0.0	0.0	0	0	0
Leases												
Reduce Lease Funding to Align with Projected Costs	Dec	-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-1,000.0										

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Admin

Agency: Department of Administration

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
Shared Services of Alaska (continued)												
Leases (continued)												
* Allocation Difference *												
		-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0	0.0	0	0	0
Facilities												
H DOA 1 - Reduce I/A Receipt Authority to Align with Actual Expenditures Offered by Representative Green	Dec	-567.6	0.0	0.0	-567.6	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-567.6										
* Allocation Difference *		-567.6	0.0	0.0	-567.6	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		-229.6	0.0	0.0	-229.6	0.0	0.0	0.0	0.0	0	0	0
Office of Information Technology												
Alaska Division of Information Technology												
GA 1 2/14 Fund Change to Use Interagency Receipt Fund Code Specific to Information Technology	FrndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-9,781.1										
1081 Info Svc (Other)		9,781.1										
* Allocation Difference *		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Information Services Fund												
Information Services Fund												
H DOA 2 - Delete All Receipt Authority for Information Services Fund Component Offered by Representative Green	Dec	-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig (Other)		-55.0										
* Allocation Difference *		-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Oil and Gas Conservation Commission												
Alaska Oil and Gas Conservation Commission												
Reduce Federal Authority to Align with Projected Revenue	Dec	-24.9	-24.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		-24.9										
* Allocation Difference *		-24.9	-24.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		-24.9	-24.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Legal and Advocacy Services												
Office of Public Advocacy												
MH Trust Public Guardian Position Support (FY19-FY23)	IncT	86.7	0.0	0.0	86.7	0.0	0.0	0.0	0.0	0	0	0

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Admin

Agency: Department of Administration

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	THP
SenateSub	IncOTI	500.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0	5	0
Legal and Advocacy Services (continued) Office of Public Advocacy (continued) MH Trust: Public Guardian Position Support (FY19-FY23) (continued) 86.7 1092 MHTAAR (Other) Public Guardian Personal Services Support and the Addition of 5 PFT Positions as One-Time Item											
1004 Gen Fund (UGF)		500.0									
* Allocation Difference *											
SenateSub	IncOTI	193.8	193.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0
Public Defender Agency MH Trust: Dis Justice - Holistic Defense - Bethel											
1092 MHTAAR (Other)		193.8									
Public Defense Support to Reduce Delay, Litigation, and Case Costs as One-Time Item											
1004 Gen Fund (UGF)		453.5									
SenateSub	IncOTI	453.5	453.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0
* Allocation Difference *											
SenateSub	IncOTI	647.3	647.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0
Public Defense Support to Reduce Delay, Litigation, and Case Costs as One-Time Item											
1004 Gen Fund (UGF)		1,234.0	1,147.3	0.0	86.7	0.0	0.0	0.0	0.0	5	0
** Appropriation Difference **											
*** Agency Difference ***											
**** All Agencies Difference ****											
SenateSub	IncOTI	5,674.5	1,122.4	0.0	4,552.1	0.0	0.0	0.0	0.0	5	0
**** All Agencies Difference ****											

2018 Legislature - Operating Budget Wordage Report - Senate Structure

Agency: Department of Administration

19GovAmd HFC Total SenateSub

Ap: Centralized Administrative Services

Conditional Language

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2018, of inter-agency receipts collected in the Department of Administration's federally approved cost allocation plans.

AI: Personnel

Conditional Language

The amount allocated for the Division of Personnel for the Americans with Disabilities Act includes the unexpended and unobligated balance on June 30, 2018, of inter-agency receipts collected for cost allocation of the Americans with Disabilities Act.

AI: Retirement and Benefits

Conditional Language

Of the amount appropriated in this allocation, up to \$500,000 of budget authority may be transferred between the following fund codes: Group Health and Life Benefits Fund 1017, FICA Administration Fund Account 1023, Public Employees Retirement Trust Fund 1029, Teachers Retirement Trust Fund 1034, Judicial Retirement System 1042, National Guard Retirement System 1045.

Ap: Shared Services of Alaska

Conditional Language

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2018, of inter-agency receipts and general fund program receipts collected in the Department of Administration's federally approved cost allocation plans.

Ap: Office of Information Technology

Conditional Language

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2018, of inter-agency receipts collected in the Department of Administration's federally approved cost allocation plans.

Ap: Information Services Fund

AI: Information Services Fund

Conditional Language

This appropriation to the Information Services Fund capitalizes a fund and does not lapse.

B B B

B B B

B B B

B B B

B B B

B

2018 Legislature - Operating Budget
Wordage Report - Senate Structure

Agency: Department of Administration

<u>19GovAmd</u>	<u>HFC Total</u>	<u>SenateSub</u>

Ap: Alaska Oil and Gas Conservation Commission
Al: Alaska Oil and Gas Conservation Commission
Conditional Language

The amount appropriated by this appropriation includes the unexpended and unobligated balance on June 30, 2018, of the Alaska Oil and Gas Conservation Commission receipts account for regulatory cost charges under AS 31.05.093 and collected in the Department of Administration.

B B B

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19GovAmd and SenateSub

Numbers
Differences
Agencies: Admin

Agency: Department of Administration

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
SenateSub	Inc	700.0	0.0	0.0	700.0	0.0	0.0	0.0	0.0	0	0	0
		700.0	0.0	0.0	700.0	0.0	0.0	0.0	0.0	0	0	0
SenateSub	Dec	-567.6	0.0	0.0	-567.6	0.0	0.0	0.0	0.0	0	0	0
		-567.6	0.0	0.0	-567.6	0.0	0.0	0.0	0.0	0	0	0
		132.4	0.0	0.0	132.4	0.0	0.0	0.0	0.0	0	0	0
		-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
SenateSub	Dec	-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
		-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
		-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	0	0
19GovAmd	Inc	1,000.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0.0	10	0	0
SenateSub	IncOTI	500.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0	5	0	0
		-500.0	-500.0	0.0	0.0	0.0	0.0	0.0	0.0	-5	0	0
19GovAmd	Inc	453.5	453.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
SenateSub	IncOTI	453.5	453.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		-500.0	-500.0	0.0	0.0	0.0	0.0	0.0	0.0	-5	0	0

Shared Services of Alaska
Business Transformation Office
Add \$700.0 Of Additional Debt Collection and
Vendor Fees
1005 GF/Prgm (DGF) 700.0
* Allocation Difference *

Facilities
H DOA 1 - Reduce I/A Receipt Authority to
Align with Actual Expenditures
Offered by Representative Green
1007 I/A Rcpts (Other) -567.6
* Allocation Difference *
** Appropriation Difference **

Information Services Fund
Information Services Fund
H DOA 2 - Delete All Receipt Authority for
Information Services Fund Component
Offered by Representative Green
1108 Stat Desig (Other) -55.0
* Allocation Difference *
** Appropriation Difference **

Legal and Advocacy Services
Office of Public Advocacy
Public Guardian Personal Services Support and
the Addition of 10 PFT Positions
1004 Gen Fund (UGF) 1,000.0
Public Guardian Personal Services Support and
the Addition of 5 PFT Positions as One-Time
Item
1004 Gen Fund (UGF) 500.0
* Allocation Difference *

Public Defender Agency
Public Defense Support to Reduce Delay,
Litigation, and Case Costs
1004 Gen Fund (UGF) 453.5
Public Defense Support to Reduce Delay,
Litigation, and Case Costs as One-Time Item
1004 Gen Fund (UGF) 453.5
* Allocation Difference *
** Appropriation Difference **

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19GovAmd and SenateSub

Numbers
Differences
Agencies: Admin

Agency: Department of Administration

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
		-422.6	-500.0	0.0	77.4	0.0	0.0	0.0	0.0	-5	0	0
		-422.6	-500.0	0.0	77.4	0.0	0.0	0.0	0.0	-5	0	0

*** Agency Difference ***
*** All Agencies Difference ***