

ALASKA STATE LEGISLATURE

HOUSE FINANCE COMMITTEE

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DATE: February 24th, 2021
TO: House Finance Members Subcommittee Chairs
FROM: Representative Neal Foster, Co-Chair
House Finance Committee
RE: FY22 Operating Budget Subcommittees

This memo provides a high-level framework for reviewing the operating budget by the House Finance Operating Budget Subcommittees. The subcommittee process is meant to increase members' understanding of the responsibilities and challenges facing the agencies and make relevant recommendations to the Fiscal Year 2022 (FY22) budget. Our goal will be ensuring that basic services are provided in an efficient and focused manner.

This year's *Legislative Fiscal Analyst's Overview of the Governor's Request* is available at <http://www.legfin.akleg.gov/Overview/Overview2022.pdf>. Please begin reviewing and working with your Legislative Finance Analyst.

SUBCOMMITTEE ADMINISTRATION AND OPERATION

Subcommittees should begin meeting the week of March 1st. The first subcommittee meetings should reach the following goals:

- 1) Understand budgetary actions taken over the past 10 years and the impact to the Department.
- 2) Understand the FY21 budget along with impacts and responses from agencies throughout the COVID pandemic.
- 3) Review the FY22 Budget; including increments, decrements, and any requests related to the overall success in completing the department's mission offered in the Governor's budget.
- 4) Provide a report to the House Finance Committee on the actions and recommendations of the subcommittee.

The subcommittees will utilize the Legislative Finance Division (LFD) and various materials specific to the Departments to help subcommittee members understand the historic significance of previous Legislatures and review of the Departments. An all-inclusive approach should be applied to the subcommittees action as they make decisions on the FY22 budget.

SUBCOMMITTEE BUDGET REVIEW PROCESS & REQUIREMENT

Subcommittees are to review the numbers section of their agency budgets and discuss budget detail transactions such as increments, decrements, transfers, new positions or position changes, fund source changes, etc. It is the expectation that all subcommittees will work with the LFD Budget Analyst to ensure a comprehensive and succinct schedule is created for each Subcommittee. This will ensure the necessary budget actions are addressed as the Subcommittee moves through the process.

The main tool of the Subcommittee will be the Subcommittee Binders. Should include the following:

- 1) *Statewide Budget Items*
 - a. *Fiscal Summaries*
 - b. *Budget History Graph*
 - i. *Long Term*
 - ii. *Short Term*
 - c. *Swoop Graph (specifically reflecting the departments relation to the overall budget)*
 - d. *Approximate Fund Balances*
- 2) *Agency FY12-FY22 Look Back Graphs*
 - a. *All Funds Graph*
 - b. *GF Only Graph*
 - c. *GF Only Appropriation/Allocation Summary*
- 3) *Transaction Comparison (FY22 Adjusted Base to FY22 Governor's Amended Request)*
- 4) *Department Program Priority Matrix*
- 5) *FY22 Subcommittee Book*
- 6) *FY21 CC Book*
- 7) *Individual Subcommittee Meeting materials*

Binders and the detailed information should be made available to all subcommittee members online by the first meeting of the subcommittee. At least one physical binder with the essential material should be provided to the office of each subcommittee member. The OMB Operating Budget Details reports <https://omb.alaska.gov/fiscal-year-2022-amended-budget/> should be made available to all subcommittee members online.

During the subcommittee process members should consider:

1. The subcommittee will not add any increments that increase the budget above the Adjusted Base (Unrestricted General Funds) unless there is a corresponding decrement to offset the additional funds or a valid fund source change.
2. The Governor's FY22 Amendments should be considered as part of the overall review of each subcommittee.
3. Accepting and/or declining Interdepartmental Transfer-Ins (ATrIns) and Transfers-Outs (ATrOuts) require coordination between both subcommittees impacted, LFD, and the Operating Budget Co-chair before a decision is made.
4. Budget items not to be considered by the Subcommittee are as follows:
 - a. Governor's Supplemental Budget
 - b. Changes to the Language section of the Operating Budget
 - c. Structure changes to appropriations

- i. Structure changes is reserved for House Finance Committee. A subcommittee can recommend structure changes to a specific appropriation, but the House Finance Committee will vote and approve the change.
5. How the past year's FY21 budget changes were implemented in each Appropriation/ Results Delivery Unit (RDU), and how they impact the future budget of the department? (example: Past veto Impacts, COVID Funding, continued efficacies identified during the response to the COVID pandemic, impacts to programs and divisions from funding reductions).
6. FY22 services the department provides, what it costs, and the results Alaskans receive for their investment; along with any reductions or improvement of services expected due to budgetary actions.
7. Changes the department anticipates in the future and the sustainability of services the department provides.
8. (as applicable) Any budget actions that would require statutory changes that could change funding or decrease expenditures.
9. (as applicable) Indirect Expenditures, what are the priority statutory could increase revenue?
10. *Regarding Items 8 & 9, the subcommittee should not discuss the legislation, instead review the potential fiscal changes that would impact the department's operating budget and make recommendations to the House Finance Committee if potential legislation is required.*

SUBCOMMITTEE CLOSE-OUT

The agency budgets should be reported out of the subcommittee and subcommittees closed out no later than March 26th.

Subcommittee chairs should use the Budget Action (BA) sheets provided by Legislative Finance as part of the close-out procedures. In addition to the BA sheets and the associated reports, Chairs will also need to prepare a subcommittee narrative that highlights actions taken in subcommittee. Detailed Close-Out Memo will be provided before subcommittees close out.

MEETINGS

Subcommittees should be given the highest priority possible during the scheduled time frame for standing and special committees until the subcommittee closes out. Subcommittees are not to be scheduled during the normal House Finance Committee meeting time of 1:30 to 3:30 p.m., Monday through Friday without prior approval and notification.

CLOSING

Please feel free to contact me or my staff, Brodie Anderson at 465-4858 or Patrick Fitzgerald at 465-6841, if you have questions or suggestions.

Short Fiscal Summary - FY21/FY22 Budget

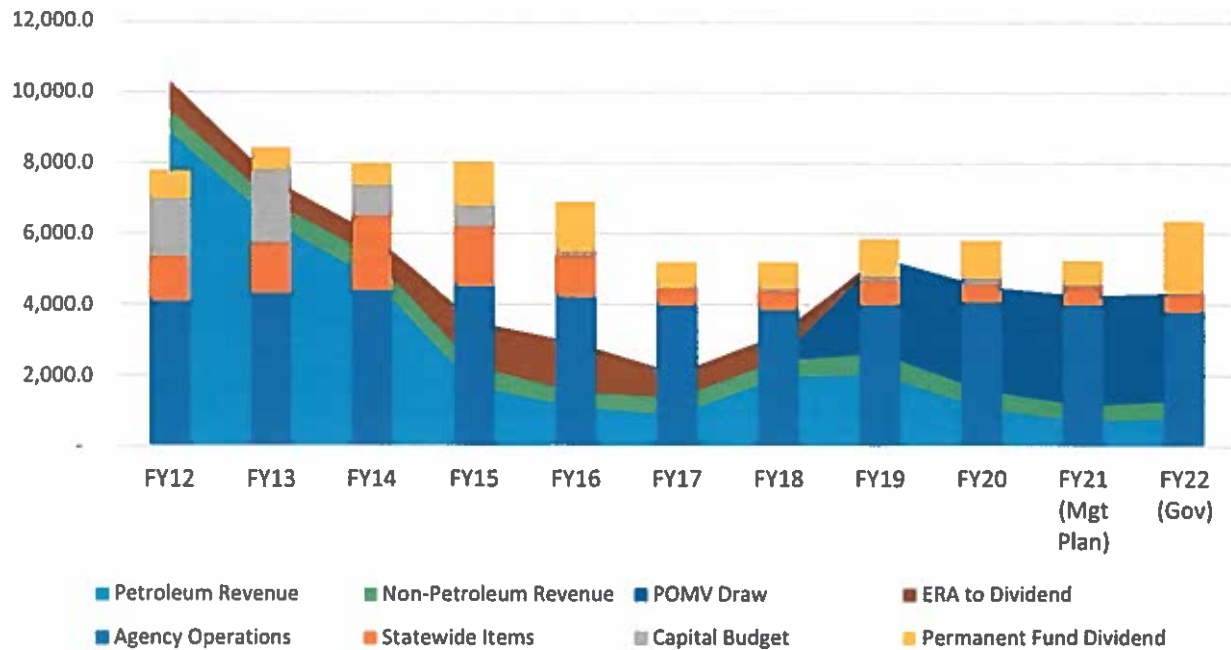
(\$ Millions) (Non-duplicated Funds)		FY21		FY22 GOV Amd		Change in UGF	
		UGF		UGF			
1	Revenue						
2	UGF Revenue (Fall 2020 Forecast)	4,443.2		4,271.9		(171.3)	-4%
3	POMV Draw	1,243.1		1,202.6		(40.5)	-3%
4	Misc/Adjust/Non-UGF Revenue	3,091.5		3,069.3		(22.2)	-1%
		108.6		-		(108.6)	
5	Appropriations						
6	Operating Budget	6,537.6		6,368.9		(168.6)	-3%
7	Agency Operations	4,502.8		4,282.8		(220.1)	-5%
8	Statewide Items	4,008.9		3,818.6		(190.3)	-5%
9	Supplemental Appropriations	446.3		464.1		17.8	4%
		47.6		-		(47.6)	
10	Capital Budget						
11	Current Year Appropriations	129.2		62.2		(67.0)	-52%
12	Supplemental Appropriations	120.3		62.2		(58.1)	-48%
		8.9		-		(8.9)	
13	Permanent Fund						
14	Permanent Fund Dividends	1,905.5		2,023.9		118.4	6%
15	Inflation Proofing/Other Deposits	1,905.5		2,023.9		118.4	6%
		-		-			
16	Pre-Transfer Surplus/(Deficit)						
17	Permanent Fund Earnings Reserve Account	(2,094.4)		(2,097.0)			
		(1,225.5)		(2,023.9)			
18	Post-Transfer Surplus/(Deficit)						
	Other Fund Transfers	40.9		19.9			
		(909.8)		(93.0)			
19	CBR Direct Appropriations						
20	Draw After Direct CBR Appropriations	(1,064.2)		-			
21	Total CBR Draw	154.4		(93.0)			
		(909.8)		(93.0)			

Reserve Balances (EOY)

	FY21	FY22
CBR	914.2	846.8
ERA	12,052.8	10,955.6

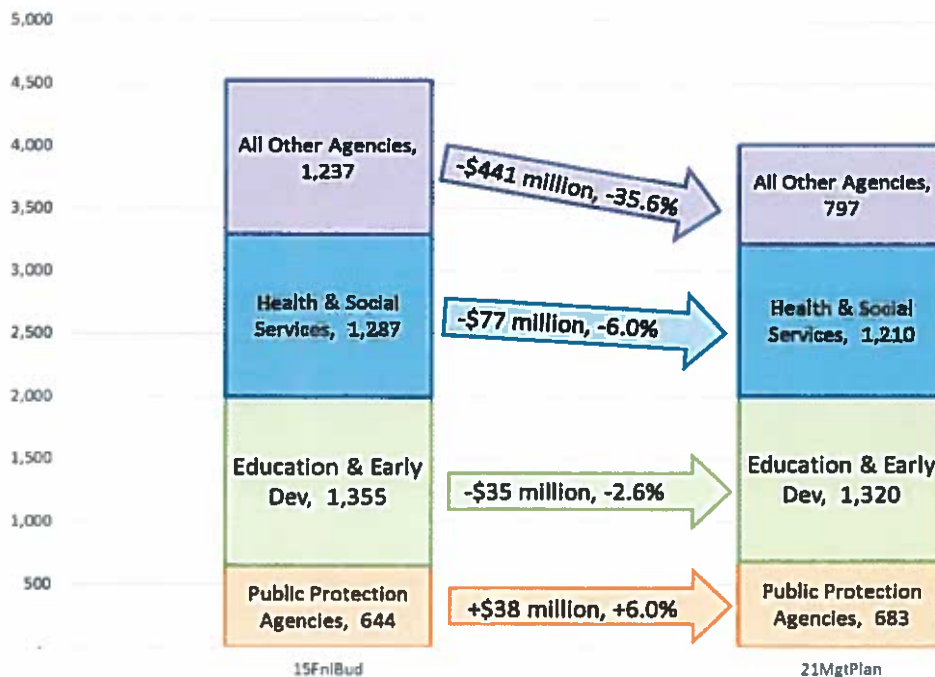
February 23, 2021

UGF Budget and Revenue, FY12 - FY22



UGF Agency Budget Changes, FY15 to FY21

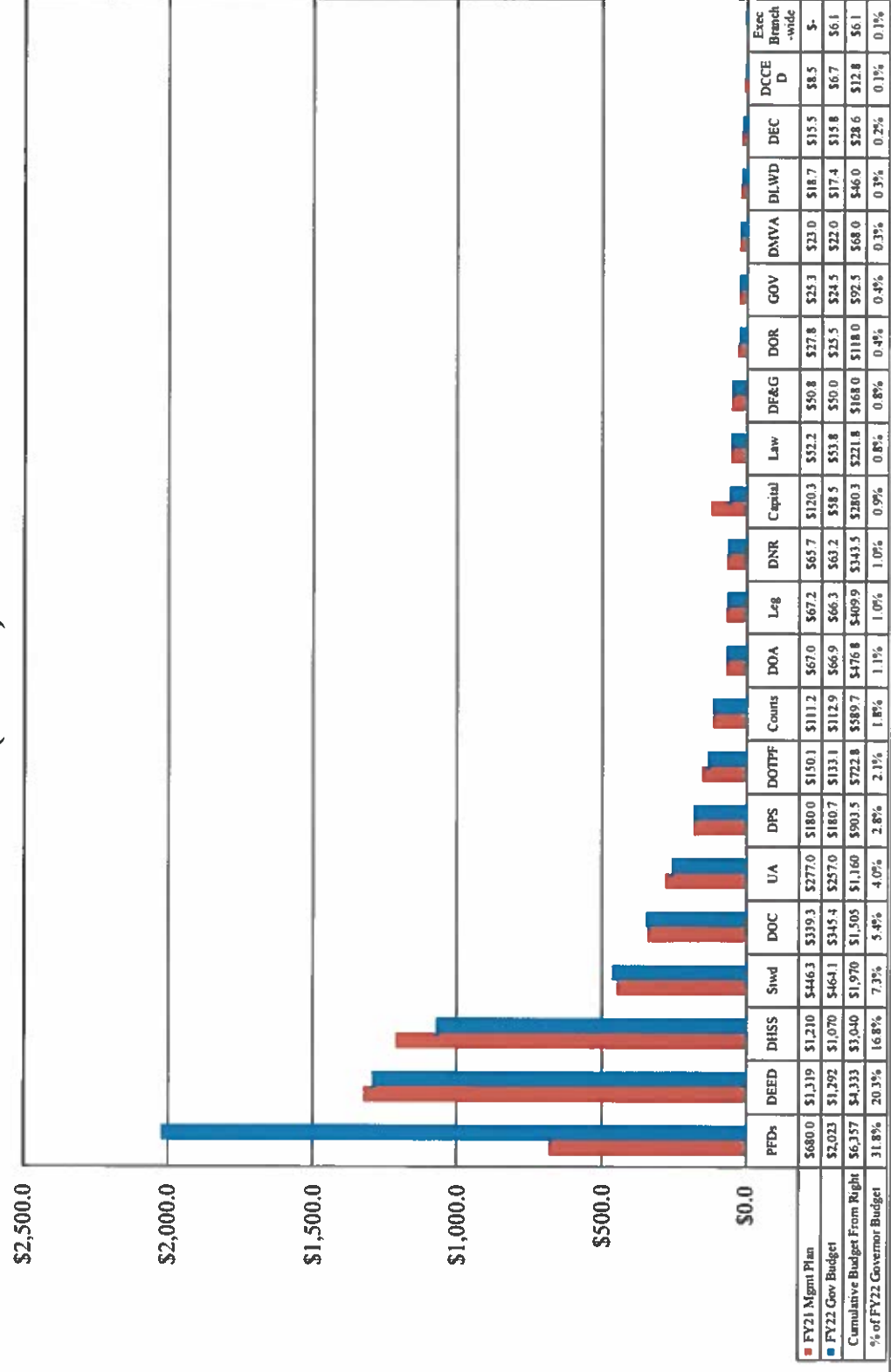
(in millions of dollars)



Swoop Graph - UGF Only

FY22 Governor Compared to FY21 Management Plan

(Millions)



Projected Fund Balances -- FY21 and FY22 (\$ millions)

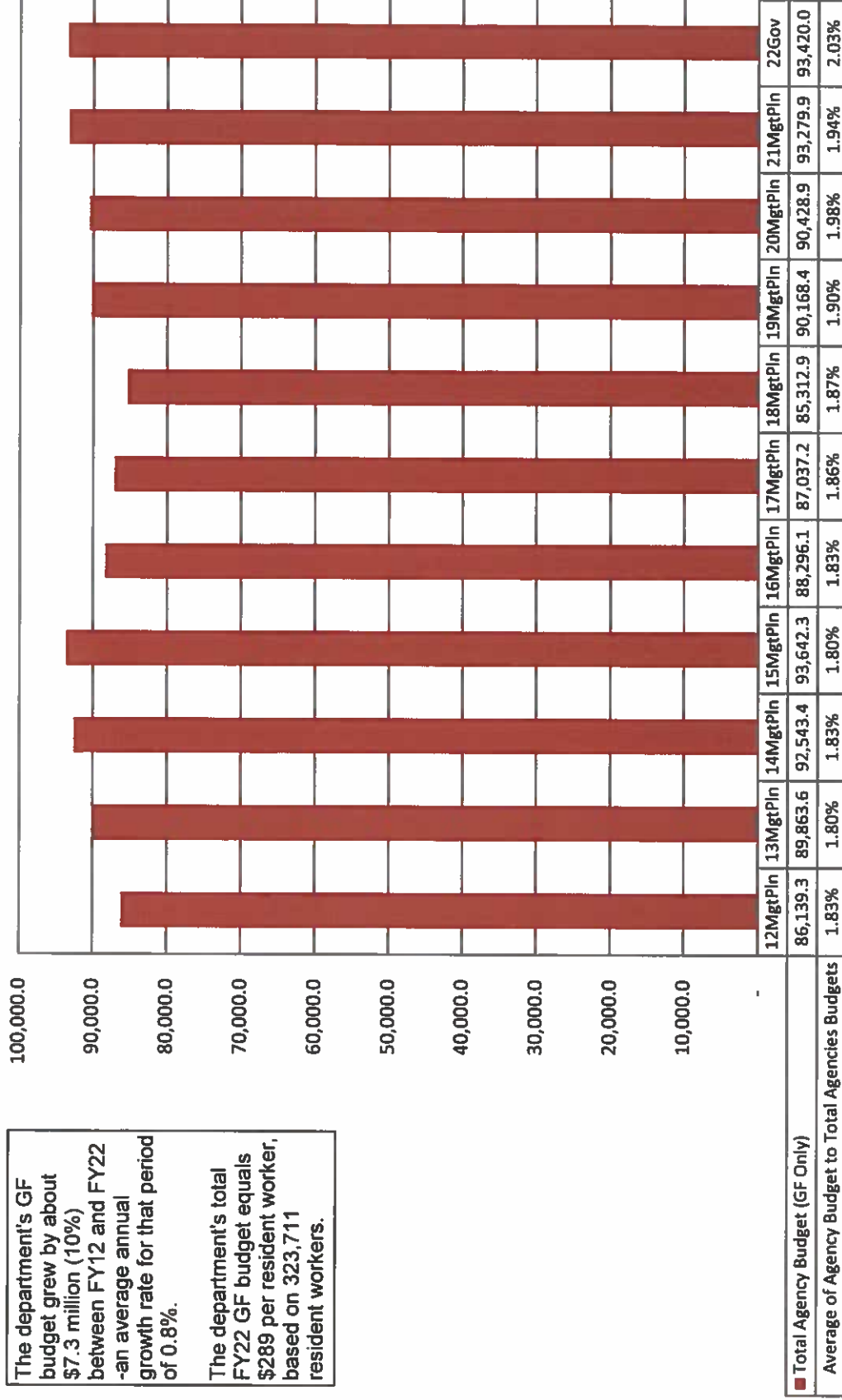
	FY21				FY22			
	BoY Balance	In	Out	EoY Balance	BoY Balance	In	Out	EoY Balance
Total Budget Reserves and Designated Funds	16,134.1	4,946.7	6,594.8	14,486.0	14,486.0	5,444.0	6,553.8	13,376.2
Undesignated Reserves	1,763.9	63.0	894.1	932.8	932.8	25.6	38.6	919.7
Constitutional Budget Reserve Fund	1,762.0	62.0	893.1	930.9	930.9	25.6	37.9	918.6
Statutory Budget Reserve Fund	0.0	-	-	0.0	0.0	-	-	0.0
Alaska Housing Capital Corporation Fund	1.9	1.0	1.0	1.9	1.9	-	0.8	1.1
Select Designated Funds	14,370.2	4,883.8	5,700.7	13,553.2	13,553.2	5,418.4	6,515.2	12,456.4
Total Excluding Permanent Fund	1,476.0	142.1	117.8	1,500.4	1,500.4	152.4	152.0	1,500.8
Alaska Capital Income Fund	(5.9)	23.1	17.4	(0.3)	(0.3)	49.0	49.8	(1.0)
Alaska Higher Education Investment Fund	343.8	20.6	21.0	343.3	343.3	20.5	21.8	342.0
Community Assistance Fund	60.0	28.7	20.0	68.7	68.7	12.4	22.9	58.2
Power Cost Equalization Endowment	1,078.2	69.8	59.3	1,088.6	1,088.6	70.4	57.5	1,101.5
Permanent Fund Earnings Reserve Account*	12,894.2	3,498.7	4,340.0	12,052.8	12,052.8	4,023.0	5,120.2	10,955.6
Unrestricted General Fund Appropriations				6,520.8				6,313.8
Reserves Ratio (Undesignated Reserves / Pre-Transfer Budget)				14%				15%
Pre-Transfer Deficit				(2,077.7)				(2,041.9)
Years of Deficit Coverage (Undesignated Reserves / Pre-Transfer Deficit)				0.45				0.45
Permanent Savings								
Permanent Fund Principal -- Market Value * (no appropriations allowed)	52,408.1	768.7	0.0	53,176.8	53,176.8	481.0	0.0	53,657.8

* Alaska Permanent Fund Corporation (APFC) median projection for FY21 and FY22 as of November 30, 2020.

January 15, 2021

Department of Administration Share of Total Agency Operations

(GF Only)
(\$ Thousands)



The department's GF budget grew by about \$7.3 million (10%) between FY12 and FY22 -an average annual growth rate for that period of 0.8%.

The department's total FY22 GF budget equals \$289 per resident worker, based on 323,711 resident workers.

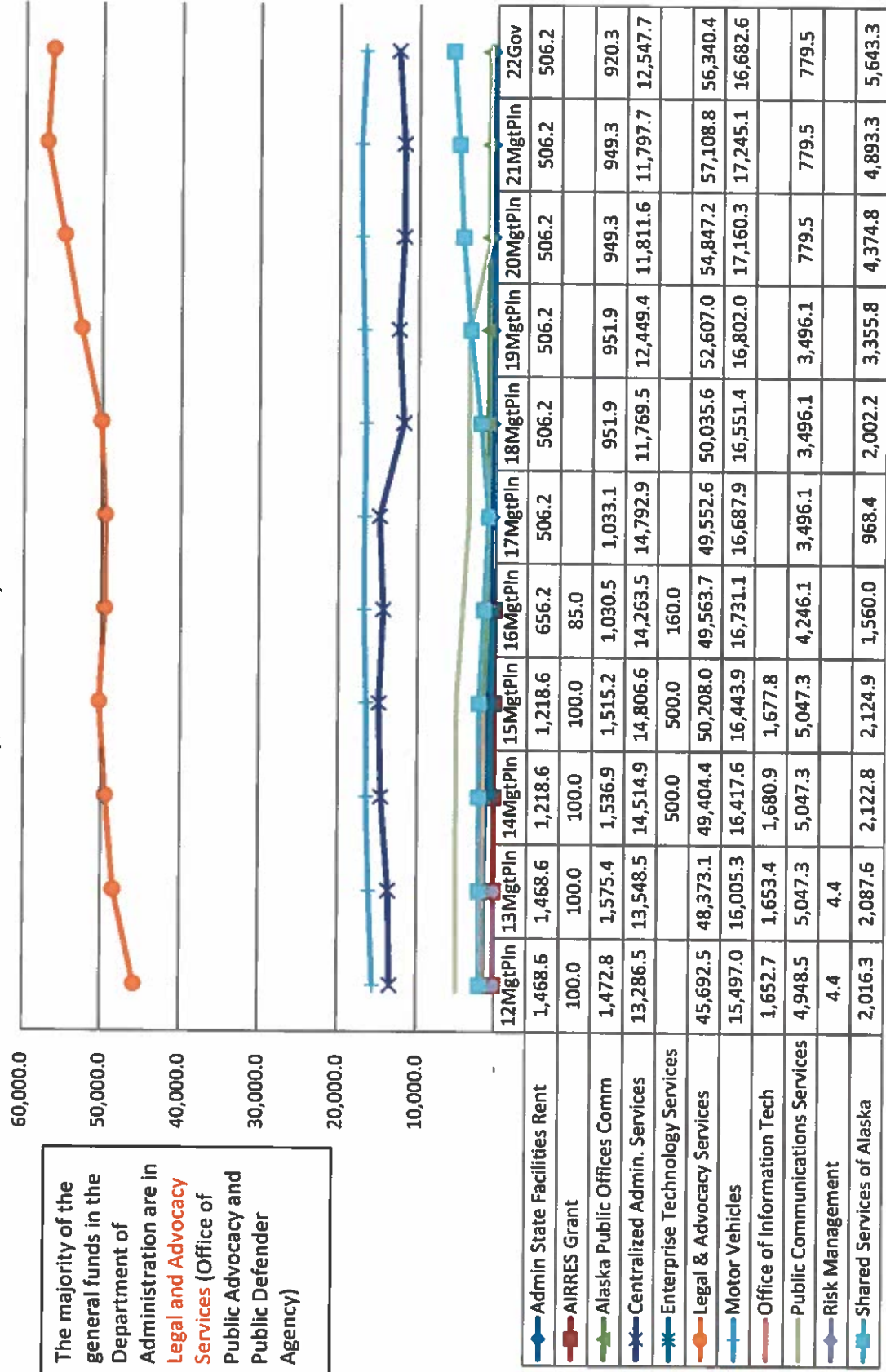
Department of Administration Total Funding Comparison by Fund Group (All Funds) (\$ Thousands)

Between FY12 MgmtPln and 22Gov:
 --UGF decreased by \$2.1 million (-3%)
 --DGF increased by \$9.4 million (55%)
 --Other Funds increased by \$49.9 million (37%)
 --Federal Receipts decreased by \$2.4 million (-65%)



Appropriations within the Department of Administration

(GF Only)
(\$ Thousands)



2021 Legislature - Operating Budget Transaction Compare - Governor Structure Between AdjBase+ and 22GovAmd

Numbers and Language
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 Office of Administrative Hearings Delete Vacant Administrative Law Judge (02-1058) 1007 I/A Rcpts (Other) * Allocation Difference *	22GovAmd	Dec	-136.1	-136.1	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
			-136.1	-136.1	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
DOA Leases GA 1 Transfer from Dept. of Transportation and Public Facilities to Align Maintenance and Operations with Occupying Agen 1004 Gen Fund (UGF) 105.4 * Allocation Difference *	22GovAmd	ATrIn	105.4	0.0	0.0	105.4	0.0	0.0	0.0	0.0	0	0	0
			105.4	0.0	0.0	105.4	0.0	0.0	0.0	0.0	0	0	0
Administrative Services GA 2 Transfer HR Positions to Division of Personnel & Labor Relations for HR Consolidation * Allocation Difference *	22GovAmd	TrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3	0	0
			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3	0	0
Finance Eliminate Statewide Single Audit Contract with the Division of Legislative Audit 1004 Gen Fund (UGF) -450.0 Reduce Authority to Realize Contract Savings 1007 I/A Rcpts (Other) -23.2 Reduce Authority to Realize Travel Savings 1007 I/A Rcpts (Other) -1.2 * Allocation Difference *	22GovAmd	Dec	-450.0	0.0	0.0	-450.0	0.0	0.0	0.0	0.0	0	0	0
	22GovAmd	Dec	-23.2	0.0	0.0	-23.2	0.0	0.0	0.0	0.0	0	0	0
	22GovAmd	Dec	-1.2	0.0	-1.2	0.0	0.0	0.0	0.0	0.0	0	0	0
			-474.4	0.0	-1.2	-473.2	0.0	0.0	0.0	0.0	0	0	0
Personnel Add Funding to Maintain Biweekly Payroll Transition Through FY22 1004 Gen Fund (UGF) 1,650.0 Reduce Authority to Align with Anticipated Central Services Revenue 1007 I/A Rcpts (Other) -1,659.9 GA 12 Transfer HR Positions from Department of Health for HR Consolidation GA 13 Transfer HR Positions from Department of Labor and Workforce Development for HR Consolidation	22GovAmd	IncOTI	1,650.0	825.0	0.0	825.0	0.0	0.0	0.0	0.0	0	0	0
	22GovAmd	Dec	-1,659.9	-830.0	0.0	-829.9	0.0	0.0	0.0	0.0	0	0	0
	22GovAmd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14	0	0
	22GovAmd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0

**2021 Legislature - Operating Budget
Transaction Compare - Governor Structure
Between AdjBase+ and 22GovAmd**

**Numbers and Language
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 (continued)													
Personnel (continued)													
GA 3 Add Authority for Statewide Human Resource Consolidation	22GovAnd	Inc	5,164.0	4,900.0	0.0	264.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpls (Other)													
GA 14 Transfer HR Positions from Department of Natural Resources for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
GA 4 Transfer HR Positions from Division of Administrative Services for HR Consolidation	22GovAnd	TrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3	0	0
GA 15 Transfer HR Positions from Department of Public Safety for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
GA 5 Transfer HR Position from Department of Environmental Conservation for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
GA 16 Transfer HR Positions from Department of Transportation and Public Facilities for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7	0	0
GA 6 Transfer HR Position from Department of Law for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
GA 7 Transfer HR Position from Department of Military and Veterans Affairs for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
GA 8 Transfer HR Position from Department of Revenue for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
GA 9 Transfer HR Positions from Department of Commerce, Community, and Economic Development for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
GA 10 Transfer HR Positions from Department of Corrections for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5	0	0
GA 11 Transfer HR Positions from Department of Fish and Game for HR Consolidation	22GovAnd	ATrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
* Allocation Difference *			5,154.1	4,895.0	0.0	259.1	0.0	0.0	0.0	0.0	43	0	0

2021 Legislature - Operating Budget Transaction Compare - Governor Structure Between AdjBaset and 22GovAmd

Numbers and Language
Differences
Agencies: Admin

Agency: Department of Administration

		Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
Centralized Administrative Services (continued)														
Retirement and Benefits														
L	Reverse FY2021 Retirement System Benefit Payment Calculations Sec 24 CH8 SLA2020 P89 L9 (HB 205)	22GovAmd	OTT	-500.0	-350.0	0.0	-150.0	0.0	0.0	0.0	0.0	0	0	0
	1004 Gen Fund (UGF)			-500.0										
L	FY2022 Retirement System Benefit Payment Calculations	22GovAmd	IncM	500.0	350.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0
	1004 Gen Fund (UGF)			500.0										
L	Reverse Actuarial Costs Associated with Bills Introduced by the Legislature - Est \$0	22GovAmd	OTT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	1004 Gen Fund (UGF)			0.0										
L	Actuarial Costs Associated with Bills Introduced by the Legislature - Est \$0	22GovAmd	Lang	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	1004 Gen Fund (UGF)			0.0										
	Reduce Commodities Authority to Align with Expenditures	22GovAmd	Dec	-75.0	0.0	0.0	0.0	-75.0	0.0	0.0	0.0	0	0	0
	1017 Group Ben (Other)			-33.2										
	1029 PERS Trust (Other)			-31.2										
	1034 Teach Ret (Other)			-8.9										
	1042 Jud Retire (Other)			-0.1										
	1045 Nat Guard (Other)			-1.6										
	Reduce Travel Authority to Align with Expenditures	22GovAmd	Dec	-25.0	0.0	-25.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	1017 Group Ben (Other)			-8.1										
	1023 FICA Acct (Other)			-0.1										
	1029 PERS Trust (Other)			-12.0										
	1034 Teach Ret (Other)			-4.6										
	1045 Nat Guard (Other)			-0.2										
* Allocation Difference *														
** Appropriation Difference **														
				-100.0	0.0	-25.0	0.0	-75.0	0.0	0.0	0.0	0	0	0
				4,549.0	4,758.9	-26.2	-108.7	-75.0	0.0	0.0	0.0	39	0	0
Shared Services of Alaska														
Office of Procurement and Property Management														
	Align Authority for Increased Vendor Fees	22GovAmd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	1005 GF/Prgm (DGF)			375.0										
	1007 I/A Rcpts (Other)			-375.0										
	Add Authority for Statewide Procurement Consolidation (Administrative Order 304)	22GovAmd	Inc	5,977.0	4,605.7	25.0	1,311.3	35.0	0.0	0.0	0.0	0	0	0
	1007 I/A Rcpts (Other)			5,977.0										
	Add Authority for Federal Surplus Property Program Expansion	22GovAmd	Inc	200.0	185.0	0.0	10.0	5.0	0.0	0.0	0.0	0	0	0
	1033 Surpl Prop (Fed)			200.0										

2021 Legislature - Operating Budget Transaction Compare - Governor Structure Between AdjBase+ and 22GovAmd

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Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
Shared Services of Alaska (continued)												
Office of Procurement and Property Management (continued)												
GA 17 Transfer Procurement Position from Department of Law for Procurement Consolidation (03-0249)	22GovAmd	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0
* Allocation Difference *		6,177.0	4,790.7	25.0	1,321.3	40.0	0.0	0.0	0.0	1	0	0
Accounting												
Debt Recovery Consolidation 1005 GF/Prgrm (DGF) 375.0	22GovAmd	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) -375.0												
Reduce Authority Due to Reclass of Ten Vacant Accounting Technicians from Full-time to Four-month Seasonal	22GovAmd	-552.0	-552.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) -552.0												
Reduce Authority to Align with Anticipated Central Services Revenue	22GovAmd	-1,035.6	0.0	0.0	-1,035.6	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) -1,035.6												
* Allocation Difference *		-1,587.6	-552.0	0.0	-1,035.6	0.0	0.0	0.0	0.0	0	0	0
Print Services												
Reduce Authority to Align with Anticipated Central Services Revenue	22GovAmd	-347.4	0.0	0.0	-347.4	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) -347.4												
* Allocation Difference *		-347.4	0.0	0.0	-347.4	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **		4,242.0	4,238.7	25.0	-61.7	40.0	0.0	0.0	0.0	1	0	0
Office of Information Technology												
Alaska Division of Information Technology												
Reduce Authority Due to Realized Cost Savings from Migration to Microsoft G5 Licensing and Contract Savings	22GovAmd	-1,250.0	0.0	0.0	-1,250.0	0.0	0.0	0.0	0.0	0	0	0
1081 Info Svc (Other) -1,250.0												
Reduce Authority to Realize Space Consolidation Savings Due to Telework	22GovAmd	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	0.0	0	0	0
1081 Info Svc (Other) -200.0												
Reduce Authority Due to Decreased Parking in Atwood Building from Increased Teleworking	22GovAmd	-10.0	0.0	0.0	-10.0	0.0	0.0	0.0	0.0	0	0	0
1081 Info Svc (Other) -10.0												
Reduce Authority Due to Channel Drive Lease Transfer to the Department of Military and Veterans Affairs	22GovAmd	-58.0	0.0	0.0	-58.0	0.0	0.0	0.0	0.0	0	0	0
1081 Info Svc (Other) -58.0												
Reduce Authority to Align with Anticipated Central Services Revenue	22GovAmd	-13,680.7	0.0	0.0	-13,680.7	0.0	0.0	0.0	0.0	0	0	0

2021 Legislature - Operating Budget Transaction Compare - Governor Structure Between AdjBase+ and 22GovAmd

Numbers and Language
Differences
Agencies: Admin

Agency: Department of Administration										
Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	THP
Office of Information Technology (continued)										
Alaska Division of Information Technology (continued)										
Reduce Authority to Align with Anticipated Central Services Revenue (continued)										
1081 Info Svc (Other)		-13,680.7								
GA 18 Add New Department Technology Officer III for Department of Family and Community Services										
1081 Info Svc (Other)		186.6								
* Allocation Difference *										
** Appropriation Difference **										
Risk Management										
Risk Management										
Reduce Authority by Utilizing Self-Insurance Coverage to Align with Claims										
1007 I/A Rcpts (Other)		-3,000.0								
L State Insurance Catastrophe Reserve Account Lapse Balance Appropriation										
* Allocation Difference *										
** Appropriation Difference **										
Legal and Advocacy Services										
Office of Public Advocacy										
OPA Court Visitors - Transfer of Responsibilities to the Alaska Court System										
1004 Gen Fund (UGF)		-854.4								
* Allocation Difference *										
Public Defender Agency										
MH Trust: Holistic Defense - Bethel (FY16-FY22)										
1268 MHTReserve (DGF)		86.0								
* Allocation Difference *										
** Appropriation Difference **										
Alaska Public Offices Commission										
Alaska Public Offices Commission										
Delete Vacant Law Office Assistant I (02-1319)										
1004 Gen Fund (UGF)		-29.0								

Numbers and Language Differences
Agencies: Admin

2021-02-24 12:19:14

DOA Program Priority Table

Program	Constitutional Requirement	Federal Requirement	Statutory Req.	# of Alaskans Served
Centralized Administrative Services				
Office of Administrative Hearings	No	No	AS 44.64	All Alaskans
Adjudication/Formal Mediation	Yes for programs requiring administrative due process	Yes for federal benefit programs	AS 44.64.030	
Oil and Gas Tax Adjudications	No	No	AS 43.05; AS 43.56	
Statewide Hearing Officer/Ethics	No	No	AS 44.64.050	
Medicaid Informal Mediation	No	No	No	
Workers' Comp Appeals Commission Recruitment	No	No	AS 44.64.020 (a)(12) & (13)	
Training & Statewide Oversight	No	No	AS 44.64.020 (a)(6)-(8)	
Publication	No	No	AS 44.64.090	
Office of the Commissioner	No	No	AS 44.21	Not Directly
Division of Administrative Services				
	No	No	AS 44.21 AS 37.05	Not Directly
Human Resources				
Administrative/Financial	No	No	AS 44.21 AS 37.05	
DOA Leases	No	Yes	AS 31.05	
Centralized Human Resources	No	No	No	
Labor Agreements Miscellaneous Items	No	No	No	
Division of Finance				
	No	Yes	AS 37.05.140	Not Directly
Accounting/CAFR/IRS/Audit Compliance				
Statewide Administrative System (IRIS, ALDER)	No	Yes	AS 37.05.140	
E-Travel (managed by DOF, separate component)	No	Yes	AS 37.05.140	
Division of Personnel & Labor Relations	No	No	AS 39.20.110 – 190	Not Directly
Payroll				
	No	Yes	AS 39.27	

DOA Program Priority Table

Program	Constitutional Requirement	Federal Requirement	Statutory Req.	# of Alaskans Served
Classifications/Class Studies	Yes	No	AS 39.25.157	
Administrative/Financial (Director's Office)	No	No	AS 39.25 AS 39.23.530	
Training	No	No	No	
Employee Planning and Information Center	No	Yes	AS 39.20.330 AS 39.25.080 AS 40.25.110	
Americans Disability Act/Equal Employment Opportunity	No	Yes	AS 39.28	
Statewide Recruitment /Occupational Safety and Health Association	Yes	No	AS 39.25.010 AS 18.60	
Labor Relations (managed by DOP, separate component)	No	No	AS 23.40	
Retirement and Benefits	Article XII, section 7	No	AS 14.25, AS 22.25, AS 39.30, AS 39.35, AS 39.40, AS 39.30.090	213 employees 65,900 employees 48,600 retirees
Health Plans Administration (AlaskaCare) (managed by DRB, separate component)	Article XII, section 7	No	AS 14.25, AS 22.25, AS 39.30, AS 39.35, AS 39.30.090	
Shared Services of Alaska	No	No	Yes for most programs	15,000+
Accounting	No	No	AS 37.05, AS 44.21	
Business Transformation Office	No	No	No	
Purchasing	No	No	AS 36.30, AS 44.21	
Print Services	No	No	No	
State Leases	No	No	AS 36.30, AS 44.21	
State Facilities	No	No	AS 37.05, AS 44.21	
Office of Information Technology	No	No		All SOA employees and citizens using SOA online services
Chief Information Officer	No	No	No	
Alaska Division of Information Technology	No	Security: IRS 1075, CJIS, HIPAA	AS 44.21.020 (9), (10), .150, .305-390, 45.48	
State of Alaska Telecommunication System (SATS)	No	No	Yes, AS 44.21.020(10)	
Alaska Land Mobile Radio (ALMR)	No	No	Yes, AS 44.21.020(10)	

DOA Program Priority Table

Program	Constitutional Requirement	Federal Requirement	Statutory Req.	# of Alaskans Served
Administration State Facilities Rent	No	No	No	
Alaska Public Broadcasting	No	No	Yes	All Alaskans
Public Broadcasting Commission	No	No	AS 44.21.256-290	
Public Broadcasting – Radio	No	No	AS 44.21.256-290	
Public Broadcasting – TV	No	No	AS 44.21.256-290	
Satellite Infrastructure	No	No	AS 44.21.256-290	
Risk Management				736000
Insurance Administration	No	No	Sec 37.05.087	
Claims Adjustment & Litigation Management	No	No	37.05.087, 23.30, 44.23.020	
Risk Allocation	No	No	No	
Contract Review	No	No	No	
Return to Work	No	No	No	
Alaska Oil and Gas Conservation Commission	Yes	Yes	Yes	
Administrative/Financial	No	No	AS 44.21 AS 37.05	
Inspection/Enforcement	No	Yes	AS 31.05	
Orders & Regulations	No	Yes	AS 31.05	
Permitting	No	Yes	AS 31.05	
Data Collection & Management	No	Yes	AS 31.05	
Legal and Advocacy Services	No	Yes	AS 31.05	
Office of Public Advocacy				
Administrative/ Financial/Overhead	N/A	N/A	N/A	
Criminal Defense & Juvenile Delinquency	Yes	Yes	AS 44.21.410	
Appeals	Yes	Yes	AS 44.21.410	
Public Guardian	No	No	AS 13.26.370	
Guardian Ad Litem/CASA	No	No	AS 44.21.410	
Court Visitor	No	No	AS 44.21.410	
Civil Custody	Yes	No	AS 44.21.410	
Parent CINA Rep/Civil	Yes	No	AS 44.21.410	

DOA Program Priority Table

Program	Constitutional Requirement	Federal Requirement	Statutory Req.	# of Alaskans Served
Elder Fraud	No	No	AS 44.21.415	
Public Defender of Alaska	Article I, Secs. 1, 7, 11 & 22 of the Alaska Constitution	United States Constitution, 6th & 14th Amendments	AS 18.85.010-170	22020
Administration	Yes	Yes	Yes	
Criminal Trials	Yes	Yes	Yes	
Civil Trials	Yes	Yes	Yes	
Appeals	Yes	Yes	Yes	
Violent Crimes and Compensation Board	No. However, victims of crime have a constitutional right to restitution from the accused. Board can act as a source of bridging funds.	No. However, Victims of Crime Act establishes annual federal funding to eligible state programs such as Board	AS 18.67	All
Administration	No	No	AS 18.67	
Claims Processing	No	No	AS 18.67	
Alaska Public Offices Commission	No	No	Yes	All Alaskans
Administration/IT	No	No	AS 15.13, AS 24.45, AS 24.60, AS 39.50	
POFD/LFD	No	No	AS 24.60, AS 39.50	
Lobbying	No	No	AS 24.45	
Groups/Candidates	No	No	AS 15.13	
Division of Motor Vehicles	Yes	Yes	Yes	All
DMV Admin/Fin/Record Mgmt/Procure/Supply	No	Title 49	Title 28	
DMV offices	No	Title 49	Title 28	
Driver Services/ Compliance/Examiners	No	Title 49	Title 28	
Information Technology Mainframe costs, software license	No	Title 49	Title 28	
Dealers/Contractors/Business Partners	No	Title 49	Title 28	

Department of Administration
FY22 Subcommittee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
1	Centralized Administrative Services / Office of the Commissioner	Add Deputy Commissioner (02-1163) for Improved Department Oversight	Net Zero 1 PFT Position	This position was added for improved oversight of the department and implementation of statewide centralization initiatives. The department plans to offset expenditures with \$211.7 from the services line to pay for increased personal services costs in this allocation.
2	Centralized Administrative Services / Finance	Eliminate Statewide Single Audit Contract with the Division of Legislative Audit	(\$450.0) Gen Fund (UGF)	This decrement eliminates the Statewide Single Audit contract between the Division of Finance (DOF) and the Division of Legislative Audit (DLA). It also reduces DOF's funding by the amount of the contract. The department states that the constitutional responsibility for performing the Single Audit function is assigned to and should be directly budgeted in DLA. Fiscal Analyst Comment: The full reimbursable services agreement (RSA) between DOF and DLA is for \$1 million, of which \$450.0 is made up of UGF. This arrangement allows for non-UGF fund sources to bear a portion of the cost of the single audit through DOF's rates. Eliminating this cost would require increasing DLA's budget by \$1 million. A more efficient option would be to retain the RSA, and instead replace the \$450.0 UGF with interagency receipts. This would require DOF to increase its rates charged to other agencies, which would minimize UGF costs and shift a portion of this cost to other fund sources (such as federal revenue). DLA is housed in the Legislative Branch, which allows the agency to perform external audits of Executive Branch agencies as an independent auditor.
3	Centralized Administrative Services / Personnel	Add Funding to Maintain Biweekly Payroll Transition Through FY22	\$1,650.0 Gen Fund (UGF) IncOTI	The transition to bi-weekly payroll processing generates an increase to overall payroll costs by approximately \$4.8 million annually across all agencies. Of the \$4.8 million, approximately \$2 million is attributable to UGF. Savings are related to bi-weekly payroll exist both within the Division of Personnel and Labor Relations (DOPLR) and from work performed by agency human resources (HR) staff. DOPLR is reducing their rate it charges agencies by \$2 million, which offsets a portion of the \$4.8 million to lighten the cost burden for agencies. The reduction of \$1.65 million in authority is the difference between the \$2 million and \$350.0, which DOPLR has stated they can absorb in the first year through cost-cutting efficiencies. Additionally, DOPLR states that savings associated with work performed at the department-level cannot be achieved until those HR staff are transferred to DOPLR through an HR consolidation. The division will continue to look for ways to reduce budget authority to achieve the \$2 million in savings in the next few fiscal years. Items 3 and 4 are related.

Department of Administration
FY22 Subcommittee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
4	Centralized Administrative Services / Personnel	Reduce Authority to Align with Anticipated Central Services Revenue	(\$1,659.9) I/A Rcpts (Other)	This decrement represents the reduction to the rate agencies are charged approximately equal to the general fund impact of increased payroll.
5	Shared Services of Alaska / Office of Procurement and Property Management	Establish New Office of Procurement and Property Management Allocated and Transfer Associated Positions and Authority	\$2,763.8 I/A Rcpts (Other) 62 PFT Positions	Items 3 and 4 are related. A new allocation, Office of Procurement and Property Management (OPPM), is created to consolidate all procurement functions under one centralized place. This follows the Governor's directive to implement Administrative Order 304, which establishes a statewide procurement consolidation. The Statewide Contracting and Property allocation will no longer exist and all positions and authority will be transferred to OPPM. A total of 43 positions, mostly Procurement Specialists, from eleven agencies will be transferred to OPPM. A total of 19 positions from various Department of Administration allocations will be transferred to the OPPM allocation.
6	Shared Services of Alaska / Office of Procurement and Property Management	Align Authority for Increased Vendor Fees	Net Zero \$375.0 GF/Prgm (DGF) (\$375.0) I/A Rcpts (Other)	Items 5, 6, and 7 are related. The Office of Procurement and Property Management (OPPM) establishes and maintains contracts with vendors that can be used by all State agencies and political subdivisions. The contracts contain language which states that vendors will pay OPPM an administrative fee of 1.5% of total spend on a quarterly basis. This fund change allows OPPM to collect those fees as they anticipate the volume of the contracts will increase as a result of the procurement consolidation.
7	Shared Services of Alaska / Office of Procurement and Property Management	Add Authority for Statewide Procurement Consolidation (Administrative Order 304)	\$5,977.0 I/A Rcpts (Other)	Items 5, 6, and 7 are related. This increment allows the Office of Procurement and Property Management to bill other agencies for services that will be provided under the statewide procurement and property management consolidation.
8	Shared Services of Alaska / Office of Procurement and Property Management	Add Authority for Federal Surplus Property Program Expansion	\$200.0 Surpl Prop (Fed)	Items 5, 6, and 7 are related. This increment funds a position (10-4231) being transferred from the Accounting allocation to be reclassified from an Office Assistant to a Stocks and Parts Services position. Reclassification of the existing Office Assistant (02-5022) to a Procurement Specialist will also be necessary due to increased demands and responsibilities within the Federal Surplus Property Program. Fiscal Analyst Comment: The Surplus Federal Property Revolving Fund (Fund Code 1033) is designed to collect revenues from users or purchasers of excess federal property that the State has acquired and to pay the administrative expenses incurred in managing this property. If the State makes a profit on the sales, the earnings remain in the fund.

Department of Administration
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(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
9	Shared Services of Alaska / Accounting	Debt Recovery Consolidation	Net Zero \$375.0 GF/Prgm (DGF) (\$375.0) I/A Rcpts (Other)	This fund change allows Shared Services of Alaska (SSoA) to consolidate all debt in one centralized location. Debt is collected from the Alaska Court System debt portfolio fines, fees, and surcharges through PFD garnishments. Additionally, a 5% administrative fee is charged to agencies for services provided related to debt collection.
10	Office of Information Technology / Alaska Division of Information Technology	Reduce Authority to Align with Anticipated Central Services Revenue	(\$13,680.7) Info Svc (Other)	This reduction in authority is due to efficiency gains and cost savings as departments continue to onboard with centralization of IT services, resulting in a higher level of budget authority than needed.
11	Office of Information Technology / Alaska Division of Information Technology	Reduce Authority Due to Realized Cost Savings in Multiple Areas	(\$1,518.0) Info Svc (Other)	The agency has identified savings through multiple reductions related to telework expansion: 1. Migration to Microsoft G5 licensing to replace several existing systems, reducing total cost of operations and increasing capabilities, including telework infrastructure. (\$1,250.0) 2. Decreased need for parking space in Atwood Building from increased teleworking. (\$10.0) 3. Termination of Bayview Commerical Building lease, of which 48 positions will be utilizing shared work space in the Atwood Building with a routine telework model. (\$200.0) 4. Transfer of the Channel Drive lease associated with the State of Alaska Communication System facilities to the Department of Military and Veterans Affairs. (\$58.0)
12	Risk Management / Risk Management	Add Two Operations Research Analysts (02-1161 & 02-1162) for Big Data Analytics Services	Net Zero 2 PFT Positions	A transfer of \$449.2 from the services line to the personal services line was made to offset the costs of these positions. Fiscal Analyst Comment: The Data Analytics section was created in FY21 and is housed in the Risk Management allocation. The section is tasked with creating a data hub that can be centrally located and allow staff to mine and analyze data to help fight waste and abuse, improve efficiencies, and correct discrepancies across State departments. This type of work is not within the traditional scope of the Risk Management division.
13	Risk Management / Risk Management	Reduce Authority by Utilizing Self-Insurance Coverage to Align with Claims	(\$3,000.0) I/A Rcpts (Other)	The Division of Risk Management (DRM) anticipates self-insuring property losses, resulting in a savings of \$3 million of interagency receipt authority billed out to agencies. DRM savings are a result of an analysis of the past fifteen years of claims and a 15-year average for anticipated claim costs. Based on this analysis, DRM determined that it would self-insure property losses instead of purchasing high excess coverage limits on a short-term basis.
				Fiscal Analyst Comment: The legislature should deny this decrement and the budget reduced

Department of Administration
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(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
13	Risk Management / Risk Management	Reduce Authority by Utilizing Self-Insurance Coverage to Align with Claims	(\$3,000.0) I/A Repts (Other)	(continued) through a fiscal note if legislation is introduced to change the statute (AS 37.05.289) to allow the catastrophe reserve account to maintain an unobligated balance of up to \$50 million (an increase from the current \$5 million). DRM has advised that this budget request is contingent on this legislation.
14	Legal and Advocacy Services / Office of Public Advocacy	OPA Court Visitors - Transfer of Responsibilities to the Alaska Court System	(\$854.4) Gen Fund (UGF)	Management of court visitors in guardianship cases is proposed to move from the Department of Administration, Office of Public Advocacy (OPA), to the Alaska Court System (ACS). Both agencies share the view that there is a perceived conflict of interest because OPA is statutorily required both to represent the respondents and to provide court visitors in these matters. This proposal is contingent on statute change. Fiscal Analyst Comment: The legislature should deny this decrement and the budget increased through a fiscal note if legislation is introduced to change the statute to make ACS responsible for the program. A corresponding budget increment of unrestricted general funds is reflected in the Alaska Court System, Trial Courts budget in the amount of \$960.6. According to ACS, transferring the court visitor responsibilities results in an increase of \$106.2 UGF to support a full-time ACS position to manage the program. Currently, OPA does not have sufficient resources to manage the program and will likely need additional funding if the program remains in OPA.
15	Motor Vehicles / Motor Vehicles	Close Multiple DMV Offices and Relocate/Delete Associated Positions	(\$582.5) GF/Prgm (DGF) (4) PFT Positions (2) PPT Positions	The following Division of Motor Vehicle (DMV) offices across the state are proposed to close and relocates or deletes the associated positions and general fund/program receipt (GF/PR) authority: 1. Eagle River Office: Relocate 4 PFT Customer Service Representative positions to the Anchorage DMV, (\$62.8) 2. Tok Office: (1 PFT) Customer Service Representative position, (\$54.6) 3. Valdez Office: (1 PFT) Customer Service Representative position, (\$85.5) 4. Homer Office: (2 PFT) Customer Service Representative positions, (\$164.0) 5. Haines Office: (1 PPT) Customer Service Representative position, (\$94.9) 6. Delta Junction Office: (1 PPT) Customer Service Representative position, (\$120.7) Fiscal Analyst Comment: The DMV lapsed \$33.6 million as UGF revenue in FY20. In FY20, most DMV offices have generated more than enough revenue to meet their GF/PR authority. The deadline to obtain a federal REAL ID is by October 2021 and currently requires an in-person visit. Options to travel to nearby DMV offices may not be easily accessible to all Alaskans.

Department of Administration
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(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
16	Various	Structure Change: Transfer Various Allocations Related to Leases and Facilities to DOT&PF Facilities Services	n/a	The following five allocations related to leases and facilities are proposed to be eliminated from the Department of Administration and established instead under the Department of Transportation and Public Facilities' Division of Facilities Services: 1. Leases 2. Lease Administration 3. Facilities 4. Facilities Administration 5. Non-Public Building Fund Facilities Fiscal Analyst Comment: The Division of Facilities Services was established in FY19 to centralize facilities maintenance and operations to support multi-departmental facilities statewide.

Department of Administration
FY21 Conference Committee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
1	Centralized Administrative Services / Finance	Delete Human Resource Technician (02-4093) and Funding to Realize Consolidation Efficiencies	(\$111.1) Gen Fund (UGF) (1) PFT Position	(\$111.1) Gen Fund (UGF) (1) PFT Position	This reduction realizes efficiencies due to automation of programs and consolidation of human resource services.
2	Centralized Administrative Services / Personnel	Automated Performance Evaluations and Onboard Licensing	\$275.0 I/A Repts (Other)	\$275.0 I/A Repts (Other)	This increment funds anticipated licensing costs for converting the current manual performance evaluation and onboarding processes to an automated process. Fiscal Analyst Comment: The interagency receipt increase will be absorbed by all agencies.
3	Centralized Administrative Services / Personnel	Classification Section Revitalization Plan	\$220.2 I/A Repts (Other) 2 PFT Positions	\$220.2 I/A Repts (Other) 2 PFT Positions	This increment adds two full-time Human Resource Consultants to process high priority classification requests from agencies. This effort is intended to reduce the backlog of requests. Fiscal Analyst Comment: In FY18, three Human Resource Consultant positions and associated funding were deleted from this allocation. The deleted funding was UGF but this increment is funded with interagency receipts, therefore the true costs will be absorbed by other agencies. The FY21 budget deletes five vacant full-time positions and one vacant part-time position as a result of realized efficiencies from the consolidation of human resources services. These positions are all Human Resources Technicians and Office Assistants.
4	Centralized Administrative Services / Personnel	Delete Vacant Positions and Authority to Realize Consolidation Efficiencies	(\$660.0) I/A Repts (Other) (5) PFT Positions (1) PFT Position	(\$660.0) I/A Repts (Other) (5) PFT Positions (1) PFT Position	Fiscal Analyst Comment: The interagency funding from this reduction will reduce costs to all State agencies. This reduction is due to two factors: 1. Contractual savings associated with negotiating enterprise-wide software licenses; and 2. Deleting 11 vacant positions to consolidate the division's staff.
5	Office of Information Technology / Alaska Division of Information Technology	Delete Long-Term Vacant Network Positions and Realize Contract Savings	(\$3,068.3) Info Svc (Other) (11) PFT Positions	(\$3,068.3) Info Svc (Other) (11) PFT Positions	The legislature added \$2,036.6 UGF for Public Radio and \$633.3 for Public Television, matching the FY19 level of funding. The Governor vetoed these increments.
6	Public Communications Services / Various	Legislative Addition of \$2,036.6 for Public Radio and \$633.0 for Public TV Vetoed by Governor	n/a	n/a	

Department of Administration
FY21 Conference Committee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
7	Legal and Advocacy Services / Office of Public Advocacy	Add Positions and UGF Funding for Social Security Administration Compliance	\$1,235.0 Gen Fund (UGF) 10 PFT Positions	\$1,235.0 Gen Fund (UGF) 10 PFT Positions	This increment was described in the Governor's budget request as addressing new Social Security compliance issues. Subsequently, the department changed course and said that the additional funding and positions will be used to increase capacity and meet increased caseloads. The legislature approved the revised increment.
8	Legal and Advocacy Services / Office of Public Advocacy	Increase Funding to Fill and Retain Public Guardian Positions	\$250.0 Gen Fund (UGF)	\$250.0 Gen Fund (UGF)	This increment replaces lost interagency funding with general funds. The additional funding will ensure that the division can fill Public Guardian positions to assist with unsustainable caseloads on current employees.
9	Legal and Advocacy Services / Office of Public Advocacy	Increase Funding for Office of Public Advocacy Travel	\$120.0 Gen Fund (UGF)	\$120.0 Gen Fund (UGF)	The division runs the risk of being held in contempt of court and being fined if it fails to meet statutory obligations to meet with wards and Guardian Ad Litem children.
10	Legal and Advocacy Services / Office of Public Advocacy	Caseload Growth and Operational Cost Supplemental	\$1,700.0 Gen Fund (UGF)	\$1,700.0 Gen Fund (UGF)	Fiscal Analyst Comment: In the FY20 budget, the Governor vetoed \$91.9 of travel funding in this component. In the FY20 management plan, the Governor transferred \$35.5 from services to the travel line to partially offset the veto. OPA has seen significant caseload growth in recent years - the agency reported a 25% increase from FY18 to FY19 and expected a similar increase in FY20. This supplemental appropriation allowed the agency to meet the higher caseload in FY20.
11	Legal and Advocacy Services / Various	FY21 Fund Changes from PCE to UGF Associated with Ch. 4, FSSLA 19 (HB 49)	Net Zero \$1,995.6 Gen Fund (UGF) (\$1,995.6) PCE Endow (DGF)	Net Zero \$1,995.6 Gen Fund (UGF) (\$1,995.6) PCE Endow (DGF)	Similar funding was approved for FY21 (see items 7, 8, and 9). During the 2019 session, the legislature elected to fund the first year (FY20) of new legislation primarily with Power Cost Equalization Endowment funds. To more closely align with the original UGF funding intent of all impacted legislation, the FY21 budget includes fund changes to replace continued funding with UGF. In DOA, the fund changes are \$694.7 in the Office of Public Advocacy and \$1,300.9 in the Public Defender Agency.
12	Legal and Advocacy Services / Public Defender Agency	Increase Funding for Public Defender Agency Travel	\$35.0 Gen Fund (UGF)	\$35.0 Gen Fund (UGF)	The FY21 budget added funding for Public Defender Agency (PDA) travel to address workload throughout the state, avoid contracting out cases at considerable expense, and minimize delays in case disposition. PDA attorneys need to travel to jurisdictions throughout the state to meet their obligation for constitutionally mandated services.

Department of Administration
FY21 Conference Committee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
13	Legal and Advocacy Services / Various	Implement Mental Health Trust Recommendation for Holistic Defense Project in Bethel	n/a	\$372.7 GF/MH (UGF)	The legislature added \$372.7 of GF/Mental Health to continue the Holistic Defence Project in Bethel. This ongoing project began in FY16 and also received \$193.8 of Mental Health Trust Authorized Receipts. The addition matches the Mental Health Trust request.
14	Various	Bar Dues for Licensed Alaska Bar Attorneys	\$116.0 Gen Fund (UGF)	\$116.0 Gen Fund (UGF)	The FY21 budget includes increments totaling \$116.0 UGF across five allocations to pay Alaska State Bar Association dues on behalf of employees who are licensed Alaska attorneys. This is intended to help fill and retain attorney positions. The cost is \$660 per year per employee and would cover 175 positions annually in the following allocations: Centralized Administrative Services Appropriation -Administrative Hearings: \$1.7 -Office of the Commissioner: \$6.3 -Labor Relations: \$3.5 Legal and Advocacy Services Appropriation -Office of Public Advocacy: \$38.1 -Public Defender Agency: \$66.4
15	Various	Structure Change: Transfers of Four Components to Other Agencies	n/a	n/a	The FY21 budget transfers four components from the Department of Administration to other departments as follows: 1. Alaska Oil & Gas Conservation Commission to the Department of Commerce, Community and Economic Development (due to Administrative Order #307) 2. Alaska Land Mobile Radio to the Department of Military and Veterans' Affairs 3. State of Alaska Telecommunications System to the Department of Military and Veterans' Affairs 4. Violent Crimes Compensation Board to the Department of Public Safety.
16	Various	Fund Source Change of 25% of UGF to CBR	n/a	Net Zero \$16,010.0 CBR Fund (UGF) (\$16,010.0) Gen Fund (UGF)	The legislature funded 25% of numbers section UGF items directly from the Constitutional Budget Reserve (CBR) using fund code 1001. For the Department of Administration, that resulted in \$16 million being switched from codes 1003 (GF Match) and 1004 (UGF) to code 1001. Because all three sources are counted as UGF, this change will have no impact on the agency's operations.

FY 2022 Budget Proposal

Alaska Department of Administration

Commissioner Kelly C. Tshibaka

Administrative Services Director Leslie Isaacs

March 2, 2021 | House Finance Subcommittee

DOA Mission and Organization

2

Mission: To provide consistent and efficient support services to state agencies so that they may better serve Alaskans
Vision: To champion improvement in the State's performance and results

Services to State Agencies

Office of
Admin Hearings

Administrative
Services

Finance

Personnel and
Labor Relations

Shared Services of
Alaska

Office of
Information Technology

Risk Management

Services to Alaskans

Retirement and
Benefits

Office of
Public Advocacy

Public Defender
Agency

Violent Crimes
Compensation Board

Alaska Public
Offices Commission

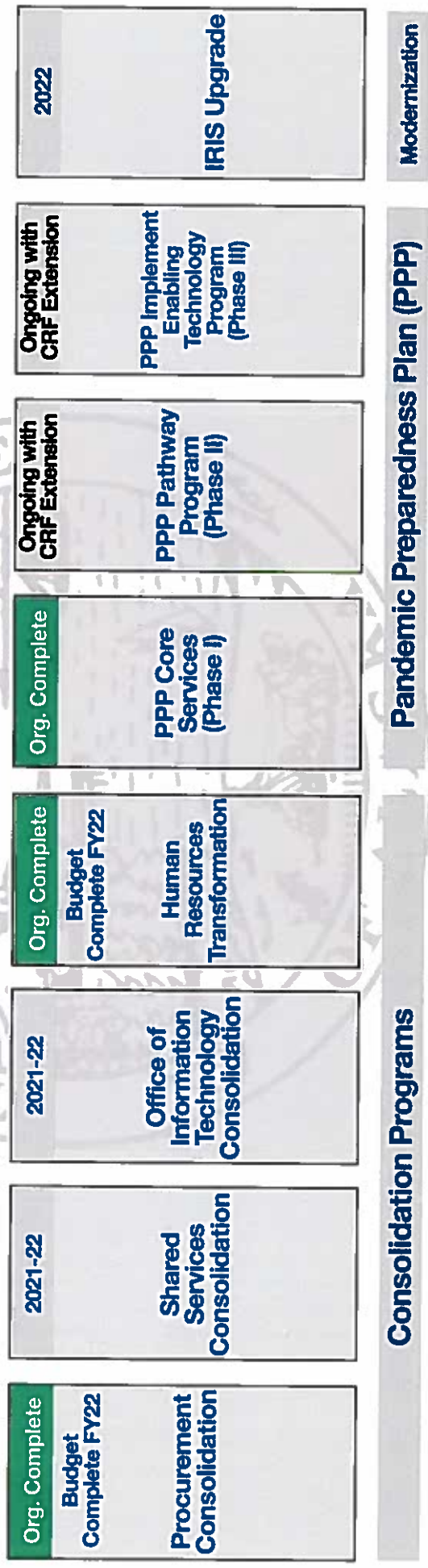
Public Communications
Services

Motor Vehicles

Consolidation and Modernization

3

Technology || Organization || Practices



CARES Act Funding

4

Governor's Request: Develop a plan to ensure worker safety and maintain continuity of government operations

DOA's Approach: Created the Pandemic Preparedness Plan (PPP) which consists of QA Phase, Phase 1, Phase 2 and Phase 3 in 2020

Approved PPP Allocation \$58,180,000

PPP Expenditures \$52,842,529

Under Budget \$5,337,471

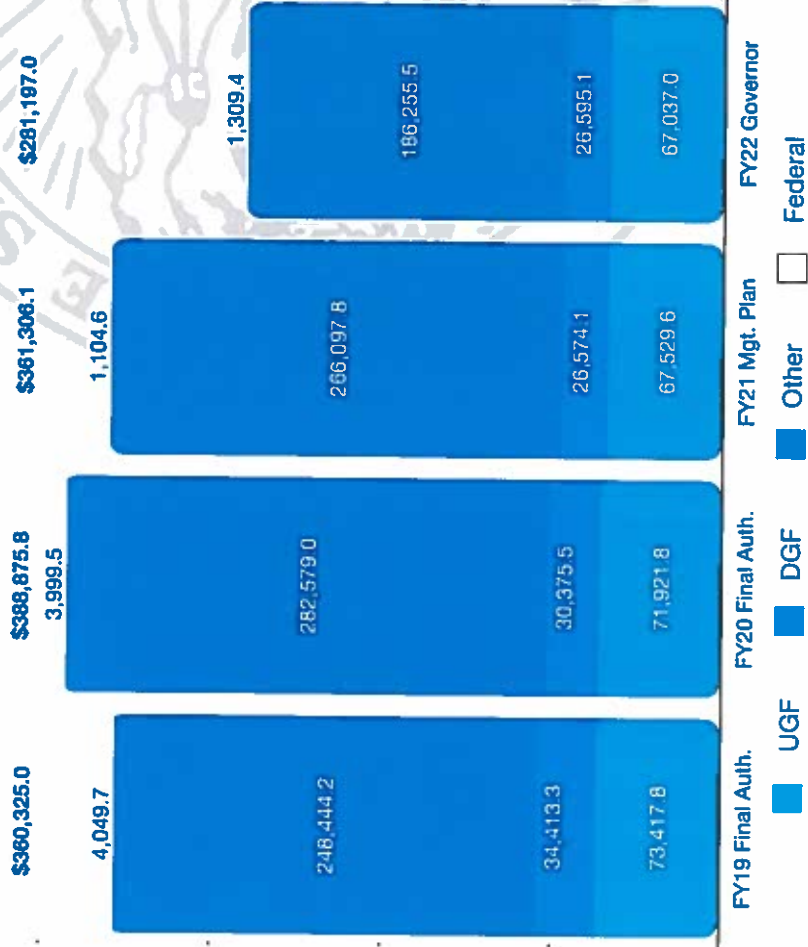
DOA PPP Goals	DOA's PPP Objectives
Pandemic Preparedness Plan Phase 1	Core Services Evaluation: Determine what services & processes can be digitized
Pandemic Preparedness Plan Phase 2	Revise Performance System to Support Telework Infrastructure
	AspireAlaska: Digital Performance Management & Learning Management System
Pandemic Preparedness Plan Phase 3	Enabling Technology: Connectivity, Collaboration, Security & Productivity In Telework Environment
	Service Management System: AlaskaNow—Automate 160+ Manual Processes
	Automate Onboarding, Recruitment, and Timesheets
Pandemic Preparedness Plan Quality Assurance (QA) Phase	QA - Phase 1 - Project Management and Portfolio Oversight
	QA - Phase 2 - Project Management and Portfolio Oversight
	QA - Phase 3 - Project Management and Portfolio Oversight

FY19-22 Budget Comparison

Data Conveyed in Thousands

Total: -\$80.1M (-22%) and +28 positions (+2%) from FY21 to FY22

UGF: -\$492.6k (-1%), DGF: +\$21.0k (0%), Other: -\$79.8M (-30%), Federal: +\$204.8k (+19% from FY21 to FY22)



FY22 Governor Proposed: Significant Changes

- Reclassify full-time Accounting Technicians to part-time in SSoA Accounting
- Reduce budget and PCNs in OAH and APOC
- Reduce insurance coverage to align with claims
- Migrate to Microsoft G5 through cost savings
- DMV Office transitions to public-private partnerships
- Organizational structure changes
 - Leases and Lease Administration to DOT
 - Facilities and Facilities Administration to DOT
 - Non-Public Building Fund Facilities to DOT
- Continue planning, onboarding, and investments to support consolidation efforts
 - AO 304 (Procurement)
 - AO 305 (Human Resources)
 - AO 284 (OIT)

FY22 Budget: Funding Sources

6

DOA Operating Formula (in thousands)

	UGF	DGF	GF Subtotal	Other	Federal	Total	PFT
Formula							
Non-Formula	67,037.0	26,595.1	93,632.1	186,255.5	1,309.4	281,197.0	1,206
*Duplicated				-130,736.7			
Non-Duplicated Total	67,037.0	26,595.1	93,632.1	55,518.8	1,309.4	281,197.0	1,206

DOA Budget: 24% UGF, 9% DGF, 66% Other Funds, <1% Federal
46% Duplicated Fund Sources

Type	Funding Source	FY22 GOV
UGF	1004: General Fund	64,489.7
UGF	1037: General Fund/Mental Health	2,547.3
DGF	1005: General Fund/Program Receipts	26,509.1
DGF	1268: Mental Health Trust Reserve	86.0
FED	1002: Federal Receipts	768.1
FED	1033: Surplus Property	541.3

Type	Funding Source	FY22 GOV
OTHER	1007: Interagency Receipts (Duplicated)	73,473.4
	1017: Benefit System Receipts	42,128.7
	1023: FICA Account	132.2
	1029: P/E Retire	9,158.6
	1034: Teacher Retirement System	3,529.0
	1042: Judicial Retirement System	120.0
	1045: Nat'l Guard/Naval Retirement System	272.8
	1061: Capital Improvement Project Receipts	492.2
	1081: Information Services Fund (Duplicated)	56,771.1
	1092: Mental Health Trust Authority	177.5

Department Summary

7

Total: -\$80.1M (-22%), and +28 Positions (+2%) from FY21 to FY22

UGF: -\$492.6k (-1%) | DGF: +\$21k (+<1%) | Other: -\$79.8M (-30%) | Federal: +\$204.8k (+19%) from FY21 to FY22

DOA Fund Source Comparison

(in thousands)

$\Delta = -\$80,109.1$
 $\% \Delta = -22\%$

$\Delta = -\$79,842.3$
 $\% \Delta = -30\%$

$\Delta = -\$492.6$
 $\% \Delta = -1\%$

$\Delta = \$21.0$
 $\% \Delta = 0\%$

$\Delta = \$204.8$
 $\% \Delta = 19\%$

UGF

DGF

Other

Federal

Total

■ FY21 Management Plan

■ FY22 Governor

Position Count and Employees

(As of 12/15/2020)



■ Budgeted

■ Filled

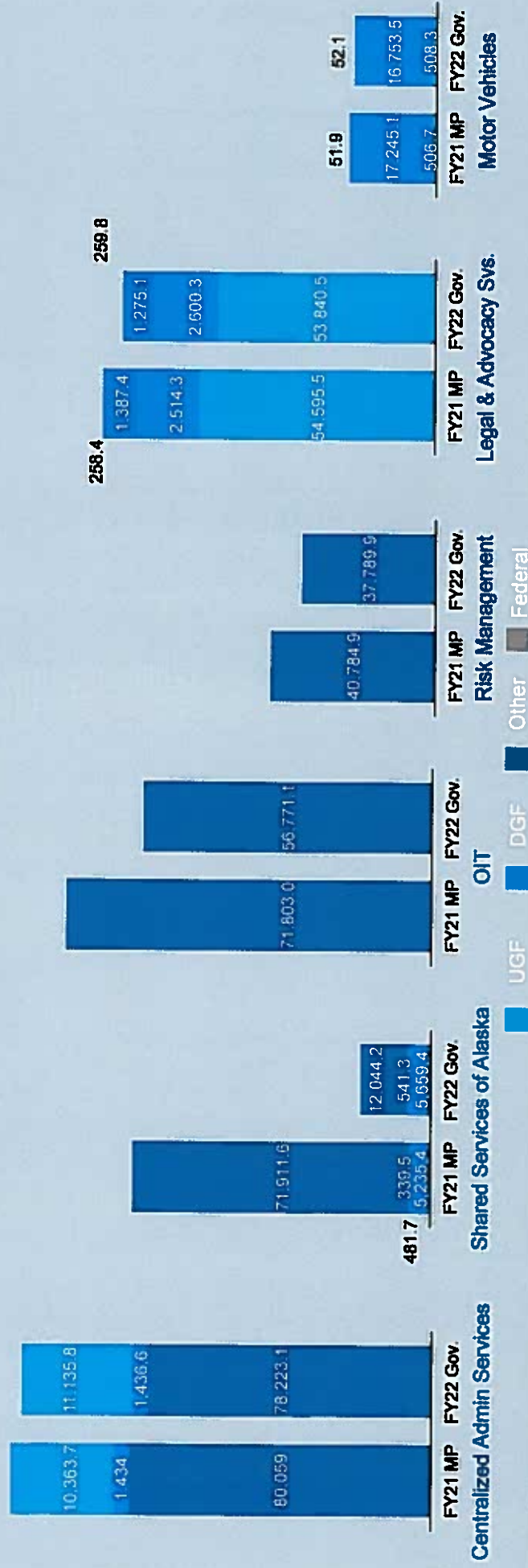
Appropriation/RDU Summary



DOA Appropriations/Results Delivery Units

(in Thousands)

	\$91,858.7	\$90,765.5	\$77,968.2	\$18,244.9	\$71,803	\$66,771.1	\$40,784.9	\$37,788.9	\$68,764.6	\$17,803.7	\$17,313.9
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Centralized Admin Services



9

- -\$1,061.2 (-1%) and -1 positions (0%) from FY21 to FY22
- Delete vacant position

Centralized Admin: Fund Source Comparison

(in thousands)

$\Delta = \$772.1$
 $\% \Delta = 7\%$

$\Delta = \$2.6$
 $\% \Delta = 0\%$

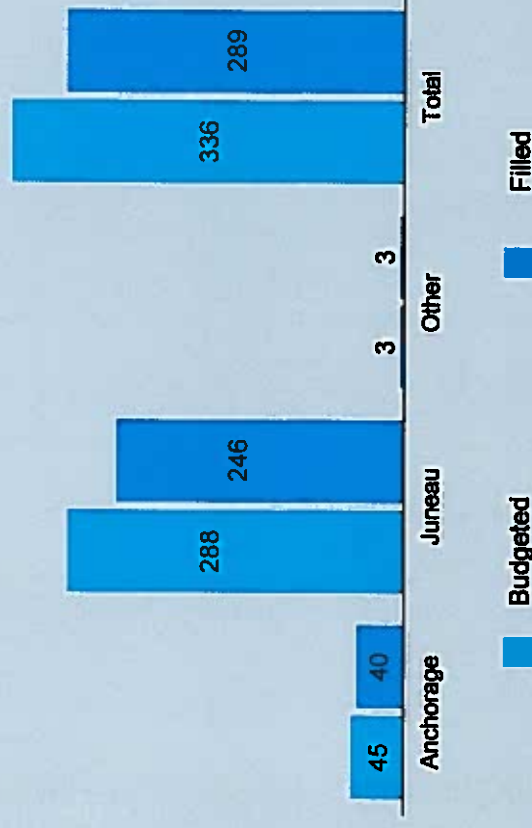
$\Delta = \$1,835.9$
 $\% \Delta = -2\%$

$\Delta = \$1,061.2$
 $\% \Delta = -1\%$



Position Count and Employees

(As of 12/15/2020)



Shared Services of Alaska

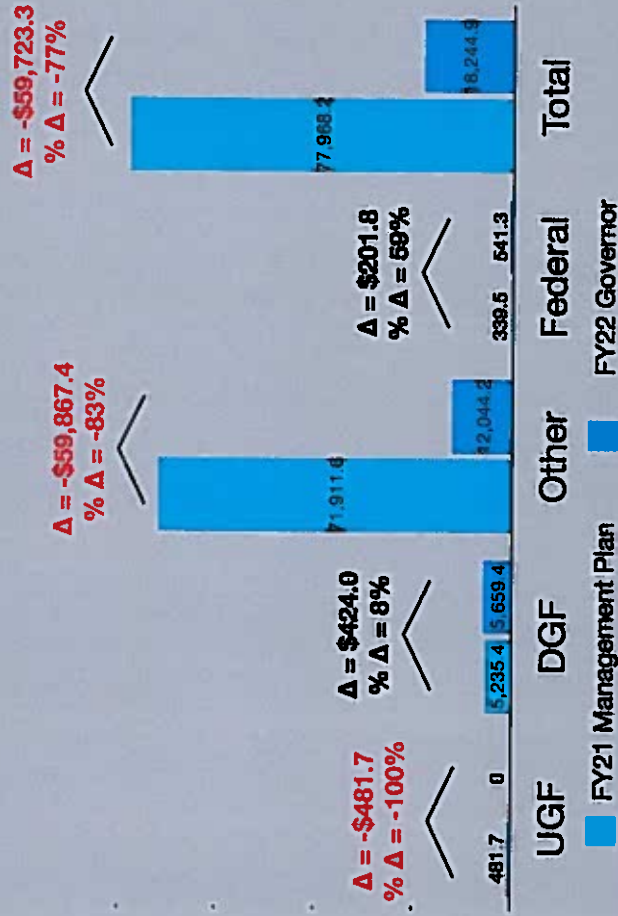
10



- -\$59,723.3 (-77%) and +22 positions (+19%) from FY21 to FY22
- Reduce authority to align with anticipated revenue, expenditures, and procurement consolidation

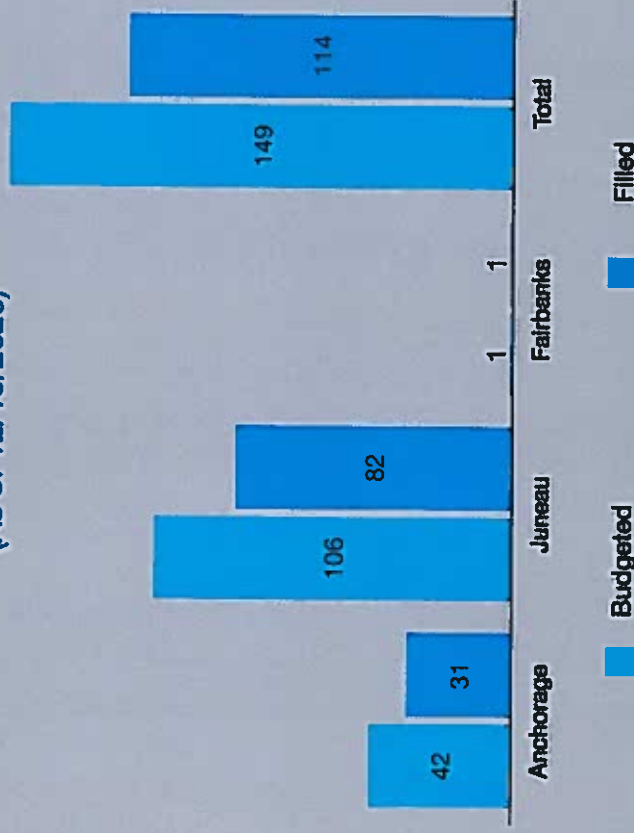
SSoA: Fund Source Comparison

(in thousands)



Position Count and Employees

(As of 12/15/2020)



Office of Information Tech.



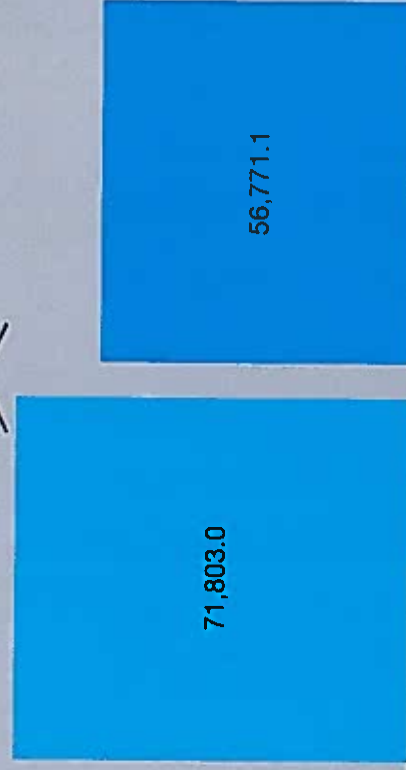
11

- -\$15,031.9 (-21%) and +0 positions (+0%) from FY21 to FY22
- Reduce authority due to realized cost savings in multiple areas

OIT: Fund Source Comparison

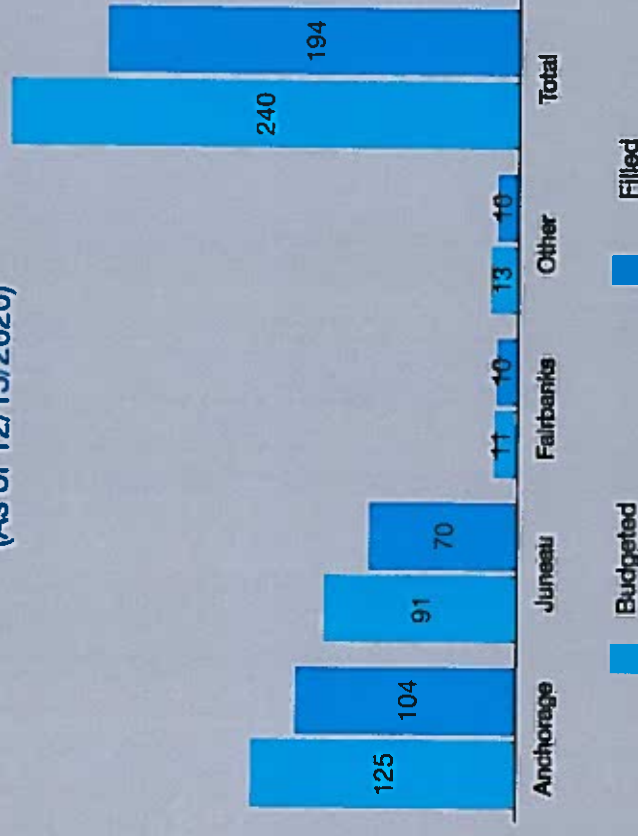
(in thousands)

$\Delta = -\$15,031.9$
 $\% \Delta = -21\%$



Position Count and Employees

(As of 12/15/2020)



Risk Management



12

- -\$2,995.0 (-7%) and +2 positions (+25%) from FY21 to FY22
- Reduce authority by utilizing self-insurance coverage to align with claims

Risk Management: Fund Source Comparison

(in thousands)

$\Delta = -\$2,995$
 $\% \Delta = -7\%$

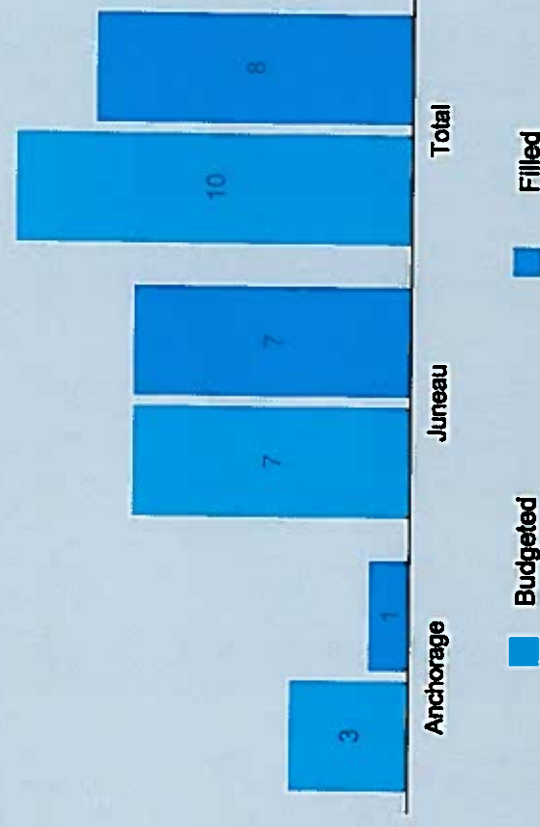


Other

FY21 Management Plan FY22 Governor

Position Count and Employees

(As of 12/15/2020)



Budgeted

Filled

Legal and Advocacy Services

13



- -\$778.9 (-1%) and +9 positions (+3%) from FY21 to FY22
- Add positions and authority to support rural defense and existing units

Legal & Advocacy: Fund Source Comparison

(in thousands)

$\Delta = -\$754.0$
 $\% \Delta = -1\%$

$\Delta = -\$778.9$
 $\% \Delta = -1\%$



Position Count and Employees

(As of 12/15/2020)



Division of Motor Vehicles

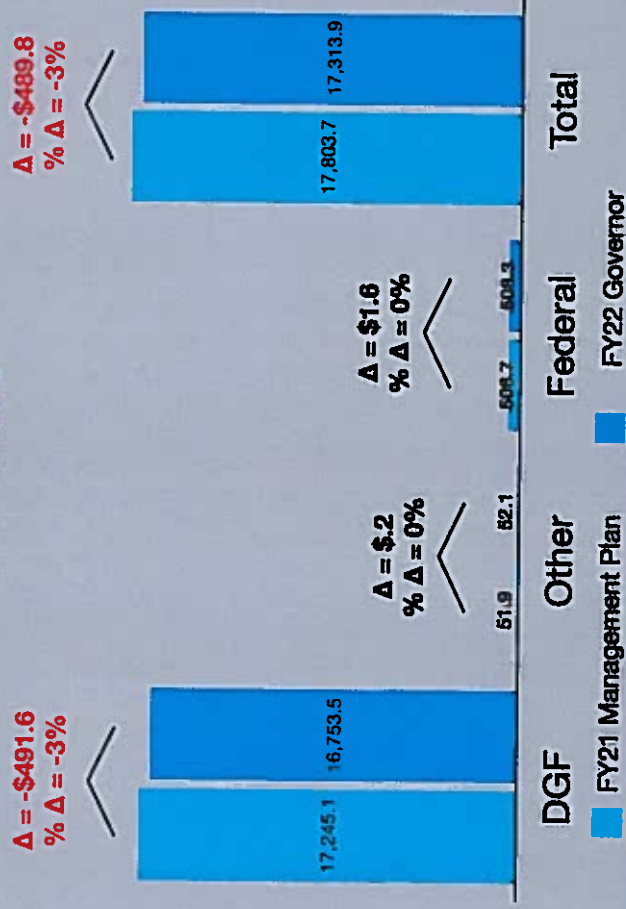


14

- -\$489.8 (-3%) from FY21 to FY22
- Propose transitioning six offices to public-private partnerships, delete vacant positions

DMV: Fund Source Comparison

(in thousands)



Position Count and Employees

(As of 12/15/2020)



Division of Motor Vehicles

Transitions to Public-Private Partnerships

DOA is proposing to transition six DMV locations into public-private partnerships. Once finalized, this effort will:

- Improve service to Alaskans in rural areas
- Create local jobs that hire locally
- Share cost burdens with the private sector

Revenues will not decrease and no jobs will be lost; only vacant PCNs will be eliminated under this transition plan.

Status of Transitions

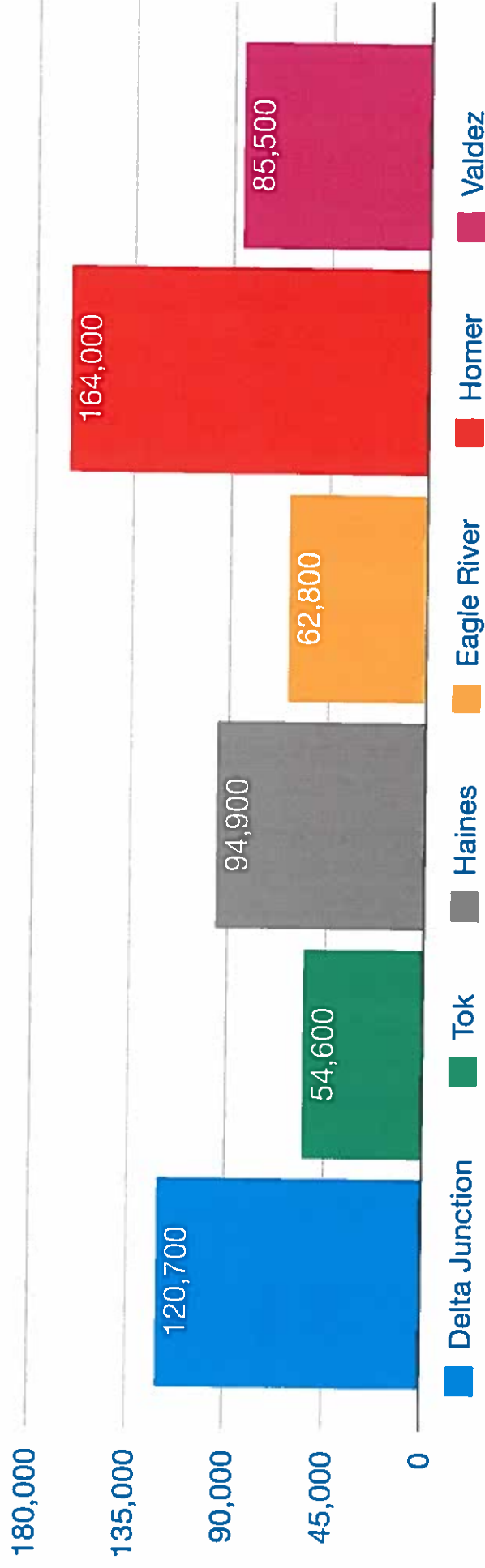
Valdez - In Discussions w/Business Partner
Homer - In Discussions w/Business Partner
Delta Junction - Business Partner Operating

Eagle River - In Discussions w/Business Partner
Haines - Recruiting Business Partner
Tok - Business Partner Selected



Division of Motor Vehicles

Transition Plan | Estimated Cost Savings to the State



Total Estimated Cost Savings, FY22: \$582,500



Changes from FY21 Adj. Base to FY22 Gov

Operating Budget: DOA's 24 components (allocations)



- **5 components transferred out of agency:** Leases, Lease Administration, Facilities, Facilities Administration, and Non-Public Building Fund
- **10 components with no changes from FY21 Adjusted Base to FY22 Gov.:**
 - **Centralized Admin. Services:** DOA Leases, Office of the Commissioner, Administrative Services, E-Travel, Labor Relations, Centralized Human Resources, Health Plans Administration, Labor Agreements Miscellaneous Items
 - Administration State Facilities Rent
 - Satellite Infrastructure

Capital Proposals & Recent Administrative Orders

18



Capital Projects

- None

Recent Administrative Orders

- **Administrative Order No. 284:** Reorganizing Telecommunication and IT Services within the Executive Branch
- **Administrative Order No. 304:** Establish Statewide Procurement Consolidation
- **Administrative Order No. 305:** Establish Statewide Human Resources Consolidation
- **Administrative Order No. 314:** Establish an Executive Branch Process of Data Analytics

**DOA is championing improvement in the
State's performance and results.**

Commitment to Transparency

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The Department of Administration is committed to full transparency in the public process, and our team of Alaskans is dedicated to ensuring that Alaskans have a complete understanding of government operations.

Documents on the Pandemic Plan and other DOA initiatives can be found at: doa.alaska.gov

For additional information, please contact Kelly Hanke at Kelly.hanke@alaska.gov.