

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	CSSB 201(STA)
Fiscal Note Number:	1
(S) Publish Date:	4/8/2024

Identifier: SB201-DOA-CIO-2-9-24
 Title: OFFICE OF INFORMATION TECHNOLOGY
 Sponsor: KAUFMAN
 Requester: (S) STA

Department: Department of Administration
 Appropriation: Office of Information Technology
 Allocation: Chief Information Officer
 OMB Component Number: 3139

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates					
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES								
Personal Services	392.0		784.0	784.0	784.0	784.0	784.0	784.0
Travel								
Services	410.0		277.5	277.5	277.5	277.5	277.5	277.5
Commodities	20.0		4.0	4.0	4.0	20.0	4.0	
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	822.0	0.0	1,065.5	1,065.5	1,065.5	1,081.5	1,065.5	

Fund Source (Operating Only)

1081 Info Svc (Other)	822.0		1,065.5	1,065.5	1,065.5	1,081.5	1,065.5
Total	822.0	0.0	1,065.5	1,065.5	1,065.5	1,081.5	1,065.5

Positions

Full-time	5.0		5.0	5.0	5.0	5.0	5.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**
 If yes, by what date are the regulations to be adopted, amended or repealed? **TBD**

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Office of Information Technology	Date:	01/30/2024 02:00 PM
Approved By:	Leslie Isaacs, Administrative Services Director	Date:	02/09/24
Agency:	Department of Administration		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

This bill establishes the Office of Information Technology (OIT) in statute, responsible for overseeing information technology (IT) projects. It sets standardized processes, project approval criteria, and management requirements across the executive branch in the State of Alaska. The bill also establishes standards for statewide IT purchases. It takes effect on January 1, 2025, with some provisions effective immediately. It aims to improve IT project efficiency and accountability in the state.

To align with the bill's provisions, OIT will create a statewide project governance structure, standardized processes and templates, project management system, and project staff. As the agency lacks the capacity to handle this increased workload, it has identified the financial needs for establishing a statewide IT Project Management Office (PMO), overseen by the State Chief Information Officer. This fiscal note reflects the cost of creating centralized program management for use across the executive branch. In this model, the majority of project managers will be funded as part of specific projects and expected to manage within the standard guidance. This model provides demand driven resourcing and reduces overhead. Consequently, the agency is seeking funding to acquire a software tool and hire Project Management staff essential for the successful implementation of the IT PMO.

Add 5 Project Management Positions

Personnel Services - Total \$784.0 recurring annually. Detail as follows:

- IT Project Manager III (Juneau Range 24 Step C) - \$179.6
- IT Project Manager II (Juneau Range 22 Step C) - \$155.5
- IT Project Manager II (Juneau Range 22 Step C) - \$155.5
- IT Business Analyst II (Juneau Range 21 Step C) - \$146.7
- IT Business Analyst II (Juneau Range 21 Step C) - \$146.7

Indirect costs (Services) of \$10.0 per position for a total of \$50.0

Commodities - \$20.0 first year and fifth year for equipment and supplies, \$4.0 annually for supplies

Add Software Tools

Initial Purchase and Implementation of Software Tool - \$350.0 one time cost

Annual Recurring Cost of Software Tool - \$225.0 recurring annually

Training - \$10.0 one time cost

Training - \$2.5 recurring annually

The first year service costs are as follows:

- 1) Initial Purchase and Implementation of Software Tool - \$350.0 one time cost
- 2) Training - \$10.0 one time cost
- 3) Indirect costs (Services) of \$10.0 per position for a total of \$50.0