

COMMITTEE REPORT

HOUSE

4/20/81

FURTHER:

(11)

Date: Apr. 28, 1981

Mr. Speaker:

The Committee on FINANCE has had HB 358

"An Act making supplemental appropriations to the Department of Health and Social Services, division of public assistance and division of social services; amending ch. 120 SLA 1980; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 358 (Fin) same title new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

McLellan

Bugholtz

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

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[Signature]

CHAIRMAN

Original sponsor: Rules/Governor

Funding Information

General Fund \$ -0-
Other Funds 773,100
\$773,100

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 358 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA :

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Health and Social Services and the
8 Department of Labor and amending the 1980-1981 general
9 appropriations Act (ch. 120, SLA 1980); and providing
10 for an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. (a) Section 51, ch. 120, SLA 1980, page 26, line 6 is
13 amended to read:

14	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
15		ITEMS	FUND	FUNDS
16	Public assistance eligibility	<u>5,602,400</u>	<u>3,743,300</u>	1,859,100
17		[4,717,800]	[2,858,700]	

18 (b) Section 51, ch. 120, SLA 1980, page 26, line 7 is amended to read:

19 Eligibility deter-
20 mination (137
21 positions) 5,462,400
22 [4,577,800]

23 (c) Section 51, ch. 120, SLA 1980, page 26, line 5 is amended to read:

24 Energy assistance program

25	(8 positions)	<u>7,183,800</u>	[183,800]	7,183,800
26		[7,367,600]		

27 (d) Section 51, ch. 120, SLA 1980, page 35, line 9 is amended to read:

28	General relief medical	<u>11,467,500</u>	<u>11,467,500</u>	
29		[12,168,300]	[12,168,300]	

1 (e) Section 51, ch. 120, SLA 1980, page 35, line 10 is amended to
2 read:

3 Hospitals 5,755,000
4 [6,455,800]

5 * Sec. 2. The sum of \$573,100 is appropriated as federal receipts to the
6 Department of Health and Social Services, public assistance to match general
7 funds in secs. 1(a) and (b) of this Act.

8 * Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13
9 are amended to read:

10	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
11		ITEMS	FUND	FUNDS
12	Assistance payments	<u>33,929,300</u>	<u>19,881,000</u>	14,048,300
13		[33,729,300]	[19,681,000]	
14	AFDC	<u>28,296,700</u>		
15		[28,096,700]		

16 (b) Section 51, ch. 120, SLA 1980, page 28, line 18 is amended to
17 read:

18	Old age assistance			
19	payments	<u>4,279,500</u>	<u>4,279,500</u>	
20		[4,479,500]	[4,479,500]	

21 * Sec. 4. The sum of \$200,000 is appropriated as federal receipts to the
22 Department of Health and Social Services, assistance payments, to match
23 general funds in sec. 3(a) of this Act.

24 * Sec. 5. (a) Section 51, ch. 120, SLA 1980, page 29, line 16 is amended
25 to read:

26	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
27		ITEMS	FUND	FUNDS
28	Employment security	<u>26,137,800</u>	<u>619,100</u>	<u>25,518,700</u>
29		[24,457,300]	[204,600]	[24,252,700]

1 (b) Section 51, ch. 120, SLA 1980, page 29 is amended by adding the
2 following after line 16:

3 WIN 1,680,500

(c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

5 * Sec. 6. The unexpended and unobligated portions of the appropriations
6 made by this Act lapse into the funds from which appropriated on June 30,
7 1981.

8 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
9 070(c).

(Legis. Finance Draft)

Funding Information

General Fund \$ ~~485,000~~ - 0 -
 Other Funds 773,100
~~\$1,258,100~~
 \$ 773,100

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 358 (FINANCE)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

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 7 Department of Health and Social Services and the
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	[7,367,600]		

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2 to read:

	Appropriation	General	Other
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	Allocations
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12 * Sec. 2. The sum of \$573,100 is appropriated as federal receipts to
13 the Department of Health and Social Services, Public Assistance to
14 match general funds in sections 1(a) and (b) of this Act.

15 * Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13
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17 Assistance payments	<u>33,929,300</u>	<u>19,881,000</u>	14,048,300
18	[33,729,300]	[19,681,000]	
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	Appropriation	General	Other
	Items	Fund	Funds
Employment security	<u>26,137,800</u>	<u>619,100</u>	<u>25,518,700</u>
	[24,457,300]	[204,600]	[24,252,700]

(b) Section 51, ch. 120, SLA 1980, page 29, is amended by adding the following after line 16.

Allocations

WIN 1,680,500

(c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

~~* Sec. 6. The sum of \$237,000 is appropriated from the general fund to the Department of Labor for the unemployment insurance system redesign capital project.~~

~~* Sec. 7. The sum of \$248,000 is appropriated from the general fund to the Department of Labor, Employment Security, to replace a reduction in federal funds for additional equipment and lease costs during transition to new computer.~~

* Sec. ⁷~~8~~. The unexpended and unobligated portions of the appropriations made by this Act lapse into the funds from which appropriated on June 30, 1981.

* Sec. ⁸~~9~~. This Act takes effect immediately in accordance with AS 01.10.070(c).

(Legis. Finance Draft)

Funding Information

General Fund	\$	485,000
Other Funds		<u>773,100</u>
		\$1,258,100

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 358 (FINANCE)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Health and Social Services and the
8 Department of Labor and amending the 1980-1981 general
9 appropriations Act (ch. 120, SLA 1980); and providing
10 for an effective date."

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13 amended to read:

	Appropriation	General	Other
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16 Public Assistance	<u>5,602,400</u>	<u>3,743,300</u>	1,859,100
17	[4,717,800]	[2,858,700]	

18 (b) Section 51, ch. 120, SLA 1980, page 26, line 7, is amended
19 to read:

Allocations			
21 Eligibility deter-			
22 mination (137			
23 positions)	<u>5,462,400</u>		
24	[4,577,800]		

25 (c) Section 51, ch. 120, SLA 1980, page 26, line 5 is amended
26 to read:

27 Energy assistance program			
28 (8 positions)	<u>7,183,800</u>	[183,800]	7,183,800
29	[7,367,600]		

1 (d) Section 51, ch. 120, SLA 1980, page 35, line 9 is amended
2 to read:

	Appropriation	General	Other
	Items	Fund	Funds
3 General Relief Medical	<u>11,467,500</u>	<u>11,467,500</u>	
4	[12,168,300]	[12,168,300]	

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7 (e) Section 51, ch. 120, SLA 1980, page 35, line 10 is amended
8 to read:

	Allocations
9 Hospitals	<u>5,755,000</u>
10	[6,455,800]

11
12 * Sec. 2. The sum of \$573,100 is appropriated as federal receipts to
13 the Department of Health and Social Services, Public Assistance to
14 match general funds in sections 1(a) and (b) of this Act.

15 * Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13
16 are amended to read:

17 Assistance payments	<u>33,929,300</u>	<u>19,881,000</u>	14,048,300
18	[33,729,300]	[19,681,000]	
19 AFDC	<u>28,296,700</u>		
20	[28,096,700]		

21 (b) Sec. 51, ch. 120, SLA 1980, page 28, line 18 is amended to
22 read:

23 Old age assistance payments	<u>4,279,500</u>	<u>4,279,500</u>
24	[4,479,500]	[4,479,500]

25 * Sec. 4. The sum of \$200,000 is appropriated as federal receipts to
26 the Department of Health and Social Services, Assistance Payments to match
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28 * Sec. 5. (a) Section 51, ch. 120, SLA 1980, page 29, line 16 is
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	Appropriation	General	Other
	Items	Fund	Funds
Employment security	<u>26,137,800</u>	<u>619,100</u>	<u>25,518,700</u>
	[24,457,300]	[204,600]	[24,252,700]

(b) Section 51, ch. 120, SLA 1980, page 29, is amended by adding the following after line 16.

Allocations

WIN 1,680,500

(c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

* Sec. 6. ~~The sum of \$237,000 is appropriated from the general fund to the Department of Labor for the unemployment insurance system redesign capital project.~~

* Sec. 7. ~~The sum of \$248,000 is appropriated from the general fund to the Department of Labor, Employment Security, to replace a reduction in federal funds for additional equipment and lease costs during transition to new computer.~~

* Sec. 8. ~~The unexpended and unobligated portions of the appropriations made by this Act lapse into the funds from which appropriated on June 30, 1981.~~

* Sec. 9. This Act takes effect immediately in accordance with AS 01.10.070(c).

*Sec 6 & 7
to HB 297*

POSITION PAPER
ON WORKING DRAFT FOR
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANCE)

Requested by the Rules Committee
by Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance; and providing for an effective date."

Sections 1 and 2 (Public Assistance Add and Delete Supplemental)

The sum of \$884,600 in general funds is to be deleted from the GR Medical and Energy Assistance BRUs and re-appropriated to the Department of Health and Social Services, Division of Public Assistance, to pay additional FY81 operating costs for field offices. These funds will earn an additional \$573.1 in federal money.

These sections provide a total of \$1457.7 to the Division of Public Assistance in FY81 to fund 56.5 FTE new positions and related costs to handle 1) a substantial increase in public assistance workload, particularly in the food stamp program; 2) an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and 3) positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

Eligibility Determination's FY81 personal services line item balance as of 4/15/81 is 79.0. This balance is not sufficient to meet projected payroll expenditures after April 15, 1981. Without the approval of this FY81 supplemental request, the Department cannot meet the May 15 payroll scheduled to run the night of May 21, 1981.

Sections 3 and 4 (AFDC Add and Delete Supplemental)

The purpose of this adjustment is to cover a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHB 968 in 1980, by moving \$200.0 excess state general funds from the Old Age Assistance Program (OAA). The projected surplus balance in OAA is a result of both caseload and average monthly payments being slightly less than originally projected. The general fund increase in AFDC will be matched by \$200,000 in federal receipts, adding a total of \$400.0 to the AFDC FY81 appropriation.

Department Position

The appropriations referred to above are FY81 supplementals required by the Department of Health and Social Services, and are strongly supported by the Department.

Recommended by: Rod Betit
Rod Betit, Director
Division of Public Assistance

Date: April 27, 1981

Approved by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health and
Social Services

Date: 4-27-81

(Legis. Finance Draft)

Funding Information

General Fund	\$	485,000
Other Funds		<u>773,100</u>
		\$1,258,100

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL, NO. 358 (FINANCE)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making supplemental appropriations to the

7

Department of Health and Social Services and the

8

Department of Labor and amending the 1980-1981 general

9

appropriations Act (ch. 120, SLA 1980); and providing

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amended to read:

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Appropriation

General

Other

15

Item

Fund

Funds

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3,743,300

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Energy assistance program

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[183,800]

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7 Allocations
8 WIN 1,680,500

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14 the Department of Labor, Employment Security, to replace a reduction in
15 federal funds for additional equipment and lease costs during transition to
16 new computer.

17 * Sec. 8. The unexpended and unobligated portions of the appropriations
18 made by this Act lapse into the funds from which appropriated on June 30,
19 1981.

20 * Sec. 9. This Act takes effect immediately in accordance with AS 01.10.
21 070(c).

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental appro. to the Department of Health and Soc. Svcs..."
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	1457.7					

FUNDING (Thousands of Dollars)

GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	52					
PART TIME	0					
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Funds personal service cost for 56.5 FTE positions and Eligibility Worker series reclassification (1298.9); travel for new position training (12.0); guard service in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental transfers 884.6 General fund that is applied to the FY81 Eligibility Determination supplemental need. The net "additional" appropriation of 573.1 is Federal match funding.

IV. DATE April 3, 1981 PREPARED BY *Mason Anderson*
 AGENCY Department of Health and Social Services
 Original: Legislative Finance PHONE 465-3331
 cc: Budget and Management *M. Hubbard 4/16/81*
 Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 353
 Title "An Act making a supplemental appro. to the Dept. of Health and Social Services."
 Requested by Rules Committee by Request of the Governor Date 3/18/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health
 BRU, Program, or Subprogram(s) Affected General Relief Medical - Hospitals
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(700.8)					
TOTAL	(700.8)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(700.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

To reduce General Relief Medical - Hospitals by 700.8 in order to fund and increase in Eligibility Determination.

	FY 81		FY 81	
	PROJ.		PROJ.	
	EXPEND.		EXPEND.	
	LAPSE		LAPSE	
	6,455.8	-	3,716.5	= 2,739.3

(see attachment)

IV. DATE April 7, 1981 PREPARED BY Mason Anderson
 AGENCY Health and Social Services
 Original: Legislative Finance PHONE 465-3331
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) M&B Approval M. Anderson Date 4/8/81

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental approp. to the Department of Health and Soc. Svcs.."
 Requested by Rules Committee by request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Energy Assistance Program
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
TOTAL	(183.8)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE April 3, 1981 PREPARED BY *Mason Anderson*
 AGENCY Department of Health and Social Services
 Original: Legislative Finance PHONE 465-3331
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) *M. Hubbard 4/6/81*

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Social and Economic Assistance for the General Population
 BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
TOTAL	400.0					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Summary of FY 81 AFDC:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	6835	342.56	12	28,096.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6438	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson
 AGENCY Department of Health and Social Services
 PHONE 465-3331
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

M. Habstad
4/6/81

HOUSE BILL 358 CONTINUATION SHEET

shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "delete and add" Supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL
 Agency Affected Department of Health and Social Services
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Old Age Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
TOTAL	(200.0)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Summary of FY 81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FT 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly pay- (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson
 AGENCY Department of Health and Social Services
 PHONE 465-3331
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) *M. Hubbard 4/6/81*

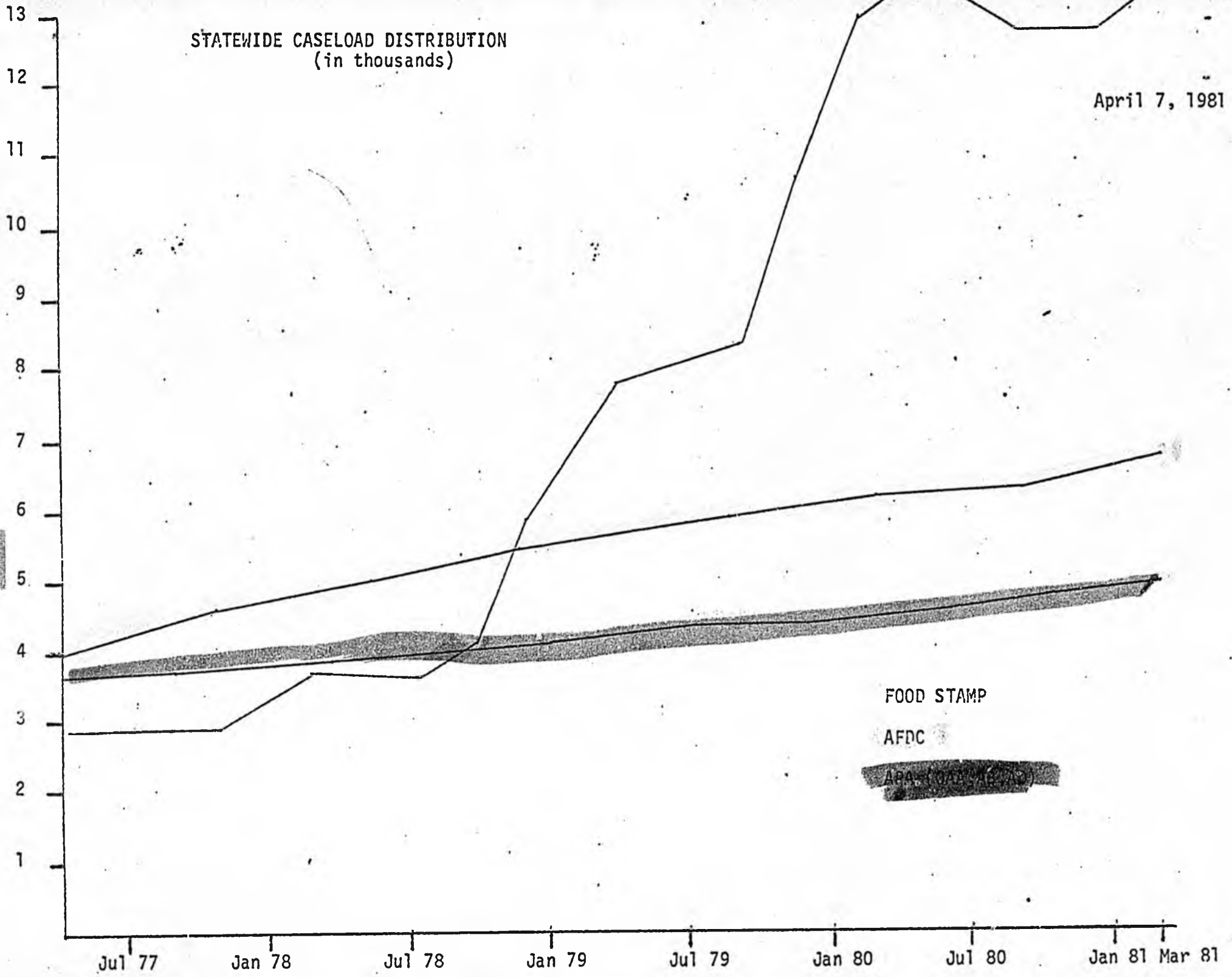
HOUSE BILL NO. 358 CONTINUATION SHEET

ments being slightly less than originally budgeted.

A FY 81 "delete & add" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component.

STATEWIDE CASELOAD DISTRIBUTION
(in thousands)

April 7, 1981



ELIGIBILITY DETERMINATION BRU

DISTRIBUTION OF FY81 AUTHORIZED STAFFING

	No. of ET I,II,III			No. of Supervisors/Adm.			No. of Clerical			TOTAL
	FCC	Supp	Total	FCC	Supp	Total	FCC	Supp	Total	
CENTRAL OFFICE	1	1	2	6	0	6	3	1	4	12
Juneau	7	0	7	2	0	2	2	0	2	11
Sitka	1	0	1	0	0	0	0	0	0	1
Ketchikan	4	.5	4.5	0	0	0	1	0	1	5.5
Petersburg	.5	0	.5	0	0	0	0	0	0	.5
Wrangell	1	0	1	0	0	0	0	0	0	1
SOUTHEAST	13.5	.5	14	2	0	2	3	0	3	19
Anchorage	30	10.5	40.5	6	0	6	10	16	26	72.5
Palde	.5	0	.5	0	0	0	0	0	0	.5
Billingham	1	0	1	0	0	0	0	0	0	1
Wasilla	4	1	5	0	0	0	0	3	3	8
Kodiak	1	1	2	0	0	0	.5	0	.5	2.5
Kenai	4	2.5	6.5	0	0	0	1	2	3	9.5
SOUTHCENTRAL	40.5	15	55.5	6	0	6	11.5	21	32.5	94
Fairbanks	15	5	20	3	0	3	3	10	13	36
Alena	.5	0	.5	0	0	0	0	0	0	.5
St. Yukon	1	0	1	0	0	0	1	0	1	2
NORTHERN	16.5	5	21.5	3	0	3	4	10	14	38.5
Bethel	8	0	8	3	0	3	3	0	3	14
Chitina	1.5	0	1.5	0	0	0	0	0	0	1.5
SOUTHWEST	9.5	0	9.5	3	0	3	3	0	3	15.5
Chitina	1.5	2	3.5	1	0	1	1	1	2	6.5
Nome	2	0	2	0	0	0	0	0	0	2
Unalakleet	.5	0	.5	0	0	0	0	0	0	.5
NORTHWEST	4	2	6	1	0	1	1	1	2	9
REGIONAL TOTALS	85	23.5	108.5	21	0	21	25.5	33	58.5	188

SUMMARY (shown as full time equivalents)

	PFT	PPT	SEAS	TOTAL
July 1	126	5.5		131.5
July 1 SUPP(Mauneluk)	4			4
July 22 SUPP(BRC)	16		4	20
Dec 3 SUPP(BRC)	25			25
Dec 10 SUPP(BRC)	7	.5		7.5
	178	6	4	188

MEMORANDUM

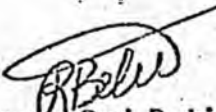
State of Alaska

TO: Allen Korhonen, Deputy Commissioner
for Administrative Management
Department of Health & Social Services

DATE: November 26, 1980

FILE NO:

TELEPHONE NO:


FROM: Rod Betit, Director
Division of Public Assistance
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ETs desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

Summary of Costs To Resolve Arch/Fax Problem

Effective Dec 16

COLUMN - WRITE

	Position	Loc	Salary
1	New ET I	ANCH	1761
2	New ET I	ANCH	1761
3	New ET I	ANCH	1761
4	New ET I	FBX	1795
5	New ET I	FBX	1795
6	New ① Clerk III	ANCH	1393
7	②		
8	③		
9	④		
10	⑤		
11	⑥		
12	⑦		
13	⑧		
14	⑨		
15	⑩		
16	⑪		
17	⑫		
18	⑬	FBX	1564
19	⑭		
20	⑮		
21	⑯		
22	⑰		
23	⑱		
24	⑲		
25	⑳		
26			33501 monthl. Salary
27		Benef. 714	6599
28		Fica 2613	2360
29		25 x 134	3250
30			5010 month
31			x 6.5 months
32			329615
33			+ 150.0 Fed
34			329.6 Staff Costs
35			+ 25.0 overtime
36			+ 10.0 travel
37			364.6
38			> 145.8 Federal Funds
39			218.8 State Funds
40			

effective Dec 16

R.P. [Signature]

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

Unit	Current Staff			Needed Staff			Difference		
	Clk.	ET	Supv.	Clk.	ET	Supv.	Clk.	ET	Supv.
Reg. Mgr.	1.0	1.0	2.0	1.0	1.0	2.0	-0-	-0-	-0-
Cler. Unit	7.0	-0-	1.0	3.0	-0-	1.0	(4.0)	-0-	-0-
AFDC Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
FSP/GR Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
APA/XIX	1.0	6.0	1.0	5.0	9.0	1.0	4.0	3.0	-0-
Field	1.0	4.0	1.0	2.0	4.0	1.0	1.0	-0-	-0-
QA	-0-	2.0	-0-	.5	2.0	-0-	.5	-0-	-0-
TOTALS	12.0	37.0	7.0	23.5	40.0	7.0	11.5	3.0	-0-

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
 - Completing FSAF (computer input document)
 - Notice of Action to client
 - ATP, GR field warrants
 - Pre-application screening
 - changes such as address changes, and household membership changes on no income cases
 - Case file maintenance
 - Monitoring of Foodstamp redetermination and mailing of review applications

SECTION III - APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
 - completion of BAF
 - completion of notice of action
 - case file maintenance
 - processing of non-eligible changes
 - monitoring of annual reviews and mailing of review applications
 - pre-application screening on new cases
 - monitoring of SOX, BEINDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 75% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April 1981.
- (2) QA is reviewing ET case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: November 20-21, 1980

SECTION VI - FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

(1) Office staff performs the following functions currently:

- 1 Clerk V - Supervisor
- 1 Clerk - Communications
- 2 Clerks - Issuance of ATPs and Field Warrants
- 1 Clerk - Receptionist
- 1 Clerk - Switchboard
- 2 Clerks - Central File Room

(2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.

(3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.

(4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

ALASKA -

AFDC Unit

Before After

14

19

7. Caseloads

Caseloads are distributed by program. Units are set up by program as well. The AFDC Unit is split into categories, those that are "earnings" cases and those that are "non-earnings" cases. The Food Stamp Unit is split into those that are non-assistance food stamp households and those that are General Relief Assistance (GRA) and General Relief Medical (GRM). Caseloads are extremely high. To further complicate the fact, adequate clerical support does not exist. Caseload is one of the big problems in the office, as the following series of examples illustrates. One worker has a 190 case backlog on the basic action form (BAF) changes. The oldest one that the individual had was for June, 1980 and the date this was determined was in late September. In Food Stamps, on the 24th of September, there were 48 people waiting to be seen as "stand-bys". That number had increased to something like 75 by the end of the day. One worker in the client services unit said that about 40% of the clients coming to the Client Services Unit do not need to be there, if appropriate action is taken in a timely manner on the BAF's. In one of the public assistance units, primarily the AFDC Units caseloads in the earned income cases tended to be around 250 and around 300 per worker in the non-earned income cases. The food stamp eligibility workers had equally heavy caseloads. Following is a comparison of Alaska's staffing compared to that which would be required in Oregon based on the identical caseloads. Caseloads vary substantially between offices.

AFDC Staff Comparisons
Based on Caseload of 2,258

Alaska		Oregon
12	Eligibility Workers	19
1	Supervisors	2
1	Clerks	14
0	Unit Clerks	2
0	Aides	2
14	TOTAL	39

8. Supervision

Workers are assigned to supervisors based on the specialty of that particular unit. The office has one AFDC supervisor, one non-assistance food stamp supervisor, and one supervisor responsible for the field unit which includes both food stamps and AFDC cases in the outlying areas. Supervisory absences are covered by a lead worker within the unit. There are no special supervisory expectations established in the local office. Supervisors do maintain spot checks on various records and they sometimes monitor the interviews. The Quality Assurance Unit is the unit primarily responsible for the review of the case records however, they do not review 100% of

ROD BETT

AFDC

Management
and
Administrative
Review

Alaska

September 1980

Region X



Original sponsor: Rules/Governor

Offered: 4/20/81
Referrrd: Finance

Funding Information

General Fund \$ 937,800
Other Funds 573,100
\$1,510,900

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 358 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Health and Social Services and the
8 Department of Labor and amending the 1980-1981 general
9 appropriations Act (ch. 120, SLA 1980); and providing
10 for an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$1,273,900 is appropriated to the Department of
13 Health and Social Services, division of public assistance, for additional
14 program costs for the fiscal year ending June 30, 1981, from the following
15 sources:

16 general fund \$700,800
17 other funds 573,100

18 * Sec. 2. Section 51, ch. 120, SLA 1980, page 26, line 5 is amended to
19 read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
22 Energy assistance program			
23 (8 positions)	<u>7,183,800</u>	[183,800]	7,183,800
24	[7,367,600]		

25 * Sec. 3. Section 51, ch. 120, SLA 1980, page 26, line 6 is amended to
26 read:

	APPROPRIATION	GENERAL	OTHER
	ITEMS	FUND	FUNDS
29 Public assistance			

1 eligibility 4,901,600 3,042,500 1,859,100
 2 [4,717,800] [2,858,700]

3 * Sec. 4. Section 51, ch. 120, SLA 1980, page 26, line 7 is amended to
 4 read:

5 ALLOCATIONS

6 Eligibility deter-
 7 mination (137 posi-
 8 tions) 4,761,600
 9 [4,577,800]

10 * Sec. 5. Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13 are
 11 amended to read:

12	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
13		ITEMS	FUND	FUNDS
14	Assistance payments	<u>34,129,300</u>	<u>19,881,000</u>	<u>14,248,300</u>
15		[33,729,300]	[19,681,000]	[14,048,300]
16	AFDC	<u>28,496,700</u>		
17		[28,096,700]		

18 * Sec. 6. Section 51, ch. 120, SLA 1980, page 28, line 18 is amended to
 19 read:

20		APPROPRIATION	GENERAL
21		ITEMS	FUND
22	Old age assistance payments	<u>4,279,500</u>	<u>4,279,500</u>
23		[4,479,500]	[4,479,500]

24 * Sec. 7. Section 51, ch. 120, SLA 1980, page 29, line 16 is amended to
 25 read:

26		APPROPRIATION	GENERAL	OTHER
27		ITEMS	FUND	FUNDS
28	Employment security	<u>36,137,800</u>	<u>867,100</u>	<u>25,270,700</u>
29		[24,457,300]	[204,600]	[24,252,700]

1 * Sec. 8. Section 51, ch. 120, SLA 1980, page 29 is amended by adding
2 the following after line 16:

3 ALLOCATIONS

4 WIN 1,680,500

5 * Sec. 9. Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

6 * Sec. 10. The sum of \$237,000 is appropriated from the general fund to
7 the Department of Labor for the unemployment insurance system redesign
8 capital project.

9 * Sec. 11. The unexpended and unobligated portions of the appropriations
10 made by this Act lapse into the funds from which appropriated on June 30,
11 1981.

12 * Sec. 12. This Act takes effect immediately in accordance with AS 01.-
13 10.070(c).

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Funding Information
 General Fund \$ 770,300
 Other Funds 573,100
\$1,343,400

Introduced: 3/18/81
 Referred: Health, Education &
 Social Services and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
 REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 358

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
 7 Department of Health and Social Services, division of
 8 public assistance and division of social services;
 9 amending ch. 120 SLA 1980; and providing for an effec-
 10 tive date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. The sum of \$1,273,900 is appropriated to the Department of
 13 Health and Social Services, division of public assistance, to pay additional
 14 FY 81 program costs, from the following sources:

15	General fund	\$700,800
16	Other funds	573,100

17 * Sec. 2. The sum of \$69,500 is appropriated from the general fund to
 18 the Department of Health and Social Services, division of social services,
 19 to pay the costs of social services programs in the Kotzebue area.

20 * Sec. 3. Section 51, ch. 120 SLA 1980, page 26, line 5 is amended to
 21 read:

22		APPROPRIATION	GENERAL	OTHER
23		ITEMS	FUND	FUNDS
24	Energy assistance program			
25	(8 positions)	<u>7,183,800</u> [7,367,600]	[183,800]	7,183,800

26 * Sec. 4. Section 51, ch. 120 SLA 1980, page 26, line 6, is amended to
 27 read:

28	APPROPRIATION	GENERAL	OTHER
29	ITEMS	FUND	FUNDS

1 Public assist-
2 ance eligi-

3 bility 4,901,600 [4,717,800] 3,032,500 [2,858,700] 1,859,100

4 * Sec. 5. Section 51, ch. 120 SLA 1980, page 26, line 7, is amended to
5 read:

6 ALLOCATIONS

7 Eligibility determination

8 (137 positions) 4,761,600 [4,577,800]

9 * Sec. 6. The unexpended and unobligated parts of the appropriations
10 made in this Act lapse into the funds from which they were appropriated
11 June 30, 1981.

12 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

POSITION PAPER

HOUSE BILL NO. 358

Requested by the Rules Committee
by Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance and Division of Social Services; amending ch. 120 SLA 1980; and providing for an effective date."

* Section 1. The sum of \$1,273,900 is appropriated to the Department of Health and Social Services, division of public assistance, to pay additional FY 81 program costs, from the following sources:

General Fund	\$700,800
Other Funds	573,100

This section appropriates \$1,273,900 to the Division of Public Assistance for a FY 81 supplemental budget request to fund 56.5 FTE new positions and related costs to handle a substantial increase in public assistance workload, particularly in the food stamp program; an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

* Sec. 2. The sum of \$69,500 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to pay the costs of social services programs in the Kotzebue area.

Projections as of February 28 indicate that social services can continue to be provided throughout the region with existing funds. This is possible because it was necessary to hold several positions vacant for seven months due to underfunding, and by transferring 6.0 from contractual and commodities to travel by a revised program which was previously submitted, but is still pending. Services to the Kotzebue area were continued on an itinerant basis out of the Nome office until vacancies no longer were necessary. This supplemental is not required and should be withdrawn.

* Sec. 3. Section 51, ch. 120 SLA 1980, page 26, line 5 is amended to read:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Energy assistance program (8 positions)	<u>7,183,800</u> [7,367,600]	[183,800]	7,183,800

This section reduces the appropriation for the Energy Assistance program by 183.8 general funds. This amount was budgeted in order to provide a required general fund match for receipt of federal funds. This matching requirement was later waived by the Federal Department of Health and Human Services.

* Sec. 4. Section 51, ch. 120 SLA 1980, page 26, line 6, is amended to read:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Public assistance eligibility	<u>4,901,600</u> [4,717,800]	<u>3,042,500</u> [2,858,700]	1,859,100

* Sec. 5. Section 51 ch. 120 SLA 1980, page 26, line 7, is amended to read:

	<u>ALLOCATIONS</u>
Eligibility Determination (137 positions)	<u>4,761,600</u> [4,577,800]

Sections 4 and 5 appropriate the 183.8 reduced by Section 3 to the appropriation for Public Assistance Eligibility and allocation for Eligibility Determination to provide additional funds required for the purpose in Section 1.

New Section Required

Section 51, ch. 120 SLA 1980, should be amended as follows:

Category: Social Services; Page 25, Line 12

<u>Allocations</u>	<u>Appropriations</u>	<u>G.F.</u>	Other
Asst. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]

AFDC

28,496,700 [29,096,700]

Category: Social Services; Page 28, Line 18

Old Age Asst. 4,279,500 [4,479,500] 4,279,500 [4,479,500]
Pmts.

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHR 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Summary

The effect of this bill is as follows:

<u>BRU</u>	<u>COMPONENTS</u>	<u>IMPACT FY 81</u>
Elig. Deter.	Elig. Deter.	1,457.7 increase
Energy Asst.	Energy Asst.	183.8 decrease
Asst. Pmnts.	AFDC	400.0 increase
Old Age Asst.	Old Age Asst.	200.0 decrease

The letter dated March 27 from the Office of the Governor included increases of 400,000 and 1,331,000 as new sections for HB 358. The 1,331,000 referred to in this letter is unnecessary.

Department Position

The appropriations referred to above are FY 81 supplementals required by the Department of Health and Social Services.

Recommended by: Rod Betit
Rod Betit, Director
Division of Public Assistance

Date: April 6, 1981

Approved By: Helen D. Beirne
Helen D. Beirne
Commissioner

Date: 4/7/81

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget and Management
Office of Governor

DATE:

FILE NO:

TELEPHONE NO:

FROM: *Helen D. Beirne*
Helen D. Beirne, Commissioner
Department of Health & Social Services

SUBJECT: FY81 Supplemental Request
PA Eligibility BRU
Eligibility Determination
Allocation

The Department of Health & Social Services requests an FY81 supplemental appropriation for the Division of Public Assistance's Eligibility Determination component in the amount of \$1457.7 of which \$884.6 is state general funds and \$573.1 is federal funds. This supplemental request involves five separate under-funding issues: 1) funding for 24.0 new positions; 2) eligibility worker series classification upgrade; 3) replacement of deleted funds for FY81 Mauneluk contract; 4) funding for 32.5 new positions; and 5) U.S. Post Office contract underfunding and additional office space in Anchorage.

1) On July 22 the Department met with the BRC to consider a supplemental request for eight new PFT eligibility workers, eight new clerical positions, contractual funds for security guard service for the Anchorage and Fairbanks lobbies, and continuing funding for the eight seasonal eligibility staff. The Department's request for 24 positions (16 full-time plus 8 seasonals) was approved representing an additional 256 man months in FY81 at a cost of \$474.3 in personal services, and 40.0 in contractual for the security guard services. (Attachment #1)

2) On February 15, 1980, representatives of the State of Alaska and the Alaska Public Employees Association signed a Letter of Agreement to the General Government Unit contract which stipulated in part that a classification study of the Eligibility Worker series would be completed by September 16, 1980. In response to this agreement, a comprehensive classification and salary review was performed by the Division of Personnel, Department of Administration. The specific recommendations resulting from this classification review are summarized below:

<u>Abolish</u>			<u>Establish</u>		
<u>Title</u>	<u>Range</u>		<u>Title</u>	<u>Range</u>	
Eligibility Worker I	9		Eligibility Technician I	12	
Eligibility Worker II	11		Eligibility Technician II	13	
Eligibility Worker III	12		Eligibility Technician III	14	
Eligibility Worker IV	14		Eligibility Technician IV	15	
Eligibility Work Mgr.	16				

These recommended changes are effective October 16, 1980. The supplemental resources to fund this series upgrade for the period October 16 through June 30, 1981 is \$265.3. (See attachment #2)

3) With the 1980 Legislature's creation of the Mauneluk BRU, the Division of Public Assistance lost funding for the four positions connected with its Kotzebue operation, and associated support funding. This requests funding for personal service and support costs for providing continued services in the Kotzebue region while the FY81 Mauneluk contract is negotiated. Supplemental funding of 137.0 represents the resources required for a full 12 months of service in FY81.

4) On December 3 the Department met with the BRC to review a supplemental request for five new PFT Eligibility Technicians I-II (FS), twenty new Clerk III positions, and support funding for travel and equipment. The Department's request for these 25.0 positions was approved representing an additional 162.5 man months in FY81 at a cost of \$329.6 in personal services, 10.0 for travel, and 25.0 for support equipment. Subsequent to the December 3 meeting, a staffing level analysis of the Wasilla and Kenai district offices resulted in the request for an additional 7.5 positions (3.0 Wasilla, 4.5 Kenai). Supplemental position funding for these positions, approval effective December 22, is 108.4. Authority to establish these new positions enables the Department to implement substantial changes in the configuration of eligibility workflow operations in Public Assistance's Anchorage, Fairbanks, and Wasilla offices. (See attachment #4)

5a) The Division of Public Assistance has held a contract with the U.S. Postal Service for the sale of food stamps (redeeming ATP transaction) in Anchorage, Fairbanks, Juneau, and Ketchikan. The contract documents are negotiated nationally between the U.S. Postal Service and the Department of Agriculture on behalf of all states. In March 1980 a new contract from the U.S.P.S. adjusted the consideration per ATP transaction from \$1.10 to \$1.42. (See attachment #5.) This 30% rate increase was not anticipated, nor budgeted for in FY81 but is the rate charged effective June 1, 1980. Additionally, the actual number of clients using the above mentioned Post Office locations to redeem their monthly Food Stamp Authorization card (ATP) exceed the FY81 budgeted authorization.

	<u>Trans-</u>	<u>Price per</u>	<u>Months</u>		
	<u>actions</u>	<u>Transaction</u>			
FY81 Current Authorization	7000	x \$1.10	x 12	=	92.4
FY81 Revised need	8125	x 1.42	x 12	=	<u>138.5</u>
FY81 Shortfall					46.1

5b) Office space in Anchorage for district and regional staff is not adequate. In order to allow sufficient office space for client in-take and staff work area, an additional 2200 sq. ft. is required.

FY81 Revised Need 2200 sq. ft. x \$2.00/sq. ft. x 5 months = 22.0

A supplemental request of 68.1, to fund the above shortfall (46.1 + 22.0), is required to continue vital contractual service and to provide adequate office space in Anchorage.

FY81 Supplemental Request is summarized as follows:

	<u>TOTAL</u>	<u>GF</u>	<u>FEDERAL</u>
(1) 24.0 new position funding (July 1)	514.3	313.8	200.5
(2) EW reclassification upgrade	265.3	160.5	104.8
(3) FY81 Supplemental for Kotzebue staff	137.0	82.9	54.1
(4) 32.5 new position funding (Dec. 15)	473.0	286.2	186.8
(5) U.S.P.O. contract and new space	<u>68.1</u>	<u>41.2</u>	<u>26.9</u>
TOTAL	1457.7	884.6	573.1

The Department requests that the 183.8 general funds included in the FY81 Energy Assistance Program (EAP) appropriation be directly applied to the FY81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY81 would be shared between federal (50%) and state (50%). Consequently, the FY81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required. (See attachment #3)

This request amends and adjusts appropriations as follows:

	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Energy Assistance Program BRU	7367.6	183.8	7183.8
Delete GF and transfer to ED	<u> </u>	<u>(183.8)</u>	<u>183.8</u>
EAP FY81 Revised	7367.6	- 0 -	7367.6

	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Eligibility Determination Allocation	4577.8	2789.6	1788.2
Transfer GF from EAP	183.8	183.8	
FY81 Supplemental (less EAP add)	<u>1273.9</u>	<u>700.8</u>	<u>573.1</u>
ED FY81 Revised	6035.5	3674.2	2361.3

Eligibility Determination's FY81 personal services line item balance as of 12/15/80 is \$2004.7. This balance is sufficient funding to meet projected payroll expenditures through April 15, 1981. After the April 15 payroll distribution the current personal services authorization will be exhausted. Any payroll obligation beyond this deadline cannot be met without the approval of this FY81 supplemental request.

Attachments

FY 81

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

FY 81

CATEGORY	Social Services
COVER PROGRAM	Sex + Gen Assist Prog In Gen Pop
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	PA Eligibility
BUDGET COMPONENT	Eligibility Determination
APPROPRIATION	
ALLOCATION	

BUDGET STRUCTURE _____
COLLOCATION CODE(5) _____

APPROVED DATE _____ APPROVED DATE _____ APPROVED DATE _____ APPROVED DATE _____

	FCC	GOV. VETO	INITIAL AUTH.	FY 81		SUPPLEMENTAL		REQUEST		BALANCE	LOG NO.	BAI
				24.0 New Positions	ED Releas Ungranted	12.0	32.5 New Position	42.0	12.0			
000 UNALLOCATED												
01 PERSONAL SERVICES	3419.5		3419.5	474.3	265.3	121.3	439.0			4718.4		
02 TRAVEL	71.5		71.5			2.0	10.0			83.5		
03 CONTRACTUAL	966.7		966.7	40.0		12.5		68.1		1087.3		
04 COMMODITIES	36.6		36.6			1.2				37.8		
05 EQUIPMENT	14.4		14.4				25.0			39.4		
06 LANDS, BUILDINGS	69.1		69.1							69.1		
07 GRANTS, CLAIMS												
08 MISCELLANEOUS												
TOTAL	4577.9		4577.8	514.3	265.3	137.0	473.0	68.1		6035.5		
725 FEDERAL Fed Stamps	731.7		731.7	82.2	42.9	22.1	93.4	13.5		985.8		
726 FEDERAL T. 1/2 TR. A	1022.1		1022.1	114.3	59.8	22.1	85.9	12.4		1316.6		
727 FEDERAL T. 1/2 TR. B	34.1		34.4	4.0	2.1	9.9	7.5	1.0		58.9		
FEDERAL												
FEDERAL												
FEDERAL												
FEDERAL												
1002 FEDERAL TOTAL	1788.2		1788.2	200.5	104.8	54.1	186.8	26.9		2361.3		
1003 G/F MATCH	1788.2		1788.2	200.5	104.8	54.1	186.8	26.9		2361.3		
1004 GENERAL FUND	1001.4		1001.4	113.3	55.7	28.8	99.4	14.3		1312.9		
1005 I/A RECEIPTS												
DEFERRED REVENUE												
G/F RESTRICTED												
15 FULL TIME	126		126	16		4	32					
16 PART TIME/SEAS.	11		11	8			1					
17 NONPERMANENT												
18 MONTHS	1578		1578	256		48	211.3					

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
 Division of Budget & Management
 Office of the Governor

DATE:

FILE NO:

TELEPHONE NO:

FROM: Helen D. Beirne
 Commissioner
 Department of Health & Social Services

SUBJECT: "Delete and Add" FY81
 Assistance Payments BRU,
 AFDC Allocation
 Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

<u>BRU</u>	<u>Allocation</u>	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Old Age Assistance	Old Age Assistance	4479.5	4479.5	0
Delete GF and Add to AFDC		(200.0)	(200.0)	
FY81 OAA Amended		<u>4279.5</u>	<u>4279.5</u>	
Assistance Payments	AFDC	32144.0	16072.0	16072.0
Add 200.0 GF and 200.0 FED		<u>400.0</u>	<u>200.0</u>	<u>200.0</u>
FY81 AFDC Amended		<u>32544.0</u>	<u>16272.0</u>	<u>16272.0</u>

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	6835	342.56	12	28096.7
SCSCSHB-968	6835	49.35	12	4047.3
FY81 Actual July 80-Feb. 81	6438	390.39	8	(20106.7)
FY81 Proj. March 81-June 30	6925	449.00	4	<u>(12437.3)</u>
FY81 Projected Shortfall				<u>(400.0)</u>

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHE-968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

Summary of FY81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	2266	164.73	12	4479.5
HB-60 Funding				44.1
FY81 Actual July 80-Feb. 81	2192	150.08	8	(2635.4)
FY81 Proj. March 81-June 81	2241	154.10	4	<u>(1381.4)</u>
FY81 Projected Surplus				+ 506.8

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

FY 81

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	Soc. & ECON ASSIST FOR THE GEN POP
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	ASSISTANCE PAYMENTS
ALLOCATION	AFDC

BUDGET STRUCTURE 02-21-01-01
COLLOCATION CODE(S) 06-21-6-010

06-21-66
JV 311054
8/27/80

APPROVED DATE 7-17-80

APPROVED DATE 9/21/80

FY81 SUPP ADD
APPROVED DATE _____

APPROVED DATE _____

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. <u>14</u> RP _____ VO. <u>310375</u>	BALANCE	LOG NO. <u>68</u> RP _____ VO. <u>311034</u>	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	28096.7		28096.7	4047.3	32144.0		32144.0	400.0	32514.0		
08 MISCELLANEOUS											
TOTAL	28096.7		28096.7	4047.3	32144.0		32144.0	400.0	32514.0		
926 FEDERAL TRIC TL F-14018.2	14018.2		14018.2	2023.6	2023.6	1	2023.7	200.0	16271.9		
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL	14048.3		14048.2	2023.6	16071.9		16071.9	200.0	16271.9		
1003 G/F MATCH	14018.4		14048.4	2023.7	16072.1		16072.1	200.0	16272.1		
1004 GENERAL FUND											
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

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FY 81 REVISED PROGRAM SUMMARY.
by
BUDGET COMPONENT

FY 81

CATEGORY	Social Services
COVER PROGRAM	Social + Economic Programs Dept.
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	01 50 507 100 300 019
ALLOCATION	Old Age Assistance - 1-4-81 120 000 000

BUDGET STRUCTURE 02-22-18-02-00
COLLOCATION CODE(S) 06-22-6-028

FY 81 APPROVED
02/24/81 DATE _____

APPROVED
DATE _____

APPROVED
DATE _____

APPROVED
DATE _____

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE
				RP	VO	RP	VO	RP	VO	RP	VO
00 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS			44.1								
08 MISCELLANEOUS											
TOTAL			44.1								
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND			44.1								
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
13 MONTHS											

FY 81

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOCIAL + ECON ASSIST AGED
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	OLD AGE ASSISTANCE PAYMENTS
ALLOCATION	

BUDGET STRUCTURE 02-22-18-01
COLLOCATION CODE(S) 06-22-6-020

	FCC	GOV. VETO	INITIAL AUTH.	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE
				LOG NO. _____ RP _____ VO _____		LOG NO. _____ RP EY 81 VO Special Pkts-		LOG NO. _____ RP _____ VO _____		LOG NO. _____ RP _____ VO _____	
00 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	4479.5		4479.5		4479.5	<200.0>	4279.5				
08 MISCELLANEOUS											
TOTAL	4479.5		4479.5		4479.5	<200.0>	4279.5				
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL: TOTAL											
G/F MATCH											
GENERAL FUND	4479.5		4479.5		4479.5	<200.0>	4279.5				
IA RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
FULL TIME											
PART TIME/SEAS.											
NONPERMANENT											
MONTHS											

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STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

March 27, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 358
Various Appropriation Adjustments
Department of Health and Social
Services & Department of Labor
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Assist. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]

AFDC

28,496,700 [28,096,700]

Category: Social Services; Page 28, Line 18

Old Age Assist. Pmts.	<u>4,279,500</u> [4,479,500]	<u>4,279,500</u> [4,479,500]
-----------------------	------------------------------	------------------------------

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSHB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

RECEIVED
MAR 31 1981

Management and Budget Section

3. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services; Page 29, Line 16

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Emplo. Secur.	<u>26,137,800</u> [24,457,300]	<u>619,100</u> [204,600]	<u>25,518,700</u> [24,252,700]
WIN	<u>1,680,500</u>		

Category: Social Services; Page 29, Line 25

WIN	<u>0</u> [1,680,500]	<u>0</u> [414,500]	<u>0</u> [1,266,000]
-----	----------------------	--------------------	----------------------

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

5. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services, Page 29, Line 16

	<u>Appropriation</u>	<u>GF</u>	<u>Other</u>
Employ. Secur.	24,457,300	<u>452,600</u> [204,600]	<u>24,004,700</u> [24,252,700]

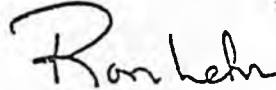
The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer.

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten
March 27, 1981
Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: Jay Hogan, Legislative Finance
Keith Specking, Office of the Governor
Jalmar Kerttula, President of the Senate
Jim Duncan, Speaker of the House
✓ Donald Clocksin, Chairman, Health, Education and Social Services
Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate
Finance Committee

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental appro. to the Department of Health and Soc. Svcs..."

Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	1457.7					

FUNDING (Thousands of Dollars)

GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	52					
PART TIME	0					
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Funds personal service cost for 56.5 FTE positions and Eligibility Worker series reclassification (1298.9); travel for new position training (12.0); guard service in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental of 183.8 general fund is directly applied to the FY 81 supplemental need resulting in the "net additional" appropriation funding required of 1273.9.

IV. DATE April 3, 1981

PREPARED BY Mason Anderson

AGENCY Department of Health and Social Services

PHONE 465-3331

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Mason Anderson
U. Hubbard 4/10/81

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental approl. to the Department of Health and Soc. Svcs..."
 Requested by Rules Committee by request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Energy Assistance Program
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
TOTAL	(183.8)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE April 3, 1981 PREPARED BY Mason Anderson
 AGENCY Department of Health and Social Services
 PHONE 465-3331
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

M. Hubbard 4/6/81

010865

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."

Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social and Economic Assistance for the General Population

BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
TOTAL	400.0					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Summary of FY 81 AFDC:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	6835	342.56	12	28,096.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6438	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC (continued)

IV. DATE April 3, 1981

PREPARED BY Mason Anderson

AGENCY Department of Health and Social Services

PHONE 465-3331

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

M. Hubbard
4/6/81

shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "delete and add" Supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Old Age Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
TOTAL	(200.0)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Summary of FY 81 OAA:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FT 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly pay- (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson
 AGENCY Department of Health and Social Services
 PHONE 465-3331

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

M. Hubbard 4/6/81

ments being slightly less than originally budgeted.

A FY 81 "delete & add" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

HB 358

March 27, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 358
Various Appropriation Adjustments
Department of Health and Social
Services & Department of Labor
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Assist. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]

AFDC

28,496,700 [28,096,700]

Category: Social Services; Page 28, Line 18

Old Age Assist. Pmts.	<u>4,279,500</u> [4,479,500]	<u>4,279,500</u> [4,479,500]
-----------------------	------------------------------	------------------------------

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSHB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Honorable Sam Cotten
March 27, 1981
Page 2

3. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services; Page 29, Line 16

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Emplo. Secur.	<u>26,137,800</u> [24,457,300]	<u>619,100</u> [204,600]	<u>25,518,700</u> [24,252,700]
WIN	<u>1,680,500</u>		

Category: Social Services; Page 29, Line 25

WIN	<u>0</u> [1,680,500]	<u>0</u> [414,500]	<u>0</u> [1,266,000]
-----	----------------------	--------------------	----------------------

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

5. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services, Page 29, Line 16

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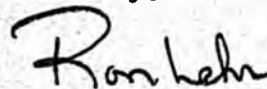
The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer.

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten
March 27, 1981
Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: Jay Hogan, Legislative Finance
Keith Specking, Office of the Governor
Jalmar Kerttula, President of the Senate
Jim Duncan, Speaker of the House
Donald Clocksin, Chairman, Health, Education and Social Services
Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate
Finance Committee

MEMORANDUM

State of Alaska

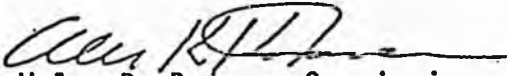
TO: Ron Lehr, Director
 Division of Budget and Management
 Office of Governor

DATE: 12/8/80 sent to B+M
 RECEIVED

FILE NO: MAR 26 1981
 5030611

TELEPHONE NO: BUDGET AND MANAGEMENT

BUDGET AND MANAGEMENT

FROM: 
 Helen D. Beirne, Commissioner
 Department of Health & Social Services

SUBJECT: FY81 Supplemental Request
 Appropriation Assistance
 Payments, AFDC Allocation

The Department of Health and Social Services requests a FY81 Supplemental Appropriation for the Assistance Payments Program in the amount of 1331.0 of which 665.5 is state general fund and 665.5 is federal funds.

AFDC has been identified as a non-discretionary funded program. The legislative intent directs the Department to operate the program at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

The current projected AFDC shortfall of \$1331.0 is attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB968. SCSCSHB968 authorization includes the cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. The need for these funds was identified in the Department's fiscal note for HB968. These funds were apparently not appropriated due to oversight.

A summary of the FY81 AFDC authorization:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 Initial Request	7564 x	\$343.00	x 12 =	31133.1
FY81 Budget Amendment	(729)			(3000.0)
FY81 Revised Request	6835	343.00	12	28133.1
FY81 FCC Authorization	6835	342.56	12	28096.7

SCSCSHB968

1. Cost of July 1, 1980 COLA increase:

\$343.00 average payment x 1.143% (COLA increase) = 343.00 + 49.05

COLA COST ESTIMATE	6835	49.05	12	4023.1
SCSCSHB968 AUTHORIZATION	6835	49.345	12	4047.3

2. Cost of January 1, 1981 base increase:

3740.0

Summary

FY81 FCC + SCSCSHB968 Auth.	6835	\$391.90*	12	32144.0
Current FY81 Projected Need	<u>6660</u>	<u>418.86</u>	12	<u>33475.0</u>
Shortfall/Supplemental Need (175)		26.96		(1331.0)

*342.56 + 49.345 (FCC Auth.) (14.3% COLA)

The "current" FY81 AFDC projection continues to forecast caseload increases each month; but at a slightly reduced 12 month average total (6660 vs. 6835). However, this reduced caseload average does not offset the under-funding condition of the SCSCSHB968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

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MEMORANDUM MAR 13 1981 State of Alaska

BUDGET AND MANAGEMENT

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: March 11, 1981

FILE NO: 257

Helen D. Beirne

TELEPHONE NO:

FROM: Helen D. Beirne, Commissioner
Department of Health & Social Services

SUBJECT: FY 81 Supplemental Budget
Request - Social Services
BRU, Northwestern Region

On December 15 a supplemental budget request for \$69.5 was submitted for funding which was inadvertently not appropriated for contracting with Mauneluk, but which had been removed from the Northwestern Region Component of the Social Services BRU. We are at this time withdrawing that supplemental request.

Projections as of February 28 indicate that social services can continue to be provided throughout the region with existing funds. This is possible because it was necessary to hold several positions vacant for seven months due to underfunding; and by transferring \$6.0 from contractual and commodities to travel by a revised program which was previously submitted, but is still pending. Services to the Kotzebue area were continued on an itinerant basis out of the Nome office until vacancies no longer were necessary.

If the supplemental funding were to be approved now, the funds would lapse at the end of the fiscal year.

cc: Family & Youth Services

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget & Management

DATE: March 17, 1981

Thru: *Ed Orbeck*
Edmund N. Orbeck, Commissioner
Department of Labor

FILE NO: FM 3-3

5030708 248.0
5030709 237.0
485.0

FROM: *John E. Post*
John E. Post, Director
Administrative Services Division
Department of Labor

TELEPHONE NO: 465-2720

SUBJECT: Unemployment Insurance
FY 81 Operating and Capital
Project Supplementals

Attached are the necessary forms and back-up documentation for supplemental budget requests to increase both the Unemployment Insurance (UI) FY 81 Operating Budget and the UI Systems Redesign Capital Project. The total need in General Funds is \$485,000. As the authorization was originally approved as federal funds, this request can be implemented as a "funding change" only.

The shortfall in the operating budget of ⁰\$248,000 is directly related to the additional computer and equipment lease costs for dual operations of our IBM 360/40 and the IBM 370/148 computers for the period October, 1980 through May, 1981. Dual running of the computers is necessary until all DOS Data Processing programs from the "old" computer are converted to the new computer's OS language. The shortfall in the capital project of \$237,000 is due to the federal underfunding of a third party computer operations contract. In order to meet the legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance Law, the agency had to contract with a third party, Martin Marietta, for computer services as the new computer was not yet operational. This contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Funds

Requested Action

We request the Budget Review Committee approval of these Supplemental requests. We would be pleased to meet with you to discuss this transmittal or to provide further information.

Background

During the 1979/1980 Alaska legislative session, a comprehensive revision to the Alaska Unemployment Insurance law was passed. The Alaska law was in desperate need of revision to meet state needs for tax equitability, and fund solvency, and to approach national guidelines for benefit adequacy. The law change resulted after years of work by Alaska and federal regional office Employment and Training Administration (ETA) staffs. During the same period, there was a concerted effort to upgrade the Alaska agency computer capability. We were literally in the computer "dark ages." We had an IBM 360/40 which was long overdue for replacement.

RECEIVED

MAR 17 1981

BUDGET AND MANAGEMENT

EX-100
- 2,000 million off
for interest
- 100 million off
2500-2000

Ed Post
Ed Post

When the new Alaska Unemployment Insurance Program was signed into law in March 15, 1980, an extremely tight timetable was established for implementation.

Comprehensive Benefits System Redesign	by October 1, 1980
Comprehensive Tax System redesign	by April 1, 1981

To make matters more complex, after months of effort to effect a consolidation of ESD's Data Processing with the Department of Administration's Division of Data Processing, we were notified by Commissioner William Hudson that the consolidation plans would be deferred. An IBM 370/148 had to be immediately purchased on the open market and installed to accommodate the new Benefits System. The pressure on the Alaska agency was tremendous. To our knowledge, such a timetable had never before been achieved by any state for new tax and benefit programs along with the installation of a new computer system. To date, progress has been excellent. Benefits were paid on schedule October 1, 1980. The new computer was installed and the new Benefits System was operational on it by December 1, 1980. Our schedule shows that we will accomplish the tax revisions on schedule. Management had to act decisively to meet these deadlines. It was recognized that costs for a short period would be high but necessary to meet objectives. At the same time, during FY '81, the Alaska agency was caught in a cost squeeze due to federal formula reduction to Administrative, Staff and Technical (AS&T) funding. Simply not enough federal money was made available to cover necessary costs.

Following are background facts on our Supplemental Budget Requests:

1. Alaska has documented this funding need to the federal regional office (ETA) through correspondence and Supplemental Budget Requests. Specific needs have not been individually addressed. What we have received is a bottom line which is financially impossible to live with.
2. Alaska used any and all available program resources, including its federal anti-recessional program fund allocation to offset these costs. In order to stay within the very limited budget the agency has taken all possible steps to control costs in the ETA programs. Travel, equipment purchases, and new staff hires have all been restricted to keep the agency cost overrun to a minimum.
3. The costs of law changes and computer conversion, while high for the year of implementation, were reasonable and proper, and probably lower than if the implementation was made over a longer time period.

Ron Lehr, Director

March 17, 1981

Page -3-

4. It was necessary to contract with a data service company to handle the interim system and processing work. Martin Marietta Data Systems in Florida was selected to provide resource time for "hands on" user training and to allow for the interim payment of benefits from October 1, 1980 to December 1, 1980, at which time our 370/148 computer was operational.
5. The U.S. Employment and Training Administration (ETA) implemented a new funding formula for Administrative Services support functions nationwide. In the new formula Alaska was limited to a 2% increase over its previous year allocation in Administrative Services funding. With a conservative 11% inflation factor, our agency took an effective 9% funding cut in a year when our costs were extra high.

For both supplemental requests all alternatives have been pursued in trying to obtain federal funding. The final refusal for additional funding from Region X was received on February 19, 1981.

Attachments

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY '81

REVISED PROGRAM SUMMARY

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	Employment Security
APPROPRIATION	
ALLOCATION	

BRU COMPONENTS	FCC	Salary	WIN RP	This	RP	RP	RP	RP	AMENDED AUTHORIZATION
	INITIAL AUTHORIZATION	Increase RP		Request RP					
Employment									
Services	8,906.6	673.5							9,580.1
Unemployment									
Insurance	11,071.7	867.8							11,939.5
Fraud Invest.	462.0	45.5							507.5
CETA Services	1,283.6								1,283.6
ESD Director's									
Office	334.6	34.6							369.2
DP Applications	1,432.3	117.7							1,550.0
DP Operations	966.5	61.1							1,027.6
WIN	-0-		1,738.3						1,738.3
TOTAL	24,457.3	1,800.2	1,738.3	-0-					27,995.8
FEDERAL RECEIPT	19,831.5	1,563.8	1,309.1	<248.0>					22,456.4
G/F MATCH			145.5						145.5
GENERAL FUND	204.6	16.7	283.7	248.0					753.0
I/A RECEIPTS	3,521.7	204.0							3,725.7
PROGRAM RECEIPT	668.6								668.6
T & B	230.9	15.7							246.6
FULL TIME	405.0		20.0						425.0
PART TIME	124.0		2.0						126.0
TEMPORARY	8.0								8.0
MAN-MONTHS	5,950.0		260.0						6,210.0

01-1040 (Revised March, 1979) (Action #210-2)

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
BY
BUDGET COMPONENT

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	Employment Security
BUDGET COMPONENT	Unemployment Insurance
APPROPRIATION	Employment Security
ALLOCATION	Unemployment Insurance

	07 25 6 210	Salary	This						AMENDED
	INITIAL	Increase	Request	RP	RP	RP	RP	RP	AUTHORIZATION
	AUTHORIZATION	RP	RP						
01Personal Services	6,753.4	673.2							7,426.6
02Travel	148.0								148.0
03Contractual	3,844.5	194.6							4,039.1
04Commodities	157.3								157.3
05Equipment	73.4								73.4
06Lands, Buildings	95.1								95.1
07Grants, Claims									
08Miscellaneous									
TOTAL	11,071.7	867.8	0						11,939.5
1002Federal Receipt	11,071.7	867.8	<248.0>						11,691.5
1003G/F Match									
1004General Fund			248.0						248.0
1005I/A Receipts									
1028Program Receipt									
15Full Time	164.0								164.0
16Part Time	103.0								103.0
17Temporary	8.0								8.0
18Man-Months	2,874.0								2,874.0

01-1041 (Revised March, 1979) (Action #210-2)

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY '81

Capital Project

REVISED PROGRAM SUMMARY
BY
BUDGET COMPONENT

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	UI Systems Redesign
BUDGET COMPONENT	
APPROPRIATION	UI Systems Redesign
ALLOCATION	

RP 80-282 RPL 81-69 This

	INITIAL AUTHORIZATION	RP	Request RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01Personal Services									
02Travel		3.2							3.2
03Contractual	689.5	823.9							1,513.4
04Commodities	123.8	<50.8>							73.0
05Equipment	430.0	<219.6>							210.4
06Lands, Buildings									
07Grants, Claims									
08Miscellaneous									
TOTAL	1,243.3	556.7	-0-						1,800.0
1002Federal Receipt	1,243.3	556.7	<237.0>						1,563.0
1003G/F Match									
1004General Fund			237.0						237.0
1005I/A Receipts									
1028Program Receipt									
15Full Time									
16Part Time									
17Temporary									
18Man-Months									

01-1041 (Revised March, 1979)

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1 to 2/28	FY 81 OTHER OBLIGATIONS 7/1 to 2/28	FY 81 PROJECTED EXPENDITURES + ENCUMBRANCES 3/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTINUATION GOVERNOR'S
PERSONAL SERVICES	5,989.8	6,535.4	5,746.1	6,753.4	6,753.4	7,426.6	3,971.1	297.4	3,158.1		7,246.2
TRAVEL	112.0	141.7	146.6	148.0	148.0	148.0	93.7	11.7	42.6		223.1
CONTRACTUAL SERVICES	2,470.3	3,406.5	3,211.2	3,844.5	3,844.5	4,039.2	3,294.9	438.5	305.8		3,781.5
COMMODITIES	134.7	164.6	153.2	157.3	157.3	157.3	88.3	11.0	58.0		176.3
EQUIPMENT	20.4	84.1	83.7	73.4	73.4	73.4	41.4	5.2	26.8		159.2
LANDS, BLDG...	45.6	103.3	103.3	95.1	95.1	95.1	81.7	-0-	13.4		-0-
GRANTS, CLAIMS...											
MISCELLANEOUS			.1								
TOTAL	8,772.8	10,435.6	9,444.2	11,071.7	11,071.7	11,939.6	7,571.1	763.8	3,604.7	-0-	11,586.3
FEDERAL RECEIPTS	8,772.8	10,433.1	9,442.2	11,071.7	11,071.7	11,939.6	7,571.1	763.8	3,356.7	<248.0>	11,586.3
REQUIRED GF MATCHING											
OTHER GENERAL FUND					-0-	-0-	-0-	-0-	-0-	248.0	
INTER-AGENCY RECEIPTS		2.5	2.0								

AGENCY: Labor BRU: Employment Security COMPONENT: Unemployment Security REVISED: _____

(Action #210-2)

MEMORANDUM

State of Alaska


TO: Ron Lehr, Director
 Division of Budget & Management
 Office of the Governor

DATE: March 13, 1981

FILE NO:

5030607

TELEPHONE NO:

FROM: 
 Helen D. Beirne
 Commissioner
 Department of Health & Social Services

SUBJECT: "Delete and Add" FY81
 Assistance Payments BRU,
 AFDC Allocation
 Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

BRU	Allocation	Appropriation	General Fund	Other Funds (Federal)
Old Age Assistance	Old Age Assistance	4479.5	4479.5	0
Delete GF and Add to AFDC		(200.0)	(200.0)	
FY81 OAA Amended		4279.5	4279.5	
Assistance Payments	AFDC	32144.0	16072.0	16072.0
Add 200.0 GF and 200.0 FED		400.0	200.0	200.0
FY81 AFDC Amended		32544.0	16272.0	16272.0

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

	Caseload	Average Payment	Months	Total
FY81 FCC Authorization	6835	342.56	12	28096.7
SCSCSHB-968	6835	49.35	12	4047.3
FY81 Actual July 80-Feb. 81	6438	390.39	8	(20106.7)
FY81 Proj. March 81-June 30	6925	449.00	4	(12437.3)
FY81 Projected Shortfall				(400.0)

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB-968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

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MAR 13 1981

Summary of FY81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	2266	164.73	12	4479.5
HB-60 Funding				44.1
FY81 Actual July 80-Feb. 81	2192	150.08	8	(2635.4)
FY81 Proj. March 81-June 81	2241	154.10	4	(1381.4)
FY81 Projected Surplus				+ 506.8

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

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MAR 13 1981

BUDGET AND MANAGEMENT

FY 81

**REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT.**

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOC. & ECON ASSIST FOR THE GEN POP
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	ASSISTANCE PAYMENTS
ALLOCATION	AFDC

BUDGET STRUCTURE 02-21-01-01
COLLOCATION CODE(S) 06-21-6-010

06-81-66
JV 811084
8/27/80

APPROVED DATE 7-17-80

APPROVED DATE 8/27/80

FY81 SUPP ADD

APPROVED DATE _____

APPROVED DATE _____

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. <u>14</u> RP _____ VO. <u>810275</u>	BALANCE	LOG NO. <u>68</u> RP _____ VO. <u>811084</u>	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>	<u>4047.3</u>	<u>32144.0</u>	<u>400.0</u>	<u>32544.0</u>		
08 MISCELLANEOUS											
TOTAL	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>	<u>4047.3</u>	<u>32144.0</u>	<u>400.0</u>	<u>32914.0</u>		
726 FEDERAL Title IV A	<u>14048.3</u>		<u>14048.3</u>	<u>2023.6</u>	<u>16071.9</u>	<u>2023.6</u>	<u>16071.9</u>	<u>200.0</u>	<u>16271.9</u>		
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL	<u>14048.3</u>		<u>14048.3</u>	<u>2023.6</u>	<u>16071.9</u>	<u>2023.6</u>	<u>16071.9</u>	<u>200.0</u>	<u>16271.9</u>		
1003 G/F MATCH	<u>14048.4</u>		<u>14048.4</u>	<u>2023.7</u>	<u>16072.1</u>	<u>2023.7</u>	<u>16072.1</u>	<u>200.0</u>	<u>16272.1</u>		
1004 GENERAL FUND											
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

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FY 81

REVISED PROGRAM SUMMARY.
by
BUDGET COMPONENT

BUDGET STRUCTURE 02-22-18-02-00
COLLOCATION CODE(S) 06-22-6-028

FY 81

CATEGORY	Social Services
COVER PROGRAM	Social + Economic Assistance
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	Ch 50 509 80 Sec 113
ALLOCATION	Old Age Assistance - FY 80/81

FY 81 APPROVED
Current Fund DATE _____

APPROVED DATE _____

APPROVED DATE _____

APPROVED DATE _____

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE
				RP		RP		RP		RP	
				VO.		VO.		VO.		VO.	
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS			44.1								
08 MISCELLANEOUS											
TOTAL			44.1								
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND			44.1								
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

FY 81

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

BUDGET STRUCTURE 02-22-18-01
COLLOCATION CODE(S) 06-22-6-020

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOCIAL + ECON ASSIST AGED
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	OLD AGE ASSISTANCE PAYMENTS
ALLOCATION	

	FCC	GOV. VETO	INITIAL AUTH.	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE
				LOG NO. _____ RP _____ VO _____		LOG NO. _____ RP <u>FY 81</u> VO <u>Surv. Delet.</u>		LOG NO. _____ RP _____ VO _____			
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	4479.5		4479.5		4479.5	<200.0>	4279.5				
08 MISCELLANEOUS											
TOTAL	4479.5		4479.5		4479.5	<200.0>	4279.5				
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND	4479.5		4479.5		4479.5	<200.9>	4279.5				
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

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