

**ALASKA LEGISLATURE**

**2446**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004**

Email Message from Commissioner Tandeske

February 5, 2003

Members of the Alaska Department of Public Safety:

It is with great pleasure that I return to the department.

First, let me say that I am honored to have been chosen by Governor Murkowski to head what I have long considered to be the finest, most professional agency in the state.

For those of you who do not know me, I would like to let you know a little about myself and how I intend to lead your department. As many of you know I grew up in this agency. I spent nearly 26-years as a Trooper and retired a few years ago as a Major and Deputy Director of the Troopers. Over the course of my career as a Trooper, I worked closely with all of the other functions in the department at one time or another. As a result, I have a solid understanding and, more importantly, a tremendous respect for the services that each and every one of you provide to the citizens of this state.

Your job has become more and more complex over the years. The demand for the services you provide has steadily risen while at the same time resources have become more scarce. As this has occurred, you have been able to tighten your belts and meet the needs in spite of the challenges. We are at a point where there is little belt left to tighten yet the demands continue to march upward. This means that in order to survive as a viable entity we must rethink how we approach our mission and be adaptable to change.

While I intend to bring about positive, constructive change, I also intend to do it in a careful and thoughtful manner that will have the least impact on you as you continue to provide public service. Some of the changes may be painful, some welcome. My job will be to insure that any and all changes are necessary, purposeful and serve to move the department forward to meet the rapidly changing challenges we face.

At the core of my leadership philosophy are a few basic principles that I will live by and I will expect every employee of this department to live by. Let me start with the three that we see every day in our offices and on our vehicles - loyalty, integrity and courage.

The internal health of this agency is reflected every day by the public face of the agency - how the people we serve view us and the job we are doing for them. I expect every employee of this department to conduct the daily business of the department, both internal and public, in a manner that reflects loyalty to the ideals and laws we live by, with integrity that is beyond reproach and with the courage to do what is right in the face of adversity.

Professionalism - One of my personal goals is to instill a sense of pride and professionalism in every corner of this agency. I will demand that every aspect of the department's business be conducted in a professional manner and done so with a sense of pride in knowing that every action you take, every contact you make and every service you provide reflects positively on you

and on your department. The people we serve may not always agree with us but they will always consider us to be professional.

Fairness - I strongly believe in fair and equal treatment for employees and for the citizenry we serve. No person shall be given better or worse treatment due to any kind of status or condition. All business, whether internal or external, shall be conducted in a fair and honest manner. All decision-making processes shall be conducted in a fair and impartial manner and shall be closely scrutinized and regularly challenged to insure that they are clearly defensible.

Accountability - I will ensure and enforce strict accountability at every level. At the highest level we are all accountable to the people of this State. It is my charge to insure that accountability throughout all levels of this agency and I intend to do just that. Every employee of this agency must understand what their responsibilities are and how those responsibilities fit into the overall mission of this agency.

I intend to be actively involved in the day-to-day activities of this agency. I have a keen interest in what you do and how you do it. My interest stems from two points - a need to insure that this agency is carrying out its appointed mission and a need to insure that we are doing things in the best and most efficient manner possible given the resources we have.

My first days as Commissioner have been largely focused on administrative matters and getting up to speed on budget, performance measures and legislative issues. It is my desire to have a deputy commissioner named and in place in a matter of days. I will do my very best to visit employees throughout the state as soon as feasible. In the interim, I ask for your patience given the timing of my appointment in relation to the legislative session.

I shall continually strive to secure additional resources for you at every opportunity. I strongly believe in what you do and why you do it. I will do my best to serve you and represent you in an exemplary manner and to uphold the proud traditions you have worked so hard to defend. I consider all of you as part of a family that I am extremely proud to once again be associated with.

Bill Tandeske  
Commissioner

# House Finance Committee

## Department of Education & Early Development

### Overview



*February 7, 2003*

**Department of Education & Early Development**  
**House Finance Committee Overview**  
February 7, 2003

The mission of the Department of Education & Early Development is:

*to support the development of lifelong learners.*

The department has employed six goal areas with various strategies to achieve the mission:

1. To have culturally and developmentally appropriate high quality early care and education programs that improve the well being of young children statewide, ages 0-4, in which children, families, and communities are active partners;
2. To have clear, rigorous, credible student standards and assessments;
3. To have a credible system of academic and fiscal accountability for students, professionals, schools, and districts;
4. To have highly qualified school professionals who have met rigorous and credible standards and assessments;
5. To have schools in which students, staff, families, business, and communities are active partners in learning; and
6. To have an adequate, stable and secure source of funding for schools.

**Department of Education & Early Development**  
**House Finance Committee Overview**  
February 7, 2003

In the current year, the department has approximately 419 full time and 116 part-time positions in its 7 divisions and 4 commissions. Offices are located in five Alaska communities with the main presence in Juneau and Anchorage.

The seven-member State Board of Education & Early Development is the head of the agency. In addition, there are three advisory members; one military and two student representatives. The state board members are appointed by the governor, subject to legislative confirmation. The commissioner is appointed by the state board, subject to approval by the governor. The board establishes statewide goals and education policy through adopting regulations to implement education laws.

The Department of Education & Early Development is responsible for funding and regulating the state's K-12 schools as well as administering school debt reimbursement, grants for school construction and major maintenance, and a comprehensive system of early care and learning.

Independent commissions reporting through the department include the Professional Teaching Practices Commission, the Alaska State Council on the Arts, the Alaska State Community Service Commission, and the Alaska Commission on Postsecondary Education.

An organization chart of the department is on page 5.

The Department of Education & Early Development's FY 2003 operating budget is \$1,069,263,000 including about \$769 million from general funds, \$179 million from federal funds, and the balance from other funding sources. Ninety-four percent of the total agency budget, and 96% of the department's general fund budget, is allocated through grants to school districts, non-profit organizations and individuals across the state. The chart on page 4 is a snap shot of the department's current year budget:

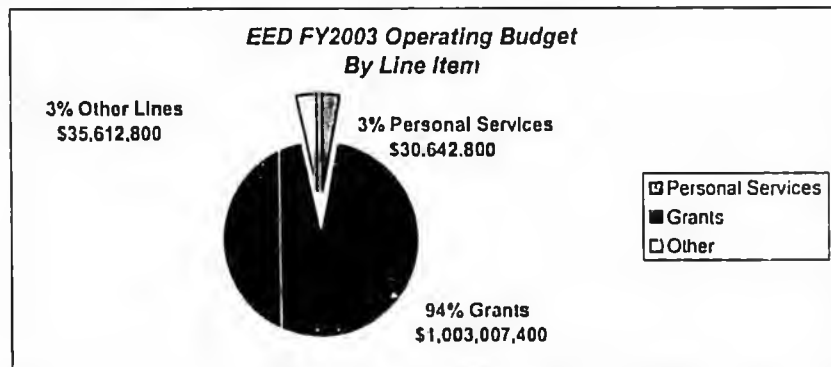
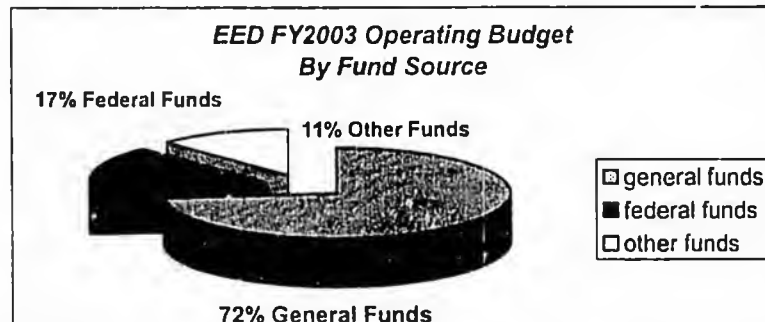
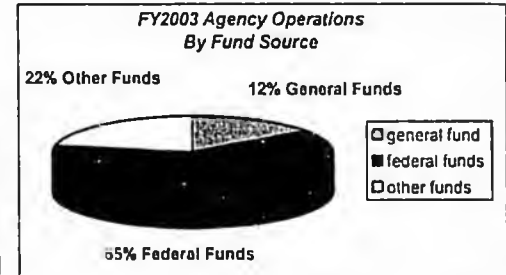
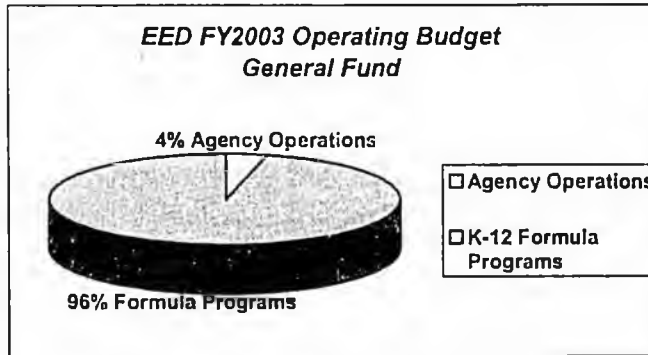
**Department of Education & Early Development**  
**House Finance Committee Overview**  
 February 7, 2003

**Department of Education & Early Development**  
**FY 2003 Operating Budget - Enacted\***

*\*includes school debt reimbursement*

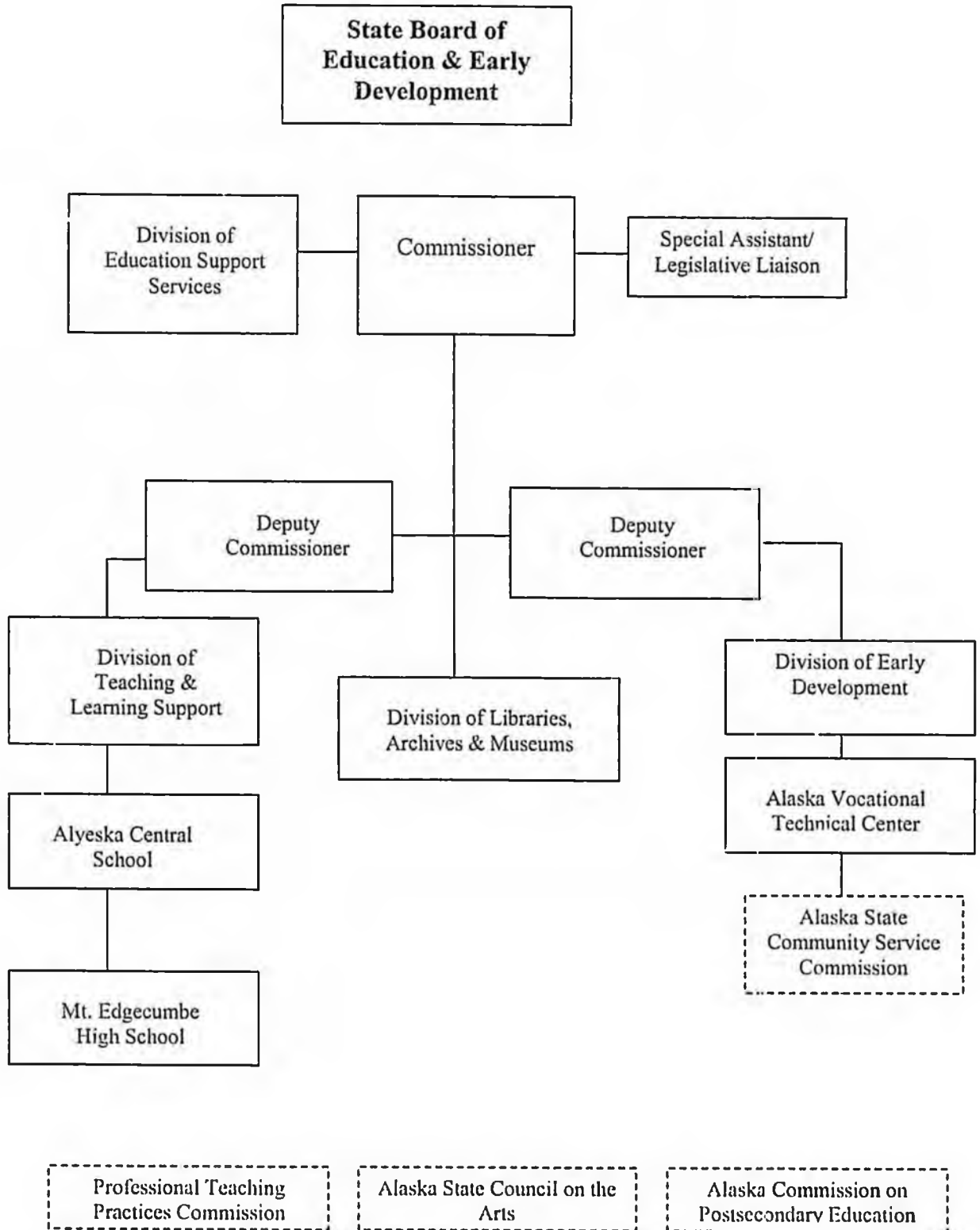
	General Funds	Federal Funds	Other Funds	Total
<b>Agency Operations</b>	29,958.3	158,232.8	52,427.6	240,618.7
<b>K-12 Formula Programs</b>	738,996.4	20,791.0	68,856.9	828,644.3
<b>Total</b>	<b>768,954.7</b>	<b>179,023.8</b>	<b>121,284.5</b>	<b>1,069,263.0</b>

Positions:	
Full-time	419
Part-time	116



**Department of Education & Early Development**  
**House Finance Committee Overview**  
 February 7, 2003

Department of Education & Early Development  
 Organization Chart



**2/1 1/03**

**OVERVIEW:**

**DENALI**

**COMM.**

**JT. W/H & S**

**FINANCE**

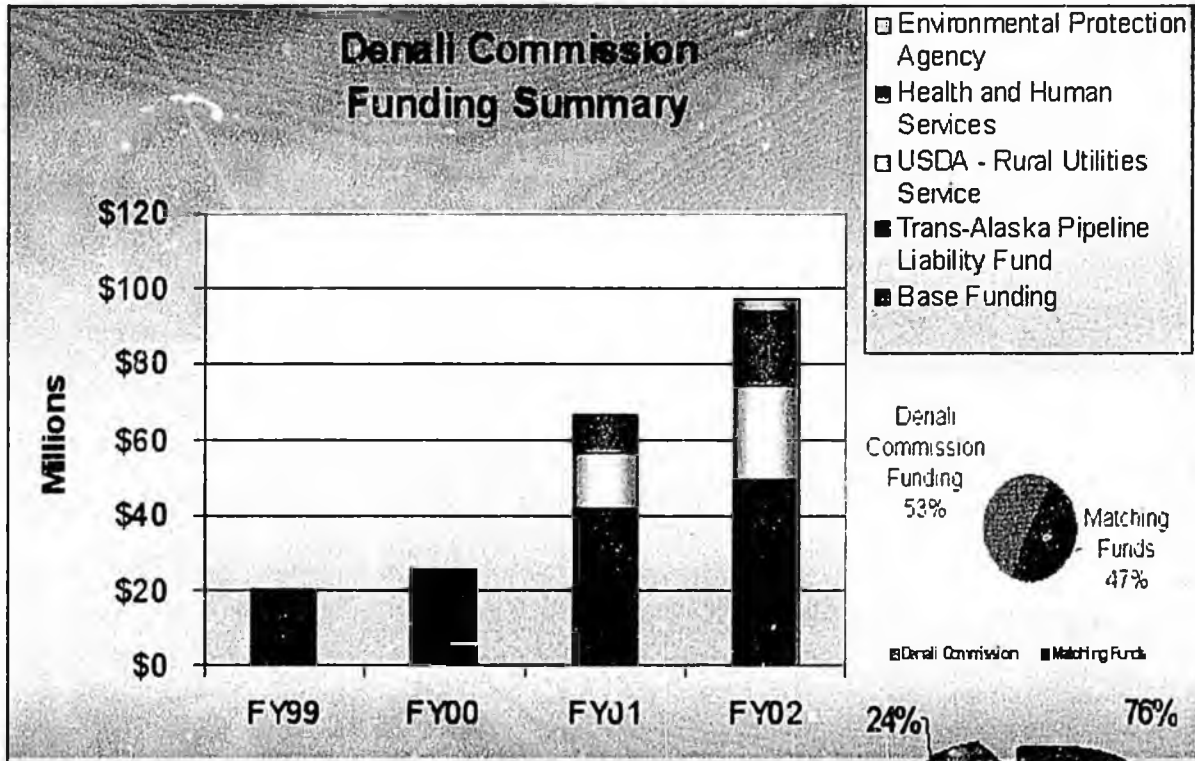
**HFIN**

**FILE**

Joint House/Senate Finance Committee

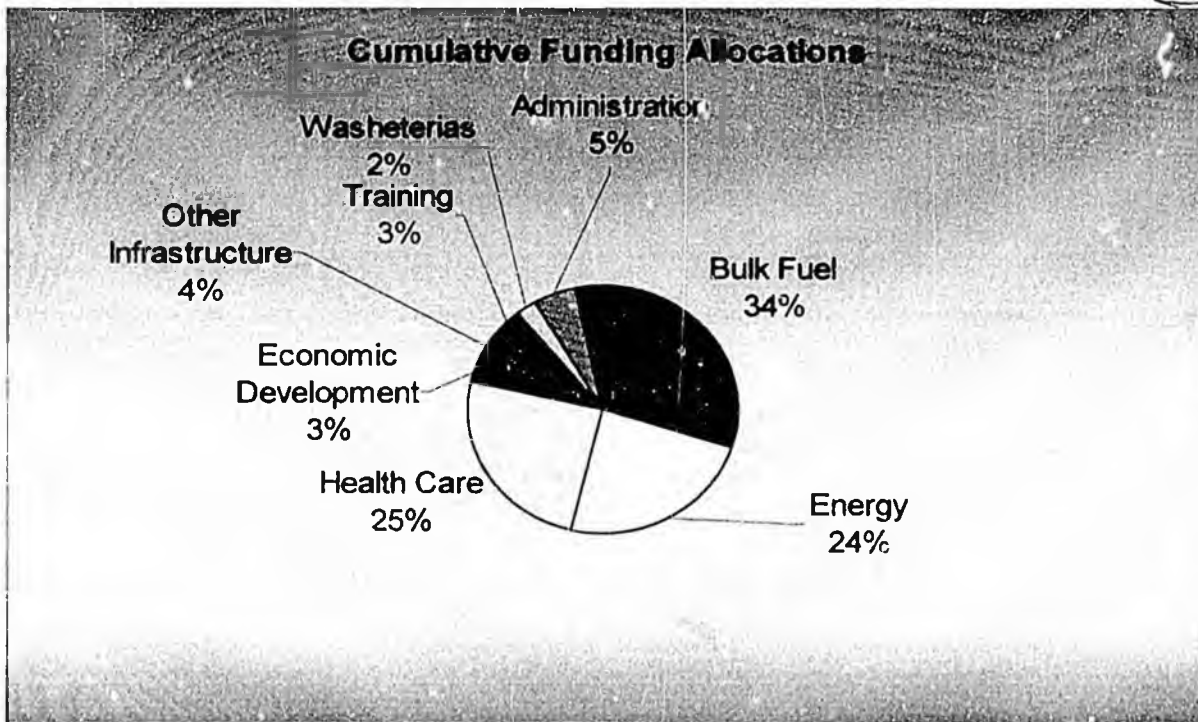
Denali Commission Update

11 February 2003



24% 76%

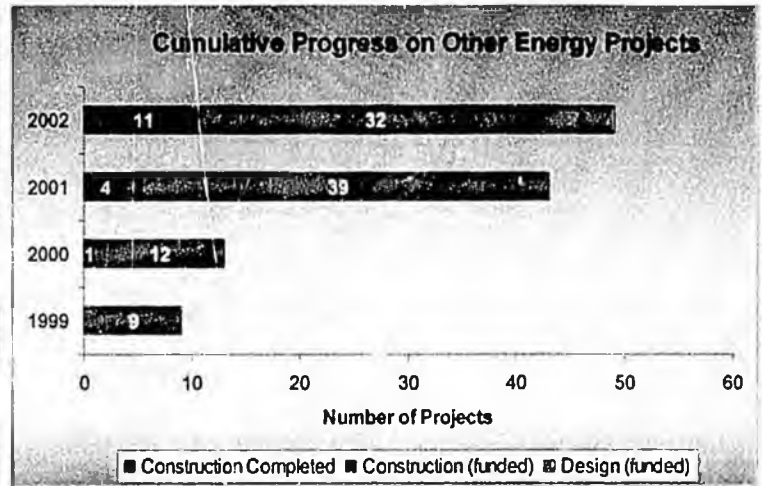
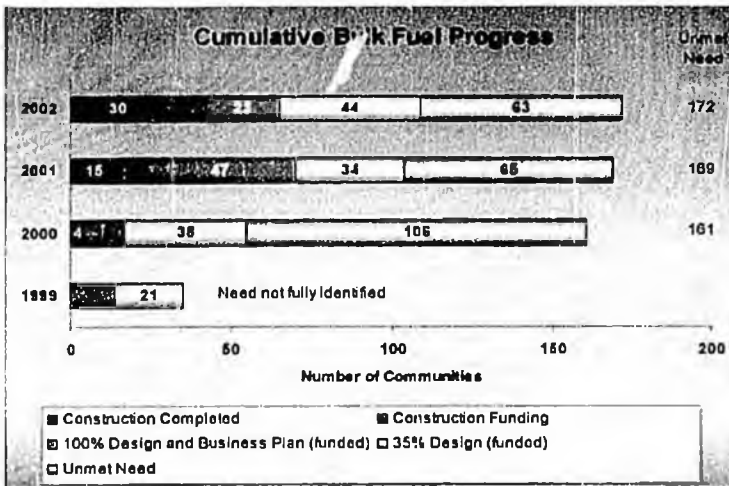
Non-profit Share



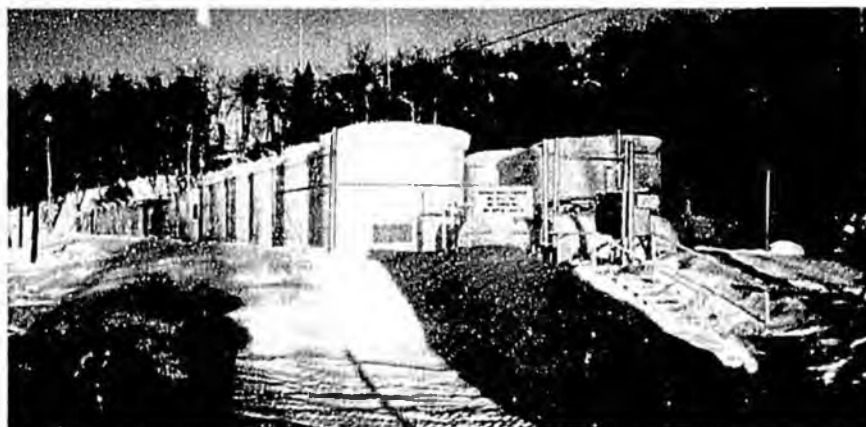
## Energy

The Denali Commission is building sustainable, rural energy infrastructure

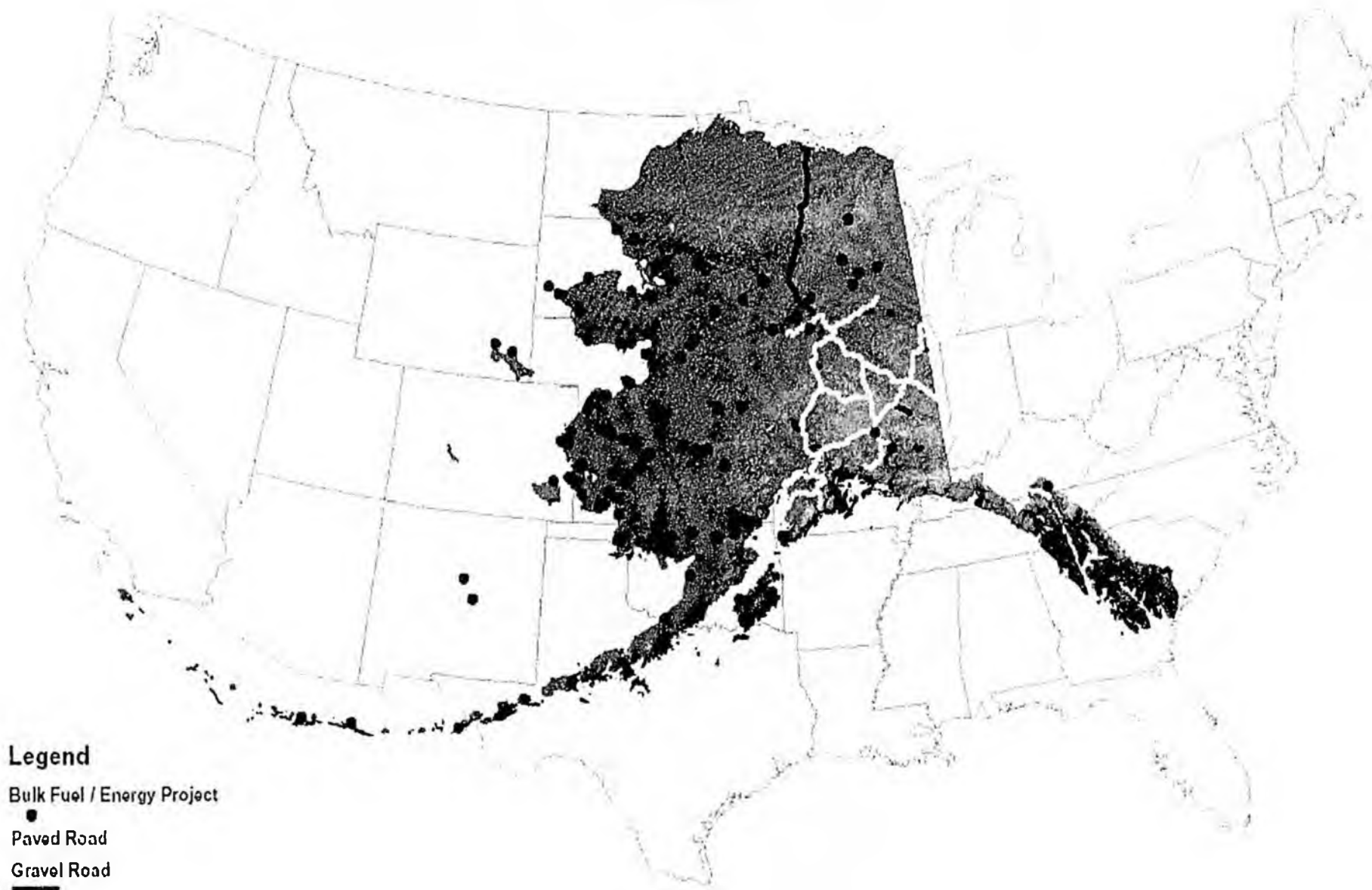
- Needs:
  - 45 million gallons of bulk fuel storage (approximately \$450 million)
  - \$100 million in power distribution construction & rehabilitation
  - \$68 million in power plant construction and rehabilitation
- Requirements:
  - Sustainability—agree to a business plan
  - Collect O&M and renewal & replacement costs



Bulk Fuel Facility, Grayling, Alaska – Before & After

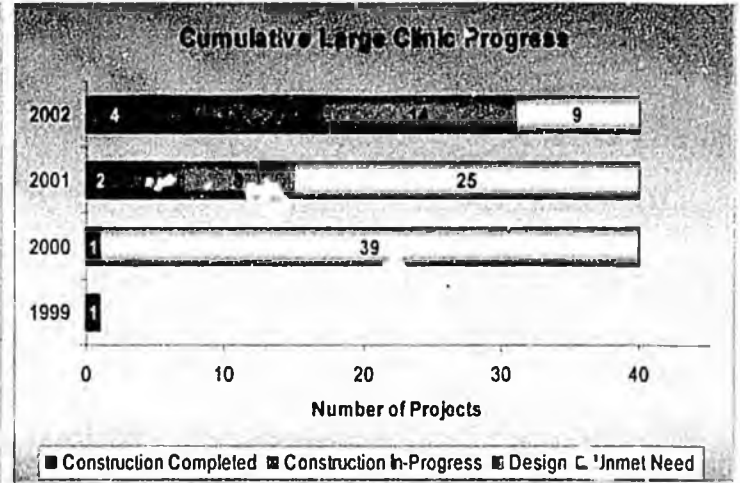
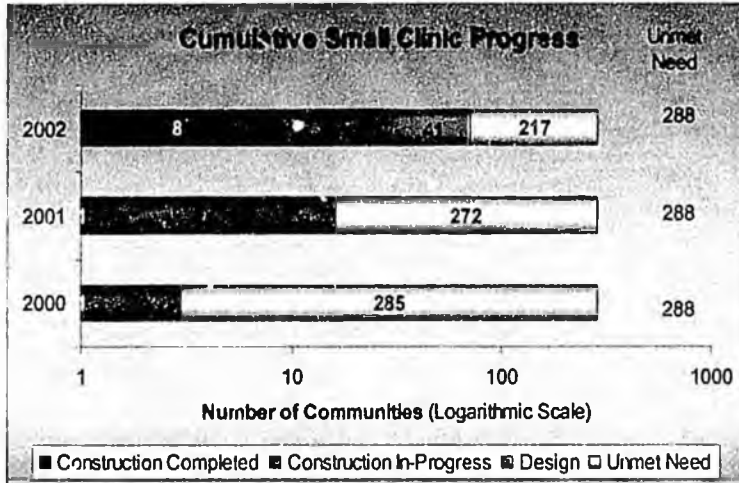


Denali Commission Cumulative (FY99-FY02) Bulk Fuel & Energy Projects  
2/07/2003

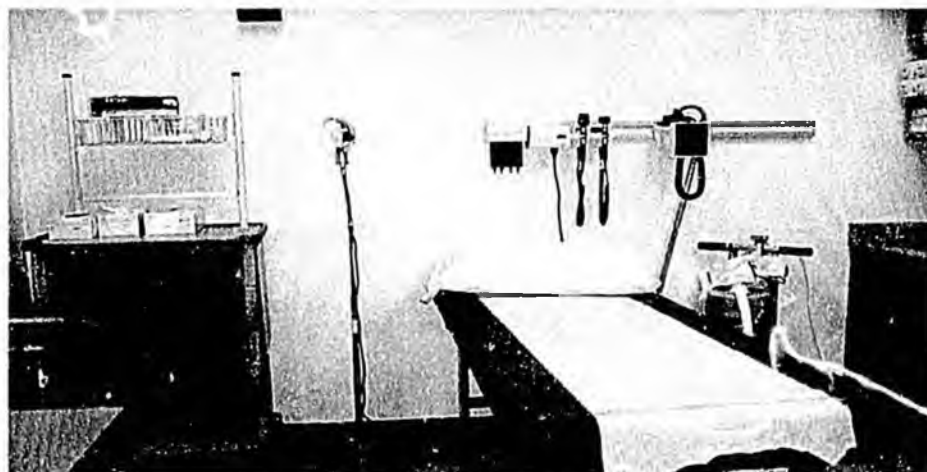
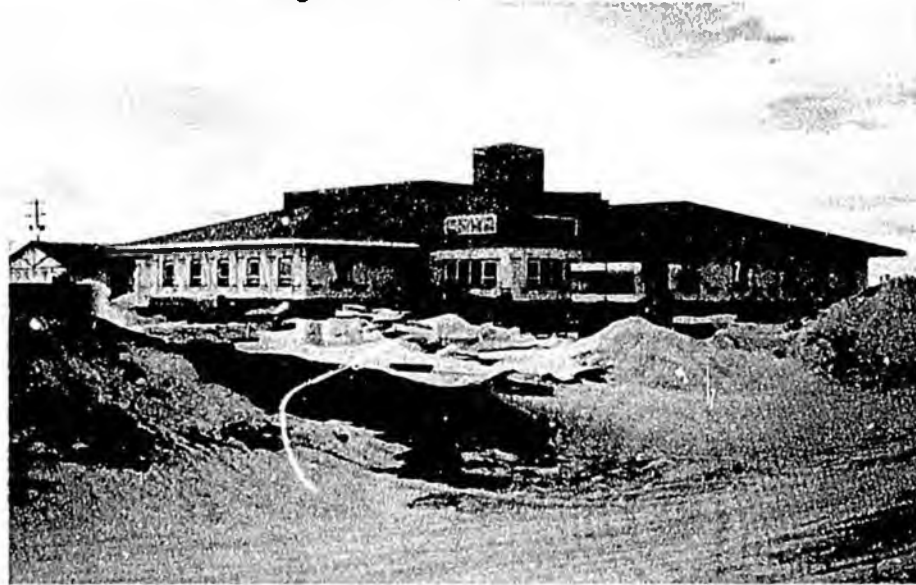


## Health Care Facilities

- o \$253 million in statewide need for primary care facilities
- o Emphasis on primary care facilities; serving high need communities; projects must be sustainable
- o Competitive process (RFP); required cost share match for construction & equipment



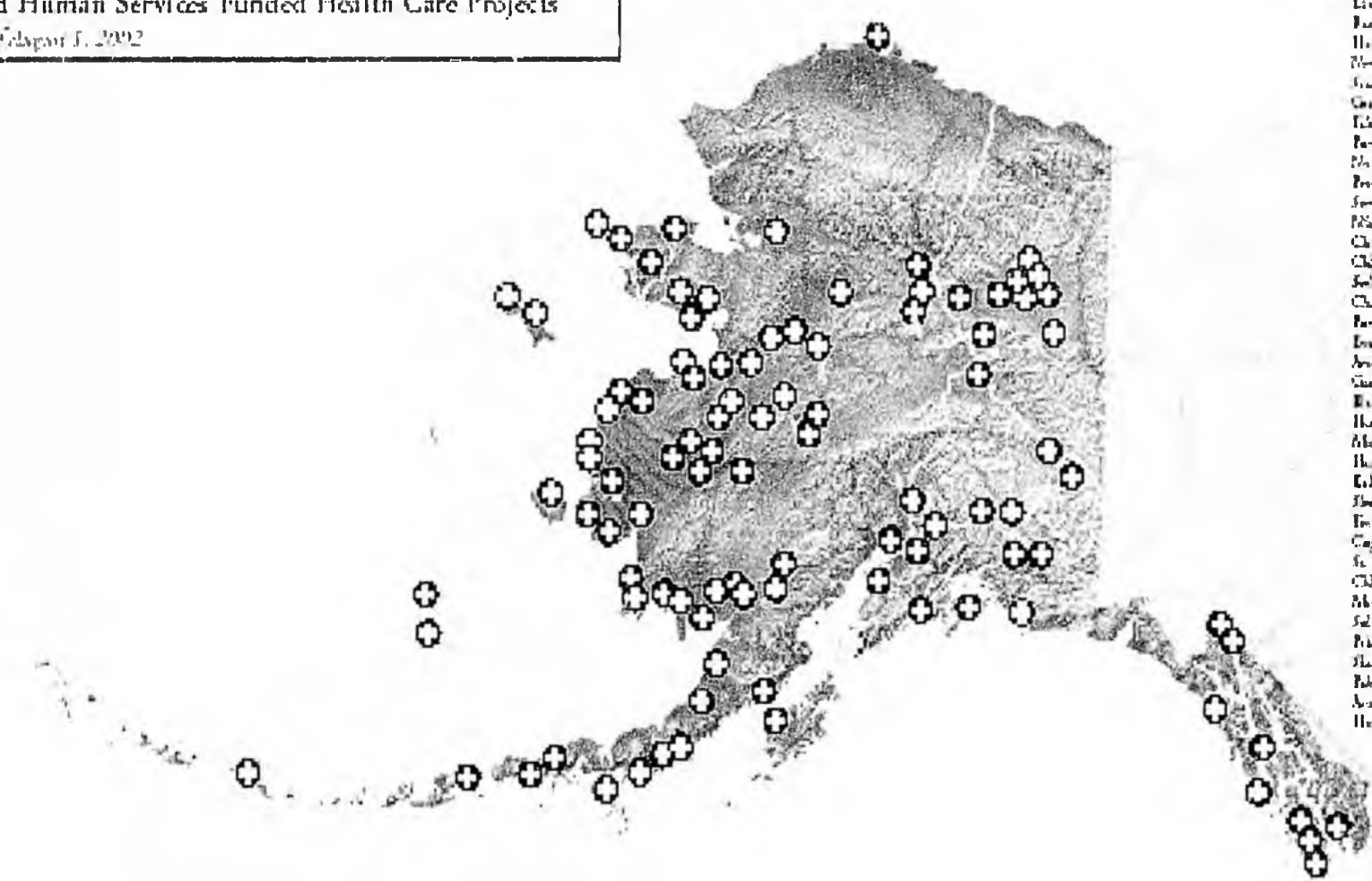
Subregional Clinic, Unalakleet, Alaska



Denali Commission and U.S. Department of Health  
and Human Services Funded Health Care Projects  
as of August 1, 2002

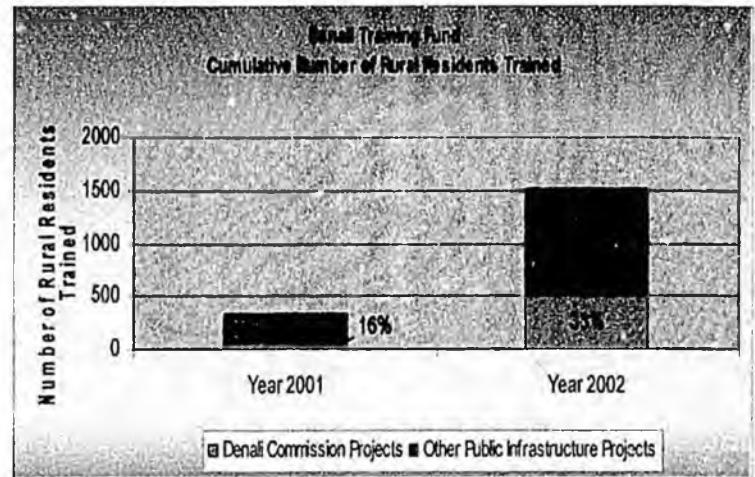
Community Name

- |                          |               |
|--------------------------|---------------|
| Atkasook                 | Valdez River  |
| Blue Swains              | Sand Point    |
| Elm                      | Arctic        |
| Evards Mission           | Haines        |
| High Camp                | Harrison Lake |
| Merced                   | Atkasook      |
| Quaternary Hill          | Atkasook      |
| Geopling                 | Chena River   |
| Tikona                   | Chena         |
| Fort Alsworth            | Chena         |
| Malina                   | Copper Center |
| Proctor                  | Edna          |
| Summit Village           | Edna          |
| Midvale                  | Edna          |
| Chadwick                 | Umanak River  |
| Chena Lake               | Katik         |
| Smith                    | Katik         |
| Chena Point              | Katik         |
| Fort Alsworth            | Katik         |
| Edna                     | Katik         |
| Summit Village           | Leek River    |
| Chena Creek              | Marina        |
| Edna Creek               | Marina        |
| Edna                     | Marina        |
| Alaska                   | Marina        |
| Hughes                   | Marina        |
| Edna                     | Marina        |
| Edna                     | Marina        |
| Copper River Hill        | Marina        |
| St. Lawrence             | Marina        |
| Chena River              | Marina        |
| McQuinn                  | Marina        |
| Selkirk Central District | Marina        |
| Prince of Wales          | Marina        |
| Alaska                   | Marina        |
| Alaska                   | Marina        |
| Alaska                   | Marina        |
| Alaska                   | Marina        |



## Training

- Training for construction, operations and maintenance Denali Commission projects
- Training ensures sustainable operations of federally funded projects
- Training is tied to jobs and encourages careers rather than short term employment



## Intergovernmental Coordination

- Provide guidance regarding development barriers in rural Alaska and improve government efficiency and local management capacity in rural Alaska
- Promote locally developed, regionally supported planning

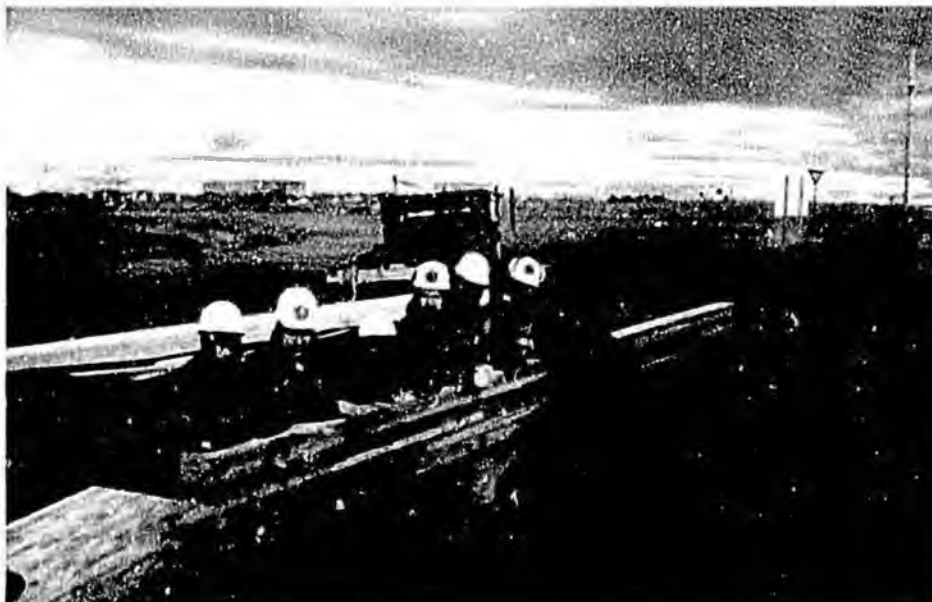
## Other Infrastructure

### ○ Economic Development

- *Community Priorities Program*: target construction-ready fixed infrastructure
- *Mini-Grant Program*: target community development
- *Initiative for Accelerated Infrastructure Development*: target community mapping
- *Airport Assistance Program*: target runway extensions & reconstruction

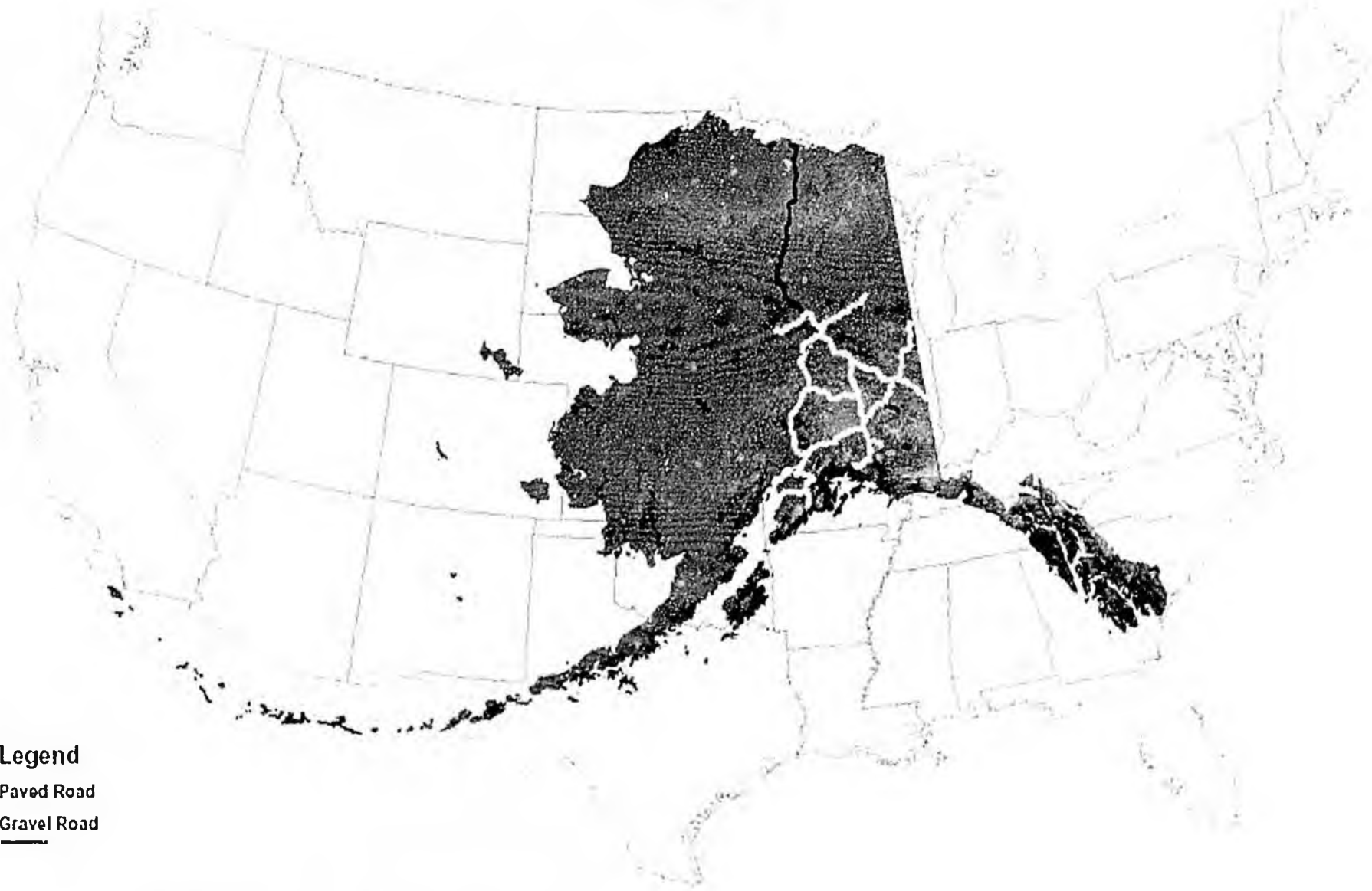
### ○ Washeterias

- Construction, repair and renovation
- Essential community facilities providing potable water, washers and dryers, and shower facilities



State of Alaska Access System

2/07/2003



**Legend**

Paved Road

Gravel Road

Unmet Access Needs > \$10 billion (ADOT&PF, Nov 02)

**2/12/03**

**OVERVIEW:**

**DEPT. OF**

**NATURAL**

**RESOURCES**

**HFIN**

**FILE**

**Alaska Department of Natural Resources  
FY 2004 Overview**



**STATE OF ALASKA**  
Frank H. Murkowski, Governor

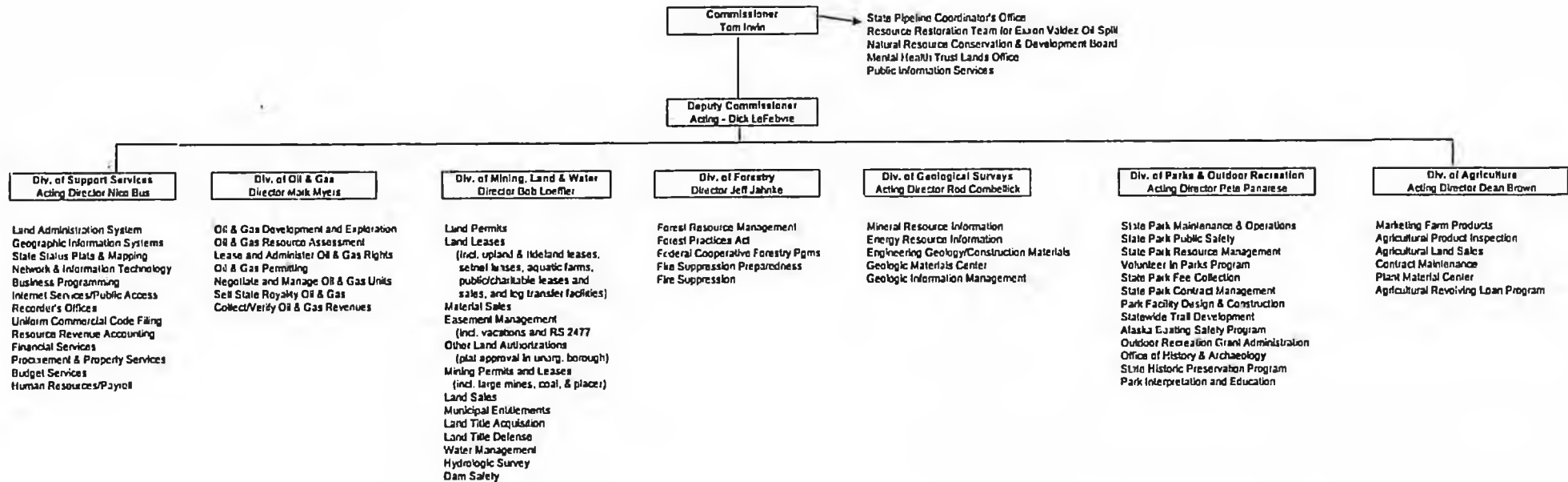
**DEPARTMENT OF NATURAL RESOURCES**  
Tom Irwin, Commissioner

**February 2003**

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Copies of this document are available from DNR Commissioner's Office, Attn: Nico Bus 465-2406

DEPARTMENT OF NATURAL RESOURCES  
FUNCTIONAL STRUCTURE  
February 2003



Component Name	LINE ITEM							FUNDING SOURCE												POSITIONS				
	Pers.Scr. 71000	Travel 72000	Contr. 73000	Supplies 74000	Equip. 75000	Grants 77000	Total	FED 1002	GFM 1003	GF 1004	GF/PR 1005	IA 1007	ARLF 1021	CIP 1061	PFund 1105	SDPR 1108	LDIF 1153	RSS 1156	MISC **	PFT	PPT	NP		
<b>Commissioner's Office &amp; "Other" Budgets</b>																								
Commissioner's Office	407.9	18.7	249.3	5.2			761.1			505.3		55.8		200								6		
Mental Health Lends Trust	702.5	30.0	224.7	11.0	15.0		983.2												983.2			9	3	
Pipeline Coordinator's Office	1,980.5	188.0	1,640.8	71.8	8.0		3,889.1	40.5			410.2	21.4										24	9	
Gas Pipeline Office	534.5	48.0	1,602.6	67.4			2,252.5			10.0				2,242.5								8		
EVOS Trustees Council Projects	247.9	10.0	961.4	7.0			1,226.3	151.0														4		
Development - Special Projects			2,013.6		12.0		2,025.6			309.5									1,194.6			521.5		
<b>TOTAL</b>	<b>3,953.3</b>	<b>294.7</b>	<b>6,692.4</b>	<b>162.4</b>	<b>35.0</b>	<b>0.0</b>	<b>11,137.8</b>	<b>191.5</b>	<b>0.0</b>	<b>824.8</b>	<b>410.2</b>	<b>77.2</b>	<b>0.0</b>	<b>2,442.5</b>	<b>0.0</b>	<b>4,611.6</b>	<b>0.0</b>	<b>0.0</b>	<b>2,580.0</b>	<b>51</b>	<b>0</b>	<b>12</b>		
<b>Support Services Division</b>																								
Administrative Services	2,163.6	10.5	65.6	17.6			2,257.3			1,495.3		762.0										38	2	
Recorder's Office	2,358.1	15.8	579.5	52.4	40.0		3,045.8											3,045.8				43	8	
Information Resource Mgmt.	2,084.6	10.2	298.3	128.4			2,521.5	230.9		1,635.1	51.7	157.4		415.5						30.9		30	4	
DOA DP Chargeback	297.0	3.5	531.4				832.7			545.8												5	2	
Public Services Office	350.4	3.0	25.5	7.0	3.0		388.9															6	2	
Facilities Maintenance			1,100.0				1,100.0					1,100.0												
Fairbanks Office Building			103.6				103.6					103.6												
DNR State Facilities Rent			1,373.4				1,373.4					1,268.6												
<b>TOTAL</b>	<b>7,254.5</b>	<b>43.0</b>	<b>4,077.3</b>	<b>205.4</b>	<b>43.0</b>	<b>0.0</b>	<b>11,623.2</b>	<b>230.9</b>	<b>0.0</b>	<b>5,048.4</b>	<b>51.7</b>	<b>2,800.0</b>	<b>0.0</b>	<b>415.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,045.8</b>	<b>30.9</b>	<b>122</b>	<b>10</b>	<b>8</b>		
<b>Division of Forestry</b>																								
Forest Management & Dev.	7,055.2	221.7	1,621.2	563.6	50.5		9,512.2	1,181.2		6,583.2		468.4		568.3		30.0						63	118	
Fire Suppression	2,960.3	34.7	6,746.9	704.5	20.0		10,466.4	7,321.8		3,144.6												10	74	
EFF Non-Emergency	250.0						250.0							250.0										
<b>TOTAL</b>	<b>10,265.5</b>	<b>256.4</b>	<b>8,368.1</b>	<b>1,268.1</b>	<b>70.5</b>	<b>0.0</b>	<b>20,228.6</b>	<b>8,503.0</b>	<b>0.0</b>	<b>9,727.8</b>	<b>0.0</b>	<b>480.4</b>	<b>0.0</b>	<b>818.3</b>	<b>0.0</b>	<b>30.0</b>	<b>0.0</b>	<b>0.0</b>	<b>681.1</b>	<b>73</b>	<b>192</b>	<b>12</b>		
<b>Division of Oil &amp; Gas</b>																								
Oil & Gas Development	5,065.6	139.4	322.7	133.9	41.6	0.0	5,703.2	141.7		3,633.7	51.8			15.7	1,840.3							59	3	
<b>Division of Geological/Geophysical Surveys</b>																								
Geological Development	2,322.8	145.4	1,374.2	151.1	31.1	0.0	4,024.6	1,511.9		1,993.1	55.1	66.4		146.9		251.2						32	8	
<b>Division of Mining, Land &amp; Water</b>																								
Water Development	1,127.9	41.7	188.7	26.8	7.0		1,392.1	39.7		949.7	2.0	123.5				45.0						15	1	
Claims, Permits & Leases	6,244.3	146.9	961.8	65.6	7.0		7,425.6	736.3	125.6	2,963.2	2,131.6	174.7		937.5								97	2	
Land Sales & Municipal Entitlement	2,059.8	47.0	904.9	29.8	5.5		3,047.0	55.8				161.9				0.0	2,759.3					35		
Title Acquisition & Defense	920.0	19.2	138.4	20.1			1,097.7			1,050.7		36.8				0.2						13		
Director's Office/ML&W	403.3	17.7	40.0	18.8			479.8			380.0		99.8										6		
RS2477 Navigability	92.0	10.0	8.0	5.0			115.0			115.0												1		
<b>TOTAL</b>	<b>10,847.3</b>	<b>282.5</b>	<b>2,241.8</b>	<b>166.1</b>	<b>19.5</b>	<b>0.0</b>	<b>13,557.2</b>	<b>831.8</b>	<b>125.6</b>	<b>5,458.6</b>	<b>2,133.6</b>	<b>596.7</b>	<b>0.0</b>	<b>0.0</b>	<b>937.5</b>	<b>125.2</b>	<b>2,759.3</b>	<b>232.2</b>	<b>356.7</b>	<b>167</b>	<b>2</b>	<b>1</b>		
<b>Division of Parks &amp; Outdoor Recreation</b>																								
Historic Preservation Program	963.4	92.5	303.4	35.3			1,394.6	340.3	324.2	15.0		217.5		482.5								12	4	
Parks Management	3,748.2	53.1	1,282.0	329.8	28.3	15.0	5,466.7	40.0		3,580.4	959.7	299.7				80.9						38	44	
Parks Access	2,024.2	3.9	6.0	1.6			2,035.7	23.5				808.0		1,204.2								28	5	
<b>TOTAL</b>	<b>6,735.8</b>	<b>149.8</b>	<b>1,601.4</b>	<b>366.7</b>	<b>28.3</b>	<b>15.0</b>	<b>8,897.0</b>	<b>403.8</b>	<b>324.2</b>	<b>3,601.4</b>	<b>959.7</b>	<b>1,325.2</b>	<b>0.0</b>	<b>1,686.7</b>	<b>0.0</b>	<b>80.9</b>	<b>0.0</b>	<b>500.0</b>	<b>15.1</b>	<b>78</b>	<b>53</b>	<b>57</b>		
<b>Division of Agriculture</b>																								
Agricultural Development	812.5	22.5	339.0	21.4			1,195.4	207.8			15	30.0	592.8				363.3					12		
North Latitude Plant Mat Center	1,595.4	106.0	295.8	126.0	404.0		2,527.2	1,848.1			14.5	68.6	535.6			60.4						13	24	
Agr Revolving Loan Pgm Admin	280.0	32.4	719.6	11.9			1,043.9						980.6	55.3								5		
Conservation & Dev Board	67.4	20.5	24.4	2.2			114.5					25.0	89.5									1		
Grants to Soil & Water						475.0	475.0					475.0												
<b>TOTAL</b>	<b>2,755.3</b>	<b>181.4</b>	<b>1,378.8</b>	<b>161.5</b>	<b>404.0</b>	<b>475.0</b>	<b>5,356.0</b>	<b>2,055.9</b>	<b>0.0</b>	<b>0.0</b>	<b>16.0</b>	<b>598.6</b>	<b>2,206.5</b>	<b>55.3</b>	<b>0.0</b>	<b>60.4</b>	<b>363.3</b>	<b>0.0</b>	<b>0.0</b>	<b>31</b>	<b>24</b>	<b>0</b>		
<b>Department Total</b>	<b>49,200.1</b>	<b>1,492.6</b>	<b>26,056.7</b>	<b>2,615.2</b>	<b>673.0</b>	<b>490.0</b>	<b>80,527.6</b>	<b>13,770.5</b>	<b>449.8</b>	<b>30,287.8</b>	<b>3,678.1</b>	<b>5,932.5</b>	<b>2,206.5</b>	<b>5,580.9</b>	<b>2,777.8</b>	<b>5,159.3</b>	<b>3,122.6</b>	<b>3,778.0</b>	<b>3,683.8</b>	<b>613</b>	<b>281</b>	<b>101</b>		

Total GF:  
GFM 449.8  
GF 30,287.8  
GF/PR 3,678.1  
TOTAL GF 34,415.7

\*\* MISC: 1,075.3 EVOS 1018  
99.1 Oil/Haz 1055  
521.5 Pub School 1066  
983.2 MHTAAR 1092  
323.6 Shorefish 1154  
681.1 Timber 1155  
3,683.8

**Commissioner: Tom Irwin**

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**Acting Administrative Services Director: Nico Bus**

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**Department Mission**

Develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.

**Major Department Accomplishments in 2002**

**1. Encourage resource development that creates Alaska jobs and ensures economic growth and revenues of the state.**

- Collected and accounted for \$890.5 million in O&G royalty, settlement, rental, federal share and other DNR revenues, and other DNR revenues.
- Resolved a sizeable audit dispute with BP and closed out several long-standing audit claims with other lessees. Total revenues generated by settlement of these audits equaled \$48 million.
- Leased 1.6 million acres in four oil and gas lease sales.
- Issued an exploration license, totaling 482,942 acres early in FY03. Issued 65 shallow natural gas leases totaling 452,188 acres.
- Renewed the right-of-way lease for TAPS, for a large number of facilities ancillary to TAPS, and for five common carrier pipelines on the North Slope which were due to expire in less than three years.
- Provided technical and policy support to the Governor's gas pipeline policy group and the Legislature's gas pipeline review committees.
- Permitting of 1,465 square miles of 3D seismic lines shot on the North Slope, about 3½ times the amount shot the previous year.
- Six right-of-way leases for pipelines have been executed in the last two years, reducing the number of pending applications and increasing the number of pipeline operations that the department oversees to 18.
- Offered approximately 3,000 acres of land to individuals in 2,418 parcels, and 295 remote cabin site parcels, of which 210 parcels were sold.
- Disposed of 1,247 acres of ARLF agricultural property for \$895,000; disposed of 1,360 acres of agricultural interest land for \$575,000.
- Transferred 14,418 acres of land to municipalities under municipal entitlement laws.
- Transferred title for the Denali Block from BLM to the State.
- Local contractors completed \$3.1 million in construction at 16 Parks recreation facilities.
- Generated \$452.6 from sale of forest products, offered 37.1 million board feet of timber, sold 56 timber sales, administered 182 active sales, issued 316 personal use wood permits, and replanted 365 acres.
- Increased revenues generated from Alaska Mental Health Trust Lands from \$7.2 million to \$7.8 million.
- Acquired and made available to the public geophysical maps and data for 931 square miles of prospective mineral terrain.
- Completed 671 square miles of airborne surveys and 848 square miles of geologic mapping in prospective mineral and oil and gas terrain.

**2. "Doing it Right": Ensure resource development planning, management and new project approvals are based on 1) sound science, 2) prudent management, and 3) responsive, meaningful public involvement.**

- Continued legal and permitting activities leading to commencement of drilling and production from the Northstar field. Drilling commenced at the Northstar production island in the Beaufort Sea.
- Completed the master plan revisions for Wood-Tikchik State Park, and the Chilkat Bald Eagle Preserve.
- Completed the Northern Southeast Area and Upper Yukon/Taylor Highway area plans which identify timber and other resources for development as well as for recreational, habitat and settlement purposes.

- Completed the planning for the Haines State Forest.
- Conducted a statewide "Firewise" conference to reduce fire dangers around private residences.
- Provided technical and policy support to the Governor's gas pipeline policy group and the Legislature's gas pipeline review committees.

**3. Ensure resource sustainability and multiple use, including recreational enjoyment of the resource base.**

- Collected \$2.1 million in park user fees and provided recreational opportunities for 4.3 million park visits.
- In coordination with the Alaska Marine Safety Education Association, administered Alaska's boating safety education training courses.
- Provided 10 Snowmobile and 26 National Recreation Trail grants to local clubs and government agencies.
- 773 Park volunteers contributed 103,469 hours of service.
- Provided grants to 12 communities for tree planting, conservation education, and program development.
- Trained 13 tree stewards in Fairbanks to provide volunteer tree care to community trees.
- Awarded \$15,000 in grants to two ANCSA corporations for forest stewardship plans, and completed 27 forest stewardship plans for individual landowners on 1,367 acres.
- Managed and responded to a total of 336 wildland fire occurrences on 134 million acres.
- Through collaboration with NASA guided the acquisition of high-resolution digital elevation data for the proposed natural gas pipeline corridor between Fairbanks and the Yukon, Canada border.
- Utilized the Tazlina Type 1, and Matsu and Kenai EFF Crews for hazard tree removal, firebreak improvement, and other hazard fuel work reducing the potential of a serious wildland fire on the Hillside area in the Municipality of Anchorage and on the Kenai Peninsula.
- Collaborated with the U. S. Geological Survey and the University of Alaska to expand the Alaska Volcano eruption-monitoring network from 20 to 21 volcanoes with the addition of Great Sitkin Volcano near Adak.

**4. Streamline natural resource leasing, sales, and permitting processes.**

- The Recorder's Office initiated a digital document imaging and bar-code system; replaced their microfiche document system; and provided public access via the Internet to statewide recording and Uniform Commercial Code index.
- Consolidated related business operations so customers can complete all the needed transactions in one place: allowed new mining claim rental payments at the Recorder's Office.
- Received funding for the absorption of the remaining court recording offices into DNR operations and thus eliminate the dual administration of recording functions in those offices.
- Amended the Alaska Coastal Management Program (ACMP) Consistency Determination regulations (6AAC50) process to make it clear, predictable, concise and efficient.

FY00 - FY02  
Missions & Measures

SB169

SB281

HB250

HB515

Data Summary - See Dept's Performance Measures Report for more Detail.

Sec. 107. Department of Natural Resources. The mission of the Department of Natural Resources is to develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.				
Sec. 108. Office of the Commissioner. The mission of the Office of the Commissioner is to provide support and policy direction to each of the divisions within the department to achieve the department's mission.				
	FY 00	FY 01	FY 02	FY03
• 108.(1). The percentage of divisions that meet the assigned performance measures.	96%	97.70%	97%	
• 108.(2). The percentage of maintained daily entry and weekly verification of the online grantor/grantee and location indexing process for all documents accepted in the recorders' offices.	FY 00	FY 01	FY 02	FY03
<u>FY00 Daily Indexing Completion - FY 01 4th quarter Daily Input Performed</u>	%	%	%	
Anchorage	9	27	35	
Bethel	98	92	98	
Fairbanks	77	95	96	
Homer	98	97	94	
Juneau	66	100	85	
Kenai	44	97	95	
Ketchikan	95	92	91	
Kodiak	91	100	99	
Nome	97	100	100	
Palmer	62	86	84	
Sitka	100	98	100	
UCC Central		97	98	
<u>Weekly Verification Completion</u>	%	%	%	
Anchorage	new	98	64	
Bethel	new	98	99	
Fairbanks	new	100	100	
Homer	new	100	100	
Juneau	new	100	94	
Kenai	new	100	100	
Ketchikan	new	100	91	
Kodiak	new	100	100	
Nome	new	97	100	
Palmer	new	100	80	
Sitka	new	100	96	
UCC Central	new	100	100	

	FY 00	FY 01	FY 02	FY03
• 108.(3). The percent of time the computer systems are able to support the annual volume of land and records transactions.	99%	99.75%	99.7	
	FY 00	FY 01	FY 02	FY03
• 108.(4). The revenue generated by the development and sale of natural resources.	1.0 billion	1.1 billion	\$816 million	
	FY 00	FY 01	FY 02	FY03
• 108.(5). The average time taken to respond to complaints and questions that have been elevated to the commissioner's office.	new FY01	15 days	14 days	
	FY 00	FY 01	FY 02	FY03
• 108.(6). The average time taken to respond to appeals and reconsiderations that have been elevated from the divisions to the commissioner's office.	new FY01	29.2 days	28 days	
• <b>Sec. 109. Administrative Services. The mission of Administrative Services is to provide support services for departmental programs.</b>				
	FY 00	FY 01	FY 02	FY03
• 109.(1). The average time taken to pay vendors.	22 days	24.2 days	23.34 days	
	FY 00	FY 01	FY 02	FY03
• 109.(2). The number of late penalties for payroll or vendor payments	0	0	0	
	FY 00	FY 01	FY 02	FY03
• 109.(3). The number of audit exceptions.	0	0	0	
	FY 00	FY 01	FY 02	FY03
• 109.(4). The cost of administrative services as compared to the total personnel costs for the department.	5.00%	4.34%	4.19%	
• <b>Sec. 110. Division of Forestry. The mission of the Division of Forestry is to develop, conserve, enhance, and manage the state's forests to provide a sustainable yield of forest resources for Alaska and to manage the wild land fire suppression program.</b>				
	FY 00	FY 01	FY 02	FY03
• 110.(1). Level of noncompliance with AS 41.17 (Forest Resources and Practices Act) measured by the annual number of field visits and violations.				
			8%	
			7%	
	FY 00	FY 01	FY 02	FY03
• 110.(2). The annual volume of state timber sold as compared to the amount offered for sale.				
	MMBF Offered	35.9	32.5	46.2
	MMBF Sold	20.8	8.9	15.5

110.(3). The acreage of	FY 00	FY 01	FY 02	FY03
A) state forest land with active insect infestations or diseases;	8,799,000	6,988,000	18,200,000	
B) infested or diseased timber offered for sale on state land; and	1256	1855	3,388.3	
C) infested or diseased timber sold on state land.	480	48	139.4	
	FY 00	FY 01	FY 02	FY03
110.(4) The annual volume of state timber offered for in-state companies and converted to value-added products.				
MMBF Offered	35.9	32.5	5.5	
MMBF Sold	20.4	8.8	15.5	
	FY 00	FY 01	FY 02	FY03
110.(5). The number of fires that result from human actions, whether as a function of population growth or other causes.				
Total Fires	324	299	336	
Human Causes	269	280	278	
	FY 00	FY 01	FY 02	FY03
110.(6). The percentage of fires in full and critical protection categories that are held to less than 10 acres.	98%	98%	96%	
	FY 00	FY 01	FY 02	FY03
<b>Sec. 111. Division of Oil &amp; Gas. The mission of the Division of Oil and Gas is to maximize responsible oil and gas exploration and development.</b>				
	FY 00	FY 01	FY 02	FY03
111.(1). Compliance with the area wide leasing plan and exploration licensing.	100%	100%	100%	
	FY 00	FY 01	FY 02	FY03
111.(2). The amount of available state acreage offered for oil and gas leasing or for exploration that is.				
licensed for exploration	none	318,756	0	
leased for oil and gas development	none	1,740,009	1,673,189	
leased for shallow natural gas development	none	23,040	452,188	
	FY 00	FY 01	FY 02	FY03
111.(3). The non-tax revenue received for total state production of oil and gas.	1.0 billion	1.15 billion	\$816 million	
	FY 00	FY 01	FY 02	FY03
111.(4) . The number of resident and nonresident private-sector jobs in the o&g industry in the state.	11,123	13,100	9100	
residents	8,380	9,496		
non-residents	2,743	3,604		
	FY 00	FY 01	FY 02	FY03
111.(5). The number of new and assigned oil & gas rights, plans and units.				
Assignments	904	1070	912	
Units	112	158	5	

• 111.(6). The total amount of oil and gas acreage	FY 00	FY 01	FY 02	FY03
under lease			5,373,474	
under license			801,698	new
within oil and gas units			1,078,239	new
within participating areas and non-unitized producing acreage			615,325	new
• Sec. 112. Division of Mining, Land and Water. The mission of the Division of Mining, Land and Water is to encourage the use and development of Alaska's land mineral and water resources.				
	FY 00	FY 01	FY 02	FY03
• 112.(1). The number of leases and permits issued for public and private use of State Land.	513	417	273	
	FY 00	FY 01	FY 02	FY03
• 112.(2). The number of private-sector jobs in mining compared to the prior fiscal year	3166	3183	2882	
	FY 00	FY 01	FY 02	FY03
• 112.(3). The number of acres of land conveyed to municipalities compared to total municipal entitlement.				
	12,000	16,677	14,418	
Entitlement	1,375,836	1,375,836	1,375,386	
• 112.(4). Percentage change in the number of acres of land sold and amounts of revenue generated from land sales and leases.	FY 00	FY 01	FY 02	FY03
acres sold	1,500	2,100	4,723	
revenues increased	N/A	\$2.0 million	\$3 million	
• 112.(5). Number of water right files processed compared to the number of water rights applied for.	FY 00	FY 01	FY 02	FY03
applied for	250	250	97	
processed	104	97	168	
backlog	500	653	710	
	FY 00	FY 01	FY 02	FY03
• 112.(6). The percentage change in the number of periodic dam safety inspections.	12	7	11	
• 112.(7). Number and change in the number of active placer, lode, and coal mines permitted and the number of mining locations staked and processed.	FY 00	FY 01	FY 02	FY03
Placer mines permitted	360	301	291	
Mining claims staked and processed	12,555	2,851	1,594	
• Sec. 113. Division of Geological and Geophysical Surveys. The mission of the Division of Geological and Geophysical Surveys is to determine: 1) the potential of Alaska land for production of metals, mineral's fuels and geothermal resources, 2) the locations and supplies of groundwater and construction material, and 3) the potential hazards to buildings, roads, bridges, and other installations and structures.				

	FY 00	FY 01	FY 02	FY03
• 113.(1). The total value of Alaska's mineral industry.	1.28 billion	~1 billion	~ 1 billion	
	FY 00	FY 01	FY 02	FY03
• 113.(2). Total state revenue generated by Alaska's mineral industry.	new in FY03	new in FY03	new in FY03	
	FY 00	FY 01	FY 02	FY03
• 113.(3). The number of acres of ground under private-sector exploration.	3,301,880	3,100,000	2,663,620	
	FY 00	FY 01	FY 02	FY03
• 113.(4). Number of the square miles included in completed geophysical/geological mineral surveys of at least 1000 square miles of Alaska land.	1,032 sq. mi	1,240 sq mi	931 sq mi	
	FY 00	FY 01	FY 02	FY03
• 113.(5). The number of users requesting information on the geology of Alaska from the DGGs Web site.	21,737	27,731	31,952	
	FY 00	FY 01	FY 02	FY03
• 113.(6). The number of responses made by the division to the requests for information or assistance relating to engineering geology or hazards issues in Alaska.	320	365	360	
• <b>Sec. 114. Division of Parks and Outdoor Recreation. The mission of the Division of Parks and Outdoor Recreation is to: 1) provide outdoor recreation opportunities, 2) conserve, interpret and preserve natural, cultural, and historic resources and services and 3) encourage the development of local park and recreation facilities and programs.</b>				
	FY 00	FY 01	FY 02	FY03
• 114.(1). The percentage of park facilities open.	99%	100%	93% ?	
	FY 00	FY 01	FY 02	FY03
• 114.(2). The number of visits by site and type of visit.				
Northern	663,235	644,717	593,819	
Mat-Su/CB	886,844	972,253	964,233	
Chugach	938,790	965,658	1,099,500	
Kenai/PWS	677,378	807,761	945,126	
Kodiak	150,165	192,394	196,175	
Wood Tikchik	94,652	102,468	107,960	
Southeast	476,636	476,224	475,957	
resident	2,925,900	3,177,323	3,308,147	
nonresident	961,800	984,153	1,074,623	
	FY 00	FY 01	FY 02	FY03
• 114.(3). The percentage of newly identified historic properties entered on the statewide inventory.	1009	908	1147	

	74%	73%	127%	
	FY 00	FY 01	FY 02	FY03
• 114.(4). The amount of dollars generated from sources other than state government for trail maintenance and site development.	857,000	946,000	1,383,000	
	FY 00	FY 01	FY 02	FY03
• 114.(5). The level of deferred maintenance in state parks.	\$39.5 million	\$42 million	\$42.3 million	
• 114.(6). Annual dollars applied to deferred maintenance in state parks	new in FY03	new in FY03	new in FY03	
• Sec. 115. Division of Agriculture. The mission of the Division of Agriculture is to promote and encourage the development of an agricultural industry in the state.				
	FY 00	FY 01	FY 02	FY03
• 115.(1). The loan to equity ratio in the Agricultural Revolving Loan Fund.	28.90%	27.95%	27.70%	
	FY 00	FY 01	FY 02	FY03
• 115.(2). The number of improved crop accessions produced by the plant material center and grown in the state.	316	314	922	
	FY 00	FY 01	FY 02	FY03
• 115.(3). The percentage change in agricultural acreage compared to the prior year	0	0	1%	
	FY 00	FY 01	FY 02	FY03
• 115.(4). The monetary value of agricultural products grown in the state that are sold domestically or exported.	28.3 million	26.5 million	30.2 million	

**2/13/03**

**TRAINING:**

**MISSIONS**

**&**

**MEASURES**

**HFIN**

**FILE**

- > Systems Integration.
- > Outsourcing.
- > Infrastructure.
- > Server Technology.
- > Consulting.

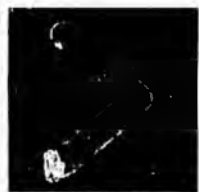
**State of Alaska  
House Finance  
Committee Staff**

**Mission(s) and  
Measure(s)  
Workshop**

February 13, 2003  
Juneau, AK

unisys

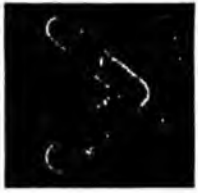
Imagine it. Done.



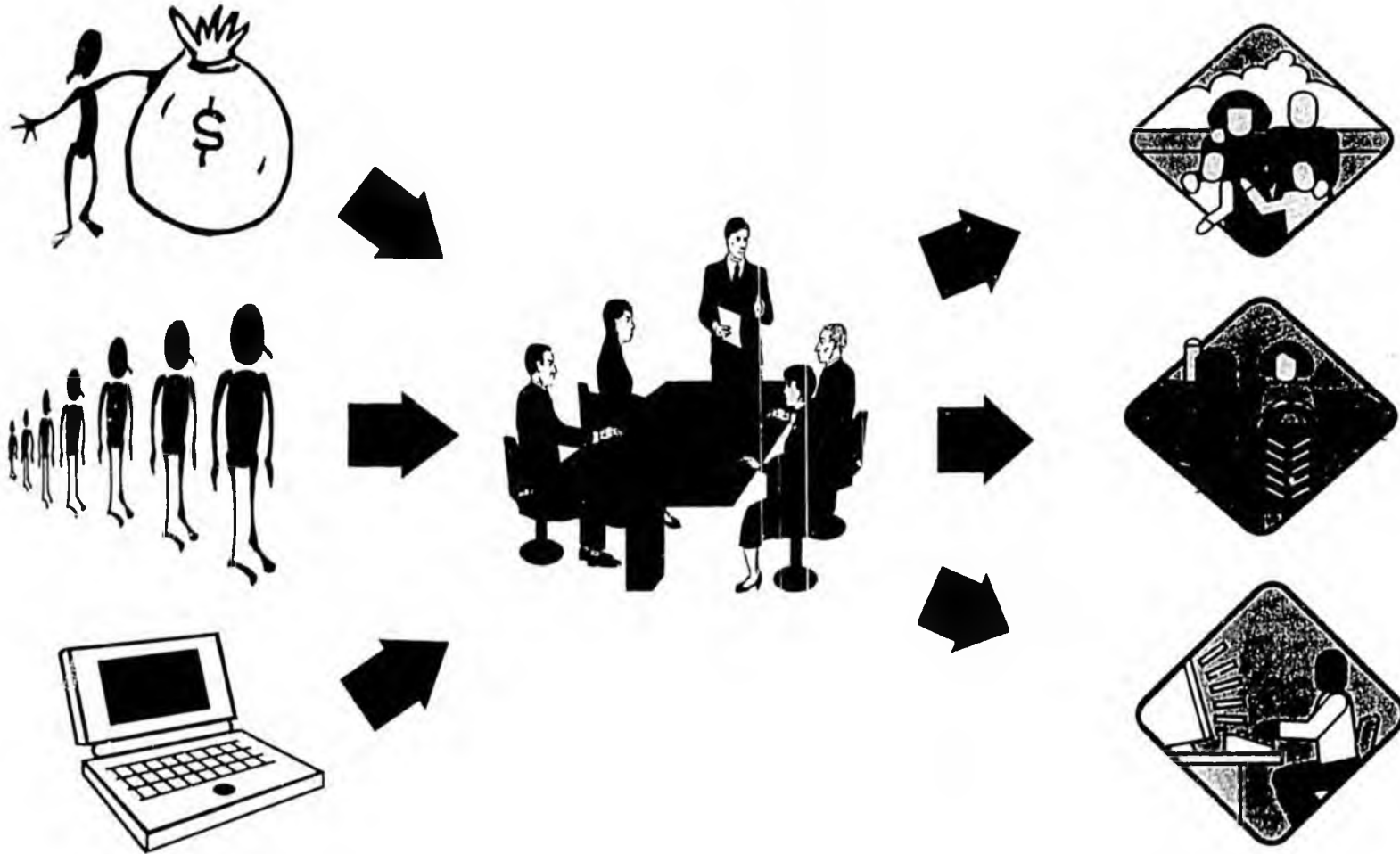
## Case Study Examples for the Workshop

**Will be using examples from the following case studies, throughout the presentation;**

- ***Office Alcohol & Substance Abuse (OASAS)***
- ***State of Alaska***
- ***Family & Youth Services (FYS)***
- ***Public Works (DPW)***
- ***Housing & Community Renewal (HCR)***

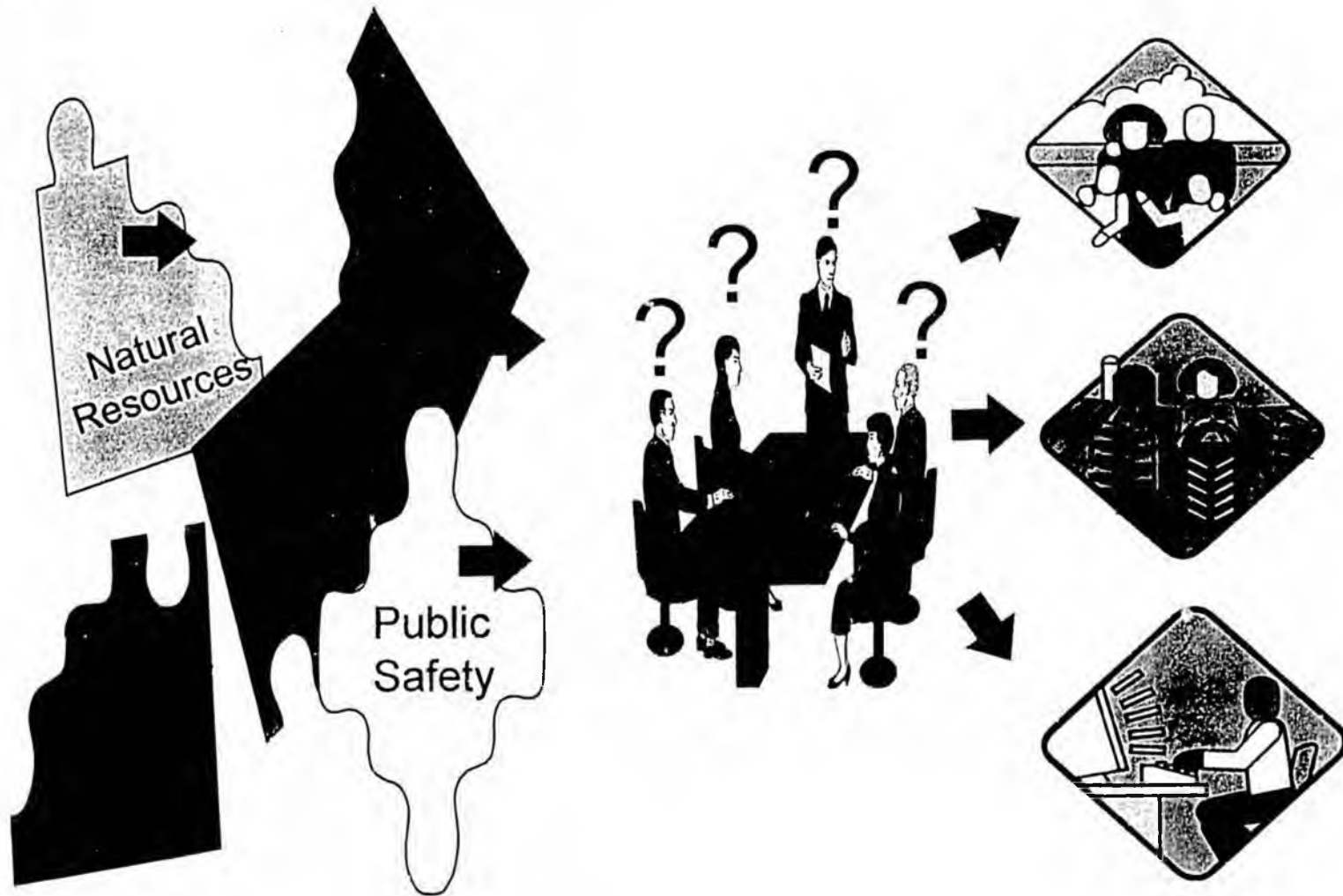


# Key Concept: Shifting from INPUTS to Outcomes





# Key Concept: Investing in RESULTS, not Programs





## WHY Agency Mission(s) are IMPORTANT!

“Virtually all of the results that government strives to achieve require the concerted and coordinated efforts of two or more agencies. However, mission fragmentation and program overlap are widespread and programs are not always well-coordinated.”

*David M. Walker, Comptroller General of the United States - 2/10/99*






THE  
FOLLOWING  
DOCUMENT(S)  
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## Homeland Security Agency – Proposed Alignment (Contributions from 22 different agency's)

President Bush's proposed Department of Homeland Security, if approved by Congress, would draw from the budgets and jurisdictions of current Cabinet departments or Cabinet-level agencies.

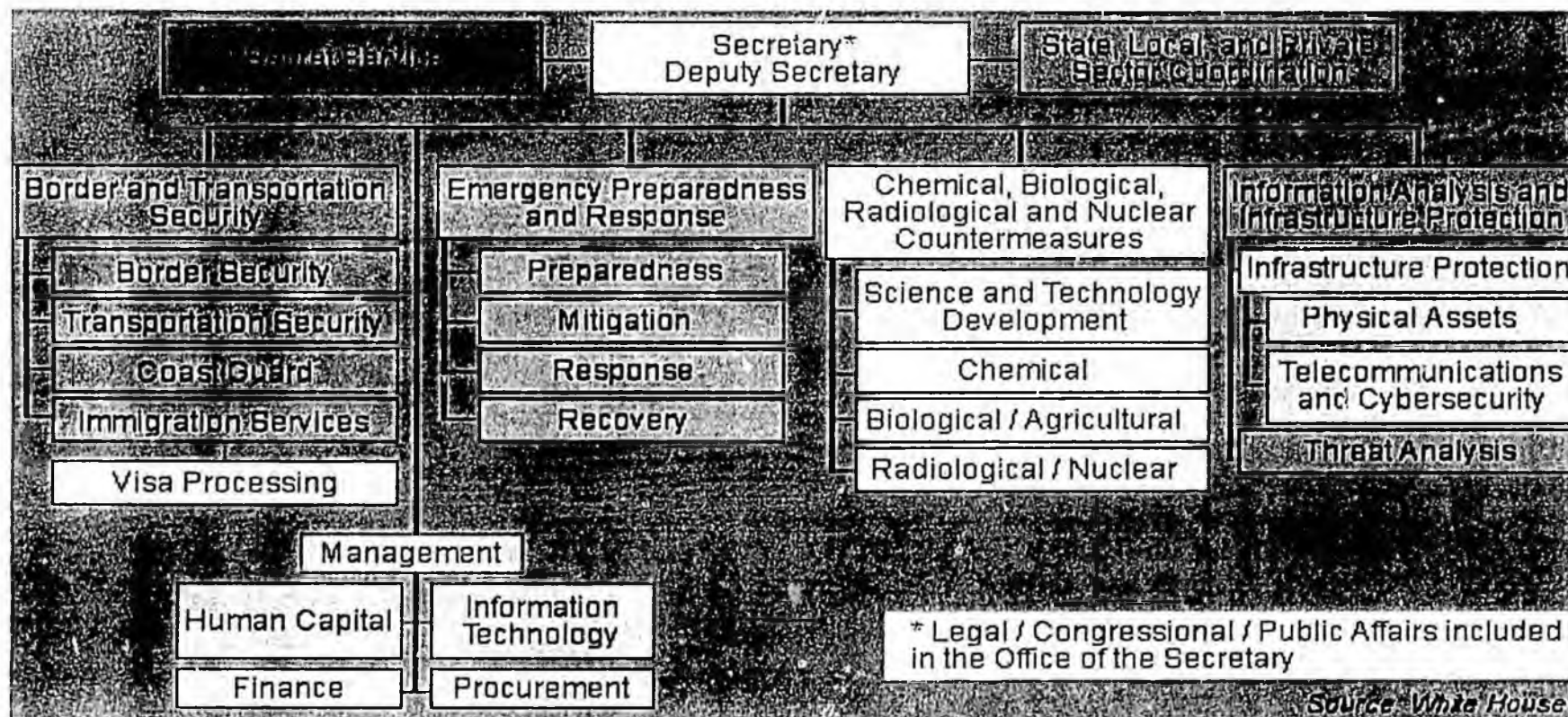
<< Click on the links to the left to see which departments and agencies will be affected.

Department of Homeland Security		Budget	Employees
	<b>Information analysis and infrastructure protection</b> File and analyze intelligence and issue warnings; evaluate vulnerability of critical infrastructure.	\$1.1 billion	976 people
	<b>Border and transportation security</b> Authority over security of borders, waters, and transportation systems, allowing a single entity to manage entry into the United States.	\$2.98 billion	168,169 people
	<b>Emergency preparedness and response</b> Oversee domestic disaster preparedness training and coordinate the government's disaster response efforts.	\$8.4 billion	6,300 people
	<b>Chemical, biological, radiological and nuclear countermeasures</b> Protect from catastrophic terrorism by setting national policy and establishing guidelines for state and local governments. Would assist in evaluating equipment and setting standards.	\$3.6 billion	598 people
	<b>Special operations</b> Coordinate special operations activities, including intelligence gathering, counterterrorism, and counterintelligence.	\$1.1 billion	1,000 people

Source: Associated Press



# Proposed Structure – Program Focus





## Key Concept: Mission Statement

### SHOULD;

- Briefly state WHY department exists,
- Highlight UNIQUE contribution of department,
- Unify the core services/service groups,
- Be memorable and usable

### SHOULD NOT;

- Be list of everything we do,
- Include statements of values,
- Include “qualifiers” of who, how well, how good ,
- Contain language that is vague and unclear.



## Key Concept: Mission Statement Example

WHY the agency exists

Reduce waste from City landfill(s)

Not WHAT you do;

Promote recycling services,  
Provide educational forums at public schools,  
Natural resource preservation

Not how WELL you do things;

Environmental friendly manor,  
In a cost effective way,  
Quality

Not statements of HOW;

Through partnerships  
Valuing diverse perspectives



## Example “Mission Statements”

- **BAD Mission Statement**

In partnership with the citizens of Alaska, protect the public from repeat offender crime by using the best correctional practices available to provide a continuum of appropriate, humane, safe and cost effective confinement, supervision, and rehabilitation services. The Department will carry out its responsibility while respecting the rights of victims and recognizing the dignity inherent in all human beings.

- **GOOD Mission Statement**

The mission of the Department of Natural Resources is to develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest



# **Council on Domestic Violence & Sexual Assault**

## **The Assumption:**

The CDVSA was working to decrease the number of Domestic Violence & Sexual assaults in Alaska.

## **The Discovery:**

1. A vast majority of the funding for CDVSA was being spent on increased space in shelters for victims of domestic violence.
2. The focus was on warehousing victims rather than prevention.



# Correctional Industries

## The Assumption:

Correctional Industries was set up to train inmates with work skills that they could use upon release from the Department of Corrections.

## The Discovery:

1. Most inmates in the program were not going to be released until they were well past the age of useful employment.
2. The program was severely restricted in what types of industries it could engage in, thereby limiting its ability to give inmates marketable job skills.



# DOT and Public Facilities

## The Assumption:

DOT&PF had too many employee's scattered across the state and not enough maintenance was being done.

## The Discovery:

When asked to measure the percentage of highway and airport lane miles per full time equivalent position (FTEP) compared to the average of member states of the western association of state highway and transportation officials, we found the following data:

- A. 13 of the states averaged 21.7 lane miles per FTEP
- B. Alaska averaged 38.1 lane miles per FTEP

The assumption the Budget Subcommittee was using to determine the Departments budget was wrong.



# What's **IMPORTANT** to measure?

*Result: The intended "outcome" of the effort.*

*NOT Activities: The things done to accomplish the "outcome".*

EXAMPLE - JOBS Training

Result = Person gets a Job

Activities =  
Person's case is established  
Person is trained  
Person receives child care assistance  
Person is taught interviewing skills  
etc.....



## Example: Program and Services

Program: Unique and independent major function that supports the mission, and who's contribution can be measured.

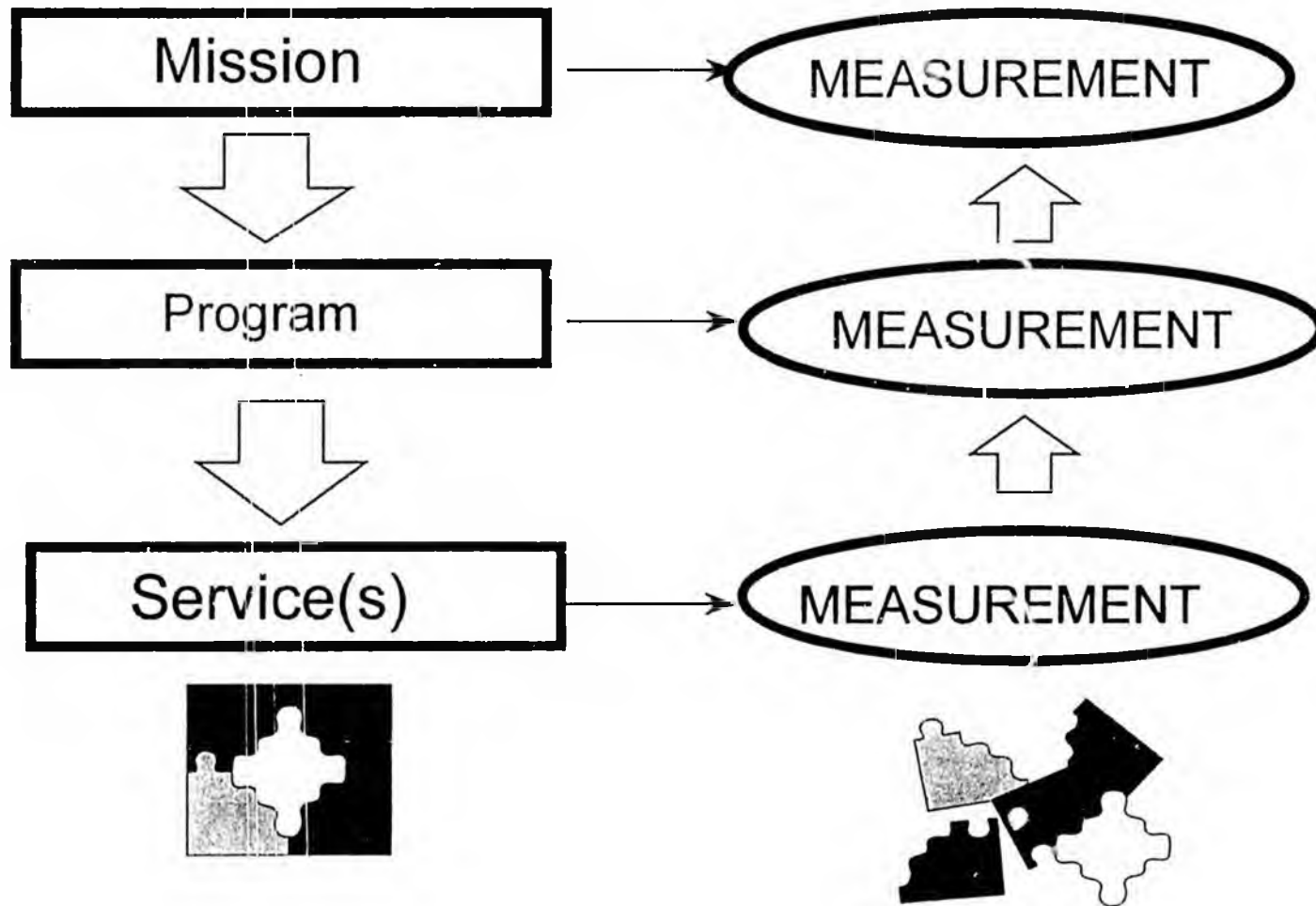
Example: Enforcement

Service: A specific product/service delivered to a citizen, typically aligned with a specific core service.

Example: Litter Compliance  
Vehicle Compliance  
Development Code Violators

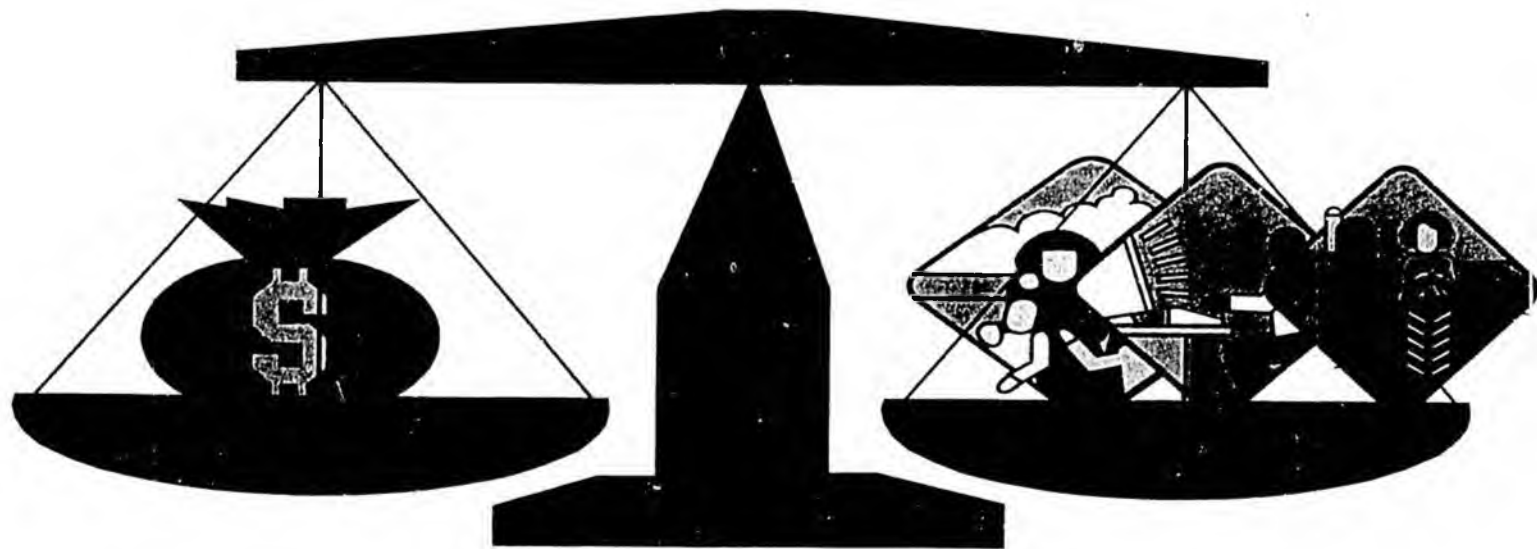


# Cascading and Aligning - The Picture





# How to Develop a “Balanced Set” of Measures



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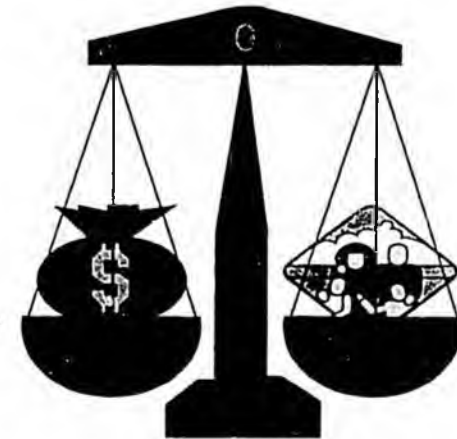


# “Balanced”: JOBS Program

Program: Welfare to Work

Efficiency:

*Cost per client that gets a job.*

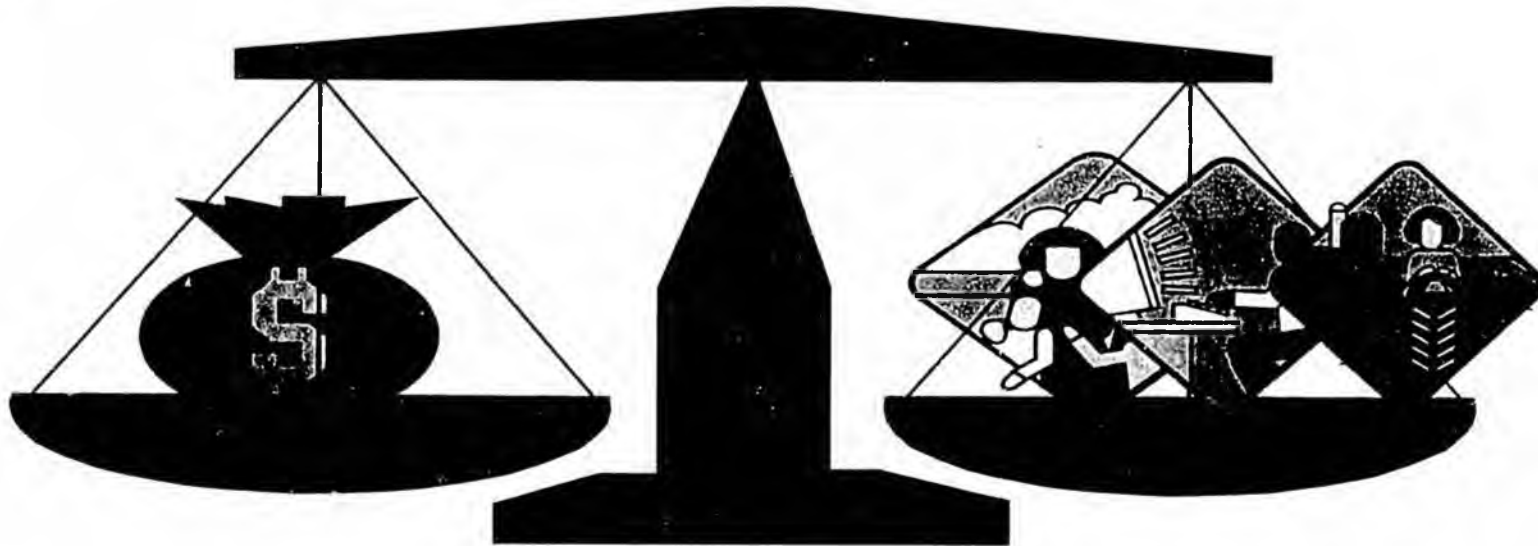


Effectiveness:

- *Average time to move from Welfare to Work.*
- *% of clients placed above minimum wage.*
- *% of “repeat” clients*



## “Balanced” : TANF



- ✓ Cost per job placement.
- ✓ % application processed in 45 days.
- ✓ % of cases predetermined in 6 months
- ✓ % of cases reopened in one year.
- ✓ % of grants reduced due to employment.
- ✓ % of surveyed who do NOT live below poverty line.

*Source: GASB-Public Assistance*



# Cascading Alignment - Example Developmental Services Department

## Strategic:

- Business community satisfaction with “one stop concept”.

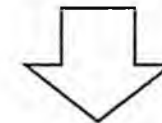
## Program Measures:

- % requests completed at “first contact”
- % approvals requiring correction(no-fault)

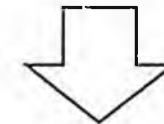
## Service Measures:

- Average cost to provide a permit.
- Average time to process a request for permit.
- Average time from request to resolution for inspections.

Department



Program



Services





# Cascading Alignment – Example

## Office of Alcohol and Substance Abuse

### Department:

- % Clients who improve after leaving treatment

Department

### Program Measures:

- % of clients who improve in their vocational status 6 months after leaving treatment.
- % change in clients not returning to Criminal Justice System.

Program

### Service Measures:

- % of programs achieving substantial compliance.
- % of clients successfully completing treatment.

Service(s)



# Cascading Alignment – Example Fire Department

## Strategic:

- Estimated \$ value of lost due to fire.
- Lives lost to fire.
- % change in lost due to injury.

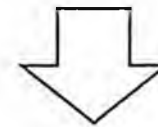
## Program Measures:

- % calls responded to w/n 6 minutes
- % fires contained w/n “room of origin”.

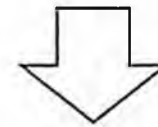
## Service Measures:

- Average maintenance cost / truck.
- Average time for fire truck response.
- Average time for containment, once on site.

Department



Program



Services





# Key Questions for POLICY MAKERS

1. What's your Mission?
2. How do agency Programs contribute to the Mission?
3. Who are the customers of their Programs?
4. What are the Program Outcome Performance Measures?
5. How did you do last year?
6. What do you intend to do differently this year?
7. What are your strategies/priorities for this next year?
8. Which measures are you going to use to validate and monitor our investment?
9. \* *Is there duplication between agencies?*
10. \* *Are other options viable to accomplish these outcomes?*



## Caution - “Simplify to Succeed”

*Resist the urge to over complicate for “perceived” completeness. Begin by having each program unit, agencies, submit the following;*

- At least one efficiency & one effectiveness measure for each program result.
- Brief narrative to support measure.
- Graph depicting baseline, actual & potential results.
- Quarterly reporting to OMB
- CSSB 169 (FIN am H)



## Updated Agenda – 12/06/02

- Questions/thoughts/what you want out of today?
- Review “homework”
- Things to look-out for – from previous sessions
- Key questions regarding PM’s;
  - What will the measure “demonstrate”?
  - Is this information “useful”?
  - How often will you be able to gather/report the data?
  - Can “management decisions” be made from these measures – or – are additional measures needed to provide a “good picture”
- Focus for this session
  - Get data early, and do some trend analysis if possible
  - Check for “misalignment” of program w/n departments



# **“Mid-Course” Alignment Tools**

**Aligning Statewide Outcomes with  
Department Programs**

**Aligning Program(s)  
with Department Outcomes**




## **Who needs to make the “tough” decisions?**

**“I think it’s in the hands of the Legislature. Legislators were voted in to take care of serious business, including the state budget. They should not throw it in the hands of citizens. They should stand up and be the ones to make the tough decisions.”**

*Carlos Barrientos – Laid off Oregon State Trooper – February 1, 2003*



# Linking Department Outcomes.....

State Wide Outcomes				
Departments	Safe Streets	Active Seniors	Clean Spaces	Measures
Parks 	X	X		Program
Neighborhood	X		X	Program
Recreation		X	X	Program
Planning	X	X		Program
Support	X		X	Program
Etc.		X		Program

↓ ↓ ↓  
Performance Measures



# Linking Department and Program Outcomes

Family & Youth Services				
Department Programs	Client Gets Job	Client Keeps Job	Minimize Assistance	Measures
Job Training	X	X		Program
Job "Assistance"	X		X	Program
Job Retention		X	X	Program
Assessment	X	X		Program
Support Services	X		X	Program
Etc.		X		Program

Performance Measures



## **PIT FALLS (Lessons from the “Pit”)**

There **MUST** be agreement by the “leadership” that they will follow an agreed upon approach.

Elected and career **MUST** agree on a shift from spending to investing. The debate on where to invest will still remain. ....

Not everyone will “want” to change. Predetermine the consequences.....

Reward appropriate behavior



## **PIT FALLS (Lessons from the “Pit”)**

Focus is to improve - not keep score. Resist the urge to “judge” the numbers too quickly.

Build in a quarterly review process, and be ready to make mid-course corrections.

Most Financial Systems “count things” and will probably have to be modified, to provide results based information

Remember- no one wins -if poor investments are made!

>	Systems Integration.
>	Outsourcing.
>	Infrastructure.
>	Server Technology.
>	Consulting.

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Imagine it. Done.

**2/13/03**

**OVERVIEW:**

**FOUNDATION**

**FORMULA**

**(JT. W/ HHES &**

**SP. COMM. ED.)**

**HFIN**

**FILE**

2-13-03

# Public School Funding Program Overview

Updated January 2003



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