

State of Alaska FY2007 Governor's Operating Budget

**Department of Administration
Central Mail
Component Budget Summary**

Component: Central Mail

Contribution to Department's Mission

Provide state agencies located in Juneau with daily sorting, delivery, insertion, and posting services.

Core Services

- Daily mail posting and post office delivery.
- Daily interagency mail receipt, sorting, and distribution.
- Scheduled volume inserting and posting services for warrants from the following systems: AKSAS, AKPAY, PERS and TRS Payroll, ACPE Billing Statements and the Permanent Fund Dividend.
- Scheduled volume document processing for insertion and posting.

End Results	Strategies to Achieve Results
A: Improved customer satisfaction. <u>Target #1:</u> 90% of survey respondents rate services as 4 or better on a scale of 1 to 5. <u>Measure #1:</u> % of customers rating services as 4 or better.	A1: Transition agency offices which aren't consolidated to e-business solutions for mail processing needs. <u>Target #1:</u> 60% reduction in the number of postage meters. <u>Measure #1:</u> Percent reduction in the number of postage meters purchased/leased by state agencies in Juneau. <u>Target #2:</u> Timely delivery of mail to state agency offices. <u>Measure #2:</u> Percent of mail delivered and picked up on time according to published schedules.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$2,710,300		Personnel:	
		Full time	8
		Part time	0
		Total	8

Performance Measure Detail

A: Result - Improved customer satisfaction.

Target #1: 90% of survey respondents rate services as 4 or better on a scale of 1 to 5.

Measure #1: % of customers rating services as 4 or better.

% of customers rating services as 4 or better.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2005	*	*	80.0%	80.0%

* Data available in March of 2005.

Analysis of results and challenges: .

07/01/03–06/30/04: Measurement results available in March 2005.

07/01/04–09/30/04: Measurement results available in March 2005.

10/01/04–12/31/04: Measurement results available in March 2005.

01/01/05–03/31/05: 85 surveys were distributed in the Juneau area in January 2005, there were 54 responses.

An overall rating of 4.0 out of a 5.0 overall rating was reported by the responding agencies.

04/01/05–06/30/05: January 2005 survey reported an overall rating of 4.0 out of a possible 5.0 overall rating.

A1: Strategy - Transition agency offices which aren't consolidated to e-business solutions for mail processing needs.

Target #1: 60% reduction in the number of postage meters.

Measure #1: Percent reduction in the number of postage meters purchased/leased by state agencies in Juneau.

% reduction in the number of postage meters purchased/leased by state agencies in Juneau.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	32.0	60.0%	60.0%
FY 2005	85.0%	91.0%	93.0%	96.0%

* Data combined with FY 2004, Quarter 2.

Analysis of results and challenges: .

07/01/03–12/31/03: Juneau 32%; Anchorage and Fairbanks not yet measurable.

01/01/04–03/31/04: Juneau 60%; Anchorage and Fairbanks not yet measurable.

04/01/04–06/30/04: Juneau 60%; Anchorage and Fairbanks not yet measurable.

07/01/04–09/30/04: Juneau 85%; Anchorage and Fairbanks not yet measurable.

10/01/04–12/31/04: Juneau 91%; Anchorage and Fairbanks not yet measurable.

01/01/05–03/31/05: Juneau 93%; Anchorage and Fairbanks consolidation on hold indefinitely.

04/01/05–06/30/05: Juneau 96%; Anchorage and Fairbanks consolidation on hold indefinitely.

Target #2: Timely delivery of mail to state agency offices.

Measure #2: Percent of mail delivered and picked up on time according to published schedules.

% of mail delivered and picked up on time according to published schedules in Juneau.

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2004	*	100.0%	100.0%	100.0%
FY 2005	100.0%	100.0%	100.0%	100.0%

* Data combined within FY 2004, Quarter 2.

Analysis of results and challenges: .

07/01/03–12/31/03: Juneau 100%; Anchorage and Fairbanks not yet measurable.

01/01/04–03/31/04: Juneau 100%; Anchorage and Fairbanks not yet measurable.

04/01/04–06/30/04: Juneau 100%; Anchorage and Fairbanks not yet measurable.

07/01/04–09/30/04: Juneau 100%; Anchorage and Fairbanks not yet measurable.

10/01/04–12/31/04: Juneau 100%; Anchorage and Fairbanks not yet measurable.

01/01/05–03/31/05: Juneau 100%; Anchorage and Fairbanks consolidation on hold indefinitely.

04/01/05–06/30/05: Juneau 100%; Anchorage and Fairbanks consolidation on hold indefinitely.

Key Component Challenges

- Improve the State's ability to reduce postage costs and processing resources.
- Provide centralized mail services in Juneau
- Provide advice and consultation to decentralized agency mail operations on mail methods (sorting, bulk mail, and bar coding, etc.).

Significant Changes in Results to be Delivered in FY2007

- Reduction in state agency mail processing costs.

Major Component Accomplishments in 2005

- 100% deployment of new high speed production insertion and mail finishing machinery. This resulted in reduction of mail processing time and created excess capacity required for mail consolidation.
- Installed new insertion equipment and consolidate existing equipment from other departments where applicable.
- Maintained Accutrak System for accurate accounting of agency mailouts.
- Provided archive and delivery services for various agencies.
- 100% production of DOLWD federal mailouts.

Statutory and Regulatory Authority

AS 44.21.020 (1), (6) Duties of Department

Contact Information
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Central Mail Component Financial Summary

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	495.0	515.8	544.1
72000 Travel	0.0	0.8	0.8
73000 Services	1,941.2	2,026.1	2,029.8
74000 Commodities	32.1	48.3	48.3
75000 Capital Outlay	145.5	87.3	87.3
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,613.8	2,678.3	2,710.3
Funding Sources:			
1004 General Fund Receipts	0.0	2.1	2.1
1007 Inter-Agency Receipts	2,613.8	2,676.2	2,708.2
Funding Totals	2,613.8	2,678.3	2,710.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<u>Unrestricted Revenues</u>				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
<u>Restricted Revenues</u>				
Interagency Receipts	51015	2,613.8	2,676.2	2,708.2
Restricted Total		2,613.8	2,676.2	2,708.2
Total Estimated Revenues		2,613.8	2,676.2	2,708.2

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	2.1	0.0	2,676.2	2,678.3
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	9.6	9.6
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.0	1.8	1.8
-FY 07 Retirement Systems Cost Increase	0.0	0.0	18.1	18.1
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.0	0.0	2.5	2.5
FY2007 Governor	2.1	0.0	2,708.2	2,710.3

**Central Mail
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	9	8	Annual Salaries	317,519
Part-time	0	0	COLA	8,715
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	213,491
			Less 1.04% Vacancy Factor	(5,625)
			Lump Sum Premium Pay	10,000
Totals	9	8	Total Personal Services	544,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Mail Services Manager	0	0	1	0	1
Mail Svcs Courier	0	0	5	0	5
Mail Svcs Lead Courier	0	0	2	0	2
Totals	0	0	8	0	8