

State of Alaska FY2007 Governor's Operating Budget

**Department of Administration
Office of the Commissioner
Component Budget Summary**

Component: Office of the Commissioner

Contribution to Department's Mission

Manage divisions to ensure policy objectives and department goals are met.

Core Services

Policy direction

- Liaison with the Governor's Office and the Legislature
- Coordination among divisions
- Final administrative decisions on statewide procurement appeals
- Chief advocate for staff and programs
- Establish departmental policies
- Supervise division managers

End Results	Strategies to Achieve Results
A: Please Refer to Department Level Performance Measures	

FY2007 Resources Allocated to Achieve Results	
FY2007 Component Budget: \$4,359,000	Personnel: Full time 7 Part time 0 Total 7

Performance Measure Detail

A: Result - Please Refer to Department Level Performance Measures

Key Component Challenges

The Department of Administration will face many challenges including:

Enterprise Technology Services (ETS):

The business needs of State agencies will continue to define ETS' core services, priorities and staffing.

ETS will continue to manage its partnerships with private enterprise to provide telecommunications services to state agencies. These partnerships must provide telecommunications infrastructure and support that is cost effective and able to quickly respond to changing technology and market conditions.

The development of an enterprise-wide IT Planning process and the resulting documentation and policy recommendations will be key components to ETS' future role. This planning process crosses all ETS components and will directly affect how ETS manages resources.

Commitment to the “enterprise” methodology will drive future projects for ETs to include Voice Over Internet Protocol (VoIP) phones that will replace the legacy PBX supported phone base, a single vendor for network operating systems and email (Microsoft), and support for the ALMR project as it pertains to the State of Alaska Telecommunications System (SATS) microwave.

Division of Personnel:

Enterprise Human Resource Function: Continued efforts to streamline human resource processes and to ensure that all personnel and pay practices are consistent with statute, regulation and contract across the 14 operating agencies of the executive branch. Efforts for FY2007 will focus on technological solutions to create additional efficiencies in process and to further reduce administrative costs, and on strategic workforce planning initiatives. Efforts begun in FY2006 must be completed in order to meet all the objectives on schedule in FY2007.

Equal Employment Opportunity Program: In FY2007 the Division will work toward further reductions in employment related human rights liabilities and ensure that operating agencies are in compliance with federal reporting requirements for Affirmative Action plans and for the Title VI federal grant related civil rights obligations.

Motor Vehicles:

Electronic tools and partnerships are key to DMV customer service improvements. We are working hard to develop additional process automation, including interfaces with other state and federal systems. We are also working hard to develop more partnerships with the private sector as we believe partner growth will be the key now and in future fiscal years. Through a measured approach in development, training, and adequate oversight of new partners we can ensure protection of property and enhance highway safety while maintaining public accountability.

Office of Administrative Hearings:

The Office of Administrative Hearings (OAH) is fully operational in FY2006, having assumed the hearing functions of the former Office of Tax Appeals and of hearing officers previously located in the Departments of Revenue and Commerce, Community and Economic Development. Key challenges for the new office will be to provide adjudication services in a broad range of administrative appeals and other proceedings and to do so efficiently and cost effectively while ensuring that parties receive full and fair consideration of their cases, despite growing caseload and time commitments required by other statutory duties.

Public Defender and Public Advocate:

Due to the difficulty in accurately projecting case types and costs for upcoming budget years, Office of Public Advocacy (OPA) and Public Defender (PD) workload and caseload increases have historically been funded through supplemental appropriations. The difficulty in projecting OPA's budget needs has recently been somewhat exacerbated because a number of cost saving initiatives have been implemented and it is difficult to predict with certainty the budgetary impact. The PD is planning to deploy a new case management system that will provide management tools to better project workload and caseload increases.

The challenge for both agencies is to continue to provide necessary services while taking all steps and measures available to contain cost increases.

Significant Changes in Results to be Delivered in FY2007

The Commissioner's Office of the Department of Administration has driven improvements in the way the state manages its human resources and information technology, and is currently initiating changes in the management of state travel. The department is striving to improve efficiency in all areas of state government and will continue to work to that end.

Major Component Accomplishments in 2005

Agencies within the Department of Administration have achieved numerous accomplishments over the course of 2005. Several of the major ones include:

- Achieved the Governor's objective of negotiating long-term successor agreements with all major collective bargaining units.
- Worked with the legislature and Governor's Office to bring about reform of the Public Employees' Retirement and Teachers' Retirement Systems (PERS and TRS).

- Developed and implemented a program that automatically updates the Alaska Donor Registry when a DMV customer elects to be a potential organ donor (AS 28.13.50). Prior to implementing the program, the donor registry consisted of 50,000 individuals; the registry now contains over 250,000 names.
- Began implementation of the State Travel Office which has achieved significant savings for the Medicaid program.
- Continued to evaluate and issue approvals for a large number of sub-surface oil and gas operations in an efficient and timely manner.
- Successfully extended the Core Services Contract with GCI to support voice, data, video, and help center services for one year, now effective through June 17, 2006.
- Successfully extended the SATS Maintenance & Operations Contract with GCI to support SATS (now on time and materials), now effective through June 17, 2006.
- Successfully obtained funding for the Network Security Initiative projects that will address issues identified in the US CERT report on network security deficiencies in the State of Alaska Wide Area Network. Over \$5 million in equipment and hardware was procured and is on a scheduled deployment across Alaska within the next year.

Statutory and Regulatory Authority

See component pages.

Contact Information

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**Office of the Commissioner
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	592.5	666.6	706.2
72000 Travel	17.4	8.5	8.5
73000 Services	43.6	71.1	3,628.1
74000 Commodities	13.2	16.2	16.2
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	666.7	762.4	4,359.0
Funding Sources:			
1004 General Fund Receipts	221.5	275.9	3,847.2
1007 Inter-Agency Receipts	445.2	486.5	511.8
Funding Totals	666.7	762.4	4,359.0

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	445.2	486.5	511.8
Restricted Total		445.2	486.5	511.8
Total Estimated Revenues		445.2	486.5	511.8

**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	275.9	0.0	486.5	762.4
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	4.5	0.0	8.0	12.5
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.4	0.0	0.8	1.2
-FY 07 Retirement Systems Cost Increase	8.7	0.0	15.2	23.9
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.7	0.0	1.3	2.0
-Enterprise Technology Services Cost Increases	3,557.0	0.0	0.0	3,557.0
FY2007 Governor	3,847.2	0.0	511.8	4,359.0

**Office of the Commissioner
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	7	7	Annual Salaries	507,545
Part-time	0	0	COLA	13,524
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	254,683
			Less 8.97% Vacancy Factor	(69,552)
			Lump Sum Premium Pay	0
Totals	7	7	Total Personal Services	706,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Commissioner	0	0	1	0	1
Dep Commissioner	0	0	2	0	2
Exec Secretary III	0	0	1	0	1
Spec Asst To The Comm I	0	0	1	0	1
Spec Asst To The Comm II	0	0	1	0	1
Totals	0	0	7	0	7