

# **State of Alaska FY2007 Governor's Operating Budget**

## **Department of Administration Property Management Component Budget Summary**

## Component: Property Management

### Contribution to Department's Mission

Maintain the State's inventory control system and provide management of Executive Branch assets.

### Core Services

#### State Property Accountability

- Assist agencies to maintain the most accurate and effective management system for property control.
- Provide guidance and direction including training, development of procedures, and accountability reviews.
- Maintain a billion-dollar statewide inventory system.
- Develop standardized property accounting procedures to provide physical count and evaluation of personal property assets.
- Assist agencies to provide accurate inventory reports for the State's Annual Financial Report, and to Risk Management, Emergency Services, the Legislature, and other interested parties.

#### State Surplus Property Disposal

- Coordinate statewide reutilization efforts to locate and transfer available excess property items to state agencies.
- Direct agency property trade-in requests, disposals and destruction of state owned personal property.
- Store, display, and market excess property items.
- Conduct cost effective public sales of excess and obsolete personal property generating an optimum return of revenue to the state.
- Collect and deposit sale revenues, and disperse proceeds to appropriate state accounts.
- Encourage and enhance recycling efforts.

#### Federal Surplus Property Program (FSPP)

- Acquire, warehouse, allocate, and distribute donated surplus property to eligible program participants.
- Reissue usable surplus property by direct transfers within rural areas of Alaska.
- Assess and collect service fees sufficient to fully cover the cost of operations.
- Execute and administer agreements pursuant to eligibility, acquisition and utilization of property as required by federal law and the State Plan of Operation.
- Market benefits of available assistance to prospective client organizations to achieve increased statewide participation.
- Train and assist participants to locate and obtain available property.

### FY2007 Resources Allocated to Achieve Results

<b>FY2007 Component Budget: \$983,700</b>	<b>Personnel:</b>	
	Full time	8
	Part time	0
	<b>Total</b>	<b>8</b>

### Key Component Challenges

- Completion of facility enhancement and storage projects: Landscaping, additional storage, and connex roof shelters.
- Improve operational efficiency, customer service and cost effectiveness by continuing to explore ways to minimize outlays and expenses and eliminate unnecessary redundancy.

- Continued support in assisting GSA with the promoting of Federal donations to state agencies and non-profit organizations.
- Increased competition from Federal Program eligible recipients.
- Maximize sales revenue from State of Alaska Equipment Fleet reduction of inventory.

### Significant Changes in Results to be Delivered in FY2007

Increase public awareness of surplus property availability and increase sale revenue by using alternative auction services like EBAY and other emerging technologies.

### Major Component Accomplishments in 2005

- Conducted three outcry auctions and three sealed bid sales, collecting \$1.5 million in revenue.
- Received \$533,250 in General Fund Program Receipts.
- Distributed federal property with acquisition costs of \$4.8 million, collecting service and handling fees of \$175k. This saved our qualified recipients approximately \$4.6 million.
- Re-issued over \$150,000 in state surplus property among departments.
- Continued using E-BAY property sales; receiving \$98,000 for assets sold.
- Successfully negotiated an agreement between the Federal General Services Administration and the Small Business Administration. This resulted in Alaskan 8 (a) companies, also known as disadvantaged companies, to acquire federal surplus property at a fraction of the cost of new equipment.

### Statutory and Regulatory Authority

AS 36.30	State Procurement Code
AS 37.05.500	Special Funds
AS 44.21.020 (1), (4)	Duties of Department
AS 44.68.110	Disposition of Surplus State Property
AS 44.68.120-140	Acquisition of Federal Surplus Property
2 AAC 12	Procurement
2 AAC 20	Sale of Surplus Property

### Contact Information

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### Property Management Component Financial Summary

*All dollars shown in thousands*

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	548.2	573.9	606.5
72000 Travel	5.9	13.3	13.3
73000 Services	187.3	348.7	349.9
74000 Commodities	4.1	14.0	14.0
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
<b>Expenditure Totals</b>	<b>745.5</b>	<b>949.9</b>	<b>983.7</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	41.3	46.2	48.7
1005 General Fund/Program Receipts	391.8	391.1	405.9
1033 Surplus Property Revolving Fund	312.4	512.6	529.1
<b>Funding Totals</b>	<b>745.5</b>	<b>949.9</b>	<b>983.7</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Unrestricted Revenues</b>				
Surplus Property Revolving Fund	51085	312.4	512.6	529.1
<b>Unrestricted Total</b>		<b>312.4</b>	<b>512.6</b>	<b>529.1</b>
<b>Restricted Revenues</b>				
General Fund Program Receipts	51060	391.8	391.1	405.9
<b>Restricted Total</b>		<b>391.8</b>	<b>391.1</b>	<b>405.9</b>
<b>Total Estimated Revenues</b>		<b>704.2</b>	<b>903.7</b>	<b>935.0</b>

**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>
<b>FY2006 Management Plan</b>	<b>437.3</b>	<b>512.6</b>	<b>0.0</b>	<b>949.9</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	5.4	5.2	0.0	10.6
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.8	0.7	0.0	1.5
-FY 07 Retirement Systems Cost Increase	10.1	9.6	0.0	19.7
<b>Proposed budget increases:</b>				
-Risk Management Self-Insurance Funding Increase	1.0	1.0	0.0	2.0
<b>FY2007 Governor</b>	<b>454.6</b>	<b>529.1</b>	<b>0.0</b>	<b>983.7</b>

**Property Management  
Personal Services Information**

<b>Authorized Positions</b>		<b>Personal Services Costs</b>	
	<b><u>FY2006</u></b>	<b><u>FY2007</u></b>	
	<b><u>Management</u></b>	<b><u>Governor</u></b>	
	<b><u>Plan</u></b>		
Full-time	8	8	Annual Salaries 383,937
Part-time	0	0	COLA 10,539
Nonpermanent	0	0	Premium Pay 0
			Annual Benefits 230,126
			Less 2.90% Vacancy Factor (18,102)
			Lump Sum Premium Pay 0
<b>Totals</b>	<b>8</b>	<b>8</b>	<b>Total Personal Services 606,500</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Accounting Tech I	1	0	0	0	1
Procurement Spec II	1	0	0	0	1
Procurement Spec III	1	0	0	0	1
Procurement Spec IV	1	0	0	0	1
Stock & Parts Svcs Journey II	0	0	1	0	1
Stock & Parts Svcs Sub Journey	3	0	0	0	3
<b>Totals</b>	<b>7</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>8</b>