

State of Alaska
FY2002 Governor's Operating Budget

Department of Environmental Conservation
Administrative Services
Component

Component: Administrative Services

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Component Mission

Provide support services to departmental programs.

Component Services Provided

- Provide support services to customers and clients of the department, other agencies, the legislature and individual department employees.
- Develop and implement sound administrative policies and practices for the department.
- Provide timely and accurate information by answering public inquiries and requests for information.

Component Goals and Strategies

- 1) INCREASE EMPHASIS ON PREVENTATIVE MEASURES TO DECREASE EMERGENCY RESPONSE CRISIS MANAGEMENT.
 - Actively participate as a value-adding business partner providing solutions and services in support of our programs' and customers' missions and changing needs.
 - Be aware of and seek out useful technologies.
 - Have policies and procedures, "how-to" fact sheets, and training support.
 - Increase customer focus and responsiveness through up-front consultations.
 - Provide clear expectations and open two-way communication.
- 2) FACILITATE CHANGE AND INNOVATION IN DEPARTMENT OPERATIONS.
 - Delegate authority to the appropriate lowest level, reducing duplicative and unnecessary reviews.
 - Support good business decisions.
 - Support a team-based approach to problem solving.
 - Invite user input into the decision-making process.
 - Encourage personnel development through training and improved communication to achieve the highest level of excellence in public service.

Key Component Issues for FY2001 – 2002

Alaska statute authorizes the department to collect fees for certain services and to recover costs for other services. Currently, the department uses a variety of different software packages, programs, and systems to track time, to bill, collect costs, and report. An aggressive effort has begun to acquire a system to be used by all department programs for time tracking, invoicing, billings, collections, and reporting. The department also plans to use the web for the time tracking and invoicing processes.

The department is evolving from a strictly regulatory agency to one where citizens and stakeholders are involved partners. A human resources management program has been established to provide managers with a framework for making staffing decisions based on our organization's mission, strategic plan, and set of desired workforce competencies. This workforce planning requires strong management leadership; clearly articulated visions, mission, and strategic objectives; and cooperative supportive efforts at all levels within the organization. The challenge is to work with all hiring managers to assist them identify the competencies required of a particular position, how to weigh technical skills and behavioral competencies, how to recruit and identify candidates with those competencies for today's workforce, and to prepare for those competencies needed in the future. A workgroup was convened to review the department's hiring practices to improve the process and increase our success in hiring or promoting the best qualified applicants. The workgroup focused its efforts on analyzing the behaviors, attitudes, and non-technical skills

that are essential in our changing work place. Unlike formal education or work experience which are seemingly easy to quantify, these behavioral "soft skills" are harder to test, and it has been proven they are harder to teach or train. This vision based recruitment process is a valuable tool to assist hiring managers in selecting candidates who are most likely to succeed in our department considering our mission and our vision - the skills necessary in today's environment.

Major Component Accomplishments for FY2000

On Earth Day 2000, Commissioner Brown went live on the World Wide Web, fielding questions and comments from people around the state. This was a first by a state commissioner using the Internet as a tool to communicate with interested Alaskans. Since that first experience, Commissioner Brown has participated via a chat room on the web with students from Mt. Edgecumbe High School to kick off Pollution Prevention Week. She also took part in a chat on cruise ship issues with high school aged students participating from Kodiak, Sitka, and Anchorage.

As the state agency with the third largest number of federal financial assistance fund sources requiring annual compliance auditing, we improved internal financial auditing capabilities through intensive cross-training of existing resources department-wide to ensure compliance with all laws, statutes, and regulations pertaining to appropriations and generally accepted accounting principles with no additional funding or positions. Such cross training resulted in only two audit recommendations for the fiscal year ended June 30, 1999, both of which have been addressed successfully.

Consistent with the commissioner's vision to change our attitudes and systems for data management, continued the department's shift from an emphasis on infrastructure (hardware for local area networks) to emphasis on data integration with public access inquiry ability. The department has implemented a facility identification template for states into a database with a web front-end, and plans for a geographic information system interface. This goal of one stop reporting will reduce the reporting burden on industry, will facilitate multi-media and geographic solutions to environmental concerns, and will provide easy-to-use public access to meaningful environmental information.

Statutory and Regulatory Authority

AS 46.03.010; AS 46.08.040; AS 46.08.050

Key Performance Measures for FY2002

Measure: The percentage of employee complaints and grievances filed and resolved at the departmental level as compared to all other departments.

(Added by Legislature in FY2001 version.)

Current Status:

The department has tracked numbers of grievances but only recently began to track disposition of those grievances. Some grievances take more than one year to resolve. Pending complaints and grievances is a total of unresolved from the prior calendar year added to new from this calendar year.

Benchmark:

The goal of the department is to resolve 90% or more of complaints and grievances within the department.

Background and Strategies:

Grievances are disputes that relate only to application of contract provisions or contractual violations, while complaints are defined as any controversy or dispute that does not involve the application or interpretation of contract provisions. The department is involved at every step of the grievance/complaint process and normally must approve all grievance settlements, even when resolved by labor relations. The table above provides a listing of disputes resolved as a percentage by department in the last two years.

To achieve the goal of the department, the following strategies will be used:

Conduct regular preventative meetings with union representatives;
Provide supervisory training to ensure supervisors comply with contractual agreements;
Establish clear performance measures at the employee level;
Mediate and resolve problems before a complaint or grievance is filed; and
Update and revise evaluation process/forms to provide meaningful, timely feedback tools.

Measure: The percentage of employee grievances overturned by hearing officers as compared to all other departments.

(Added by Legislature in FY2001 version.)

Current Status:

In FY98, no department grievances were overturned at hearing. In FY99, one department grievance was partially overturned at hearing. Currently, in FY00, no grievances have been overturned. Cumulatively, one department grievance reached arbitration in the last three fiscal years and the department received a partial decision.

Benchmark:

The goal of the department is to have less than 5% of grievances overturned by a hearing officer.

Background and Strategies:

Arbitration is the negotiated process the employer and the unions agreed to use to resolve allegations of contract violations or to enforce the terms of the contract. Grievances are disputes that relate to application or interpretation of a specific contract provision, allegations of a specific contractual violation, or used to bring enforcement of a specific contractual term or article.

To achieve the goal of the department, the department will employ the same strategies as the previous measure.

Measure: The percentage of indirect costs collected for the commissioner and the administrative services division and for shared overhead costs.

(Added by Legislature in FY2001 version.)

Current Status:

For the last several years the department has slightly reduced the percentage of funds being collected to cover indirect costs.

Benchmark:

The goal of the department is to maintain or decrease the indirect funding relative to total dollars.

Background and Strategies:

The goal is to provide effective support services at the lowest possible cost and to manage shared costs to reduce those costs. For example, the department was able to reduce telephone costs through consolidation of billings. To achieve this goal, services will be evaluated using the following criteria:

- Is the task required by statute;
- Is the task required by federal regulation;
- What consequences occur if the task is not completed;
- What level of detail is required;
- What level of staff knowledge and training is required to perform the task;
- Is there another way we can purchase these services at a lower cost;
- Will an additional investment now lead to efficiencies or savings in the future;
- Does this cost benefit only a specific program(s) and therefore be charged directly to the program; and
- Does a reduction in program funding reduce the needs for indirect services or costs?

Measure: The percentage of penalties for total payroll or vendor payments per year.

(Added by Legislature in FY2001 version.)

Current Status:

The department has not paid any penalty payroll in the last ten years. The annual percentage of penalties for vendor payments is very low, well below 1% of total payments.

Benchmark:

The department will limit penalty pay to less than 0.1%.

Background and Strategies:

Payroll:

The department currently has almost 500 employees. With 24 pay periods each year, the department completes about 12,000 payroll transactions annually. Employees are paid from different accounts and, when combined with additional parameters such as bargaining unit and overtime, the potential for error rises dramatically. To ensure that the goal is met, the department will explore new technologies and methods for time and payroll purposes. For example, the use of electronic timesheets and the possibility of eliminating timesheets for overtime-exempt employees claiming pay for a single funding code.

Vendors:

The department strives to make vendor payments as close to the due date as possible. To accomplish this we attempt to enter payments five days prior to the invoice due date. Delays occur when approvals are not available; an invoice is delayed; or insufficient information is provided on an invoice. To ensure prompt payments we centralized tracking of travel charges, train staff on invoice processing, and review statements to monitor outstanding invoices.

Measure: The number of audit exceptions resolved.

(Added by Legislature in FY2001 version.)

Current Status:

From fiscal year 1996 to 1998 the department has reduced the audit exceptions by 59%. In addition, 100% of audit exceptions have been resolved.

Benchmark:

The goal of the department is to eliminate audit exceptions and to resolve any valid exceptions that do occur within six months of notification.

Background and Strategies:

The department makes the identification and resolution of potential audit exceptions a high priority. To meet this goal we:

- Review prior audit issues to identify current areas of need;
- Identify the appropriate staff level to resolve issues; and
- Assign tasks to clearly identify staff responsible for technical processing and those responsible for compliance monitoring.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The percentage of employee complaints and grievances filed and resolved at the departmental level as compared to all other departments. 		X			

Component — Administrative Services

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The percentage of employee grievances overturned by hearing officers as compared to all other departments. • The percentage of indirect costs collected for the commissioner and the administrative services division and for shared overhead costs. • The percentage of penalties for total payroll or vendor payments per year. • The number of audit exceptions resolved. 		X			
		X			
		X			
		X			

Administrative Services
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,727.4	2,815.1	2,519.2
72000 Travel	80.6	35.9	35.9
73000 Contractual	2,898.1	449.8	449.8
74000 Supplies	168.2	25.0	25.0
75000 Equipment	510.4	14.0	14.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	6,384.7	3,339.8	3,043.9
Funding Sources:			
1002 Federal Receipts	897.6	967.8	892.5
1003 General Fund Match	146.5	136.6	138.1
1004 General Fund Receipts	798.1	790.4	667.7
1007 Inter-Agency Receipts	3,211.3	88.9	89.2
1052 Oil/Hazardous Response Fund	1,070.3	1,087.0	996.3
1053 Investment Loss Trust Fund	0.0	8.0	0.0
1061 Capital Improvement Project Receipts	28.6	29.2	29.3
1079 Storage Tank Assistance Fund	136.6	134.5	134.8
1093 Clean Air Protection Fund	95.7	95.7	96.0
1108 Statutory Designated Program Receipts	0.0	1.7	0.0
Funding Totals	6,384.7	3,339.8	3,043.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	897.6	967.8	967.8	892.5	892.5
Interagency Receipts	51015	3,211.3	88.9	88.9	89.2	89.2
Statutory Designated Program Receipts	51063	0.0	1.7	1.7	0.0	0.0
Capital Improvement Project Receipts	51200	28.6	29.2	29.2	29.3	29.3
Clean Air Protection Fund	51207	95.7	95.7	95.7	96.0	96.0
Restricted Total		4,233.2	1,183.3	1,183.3	1,107.0	1,107.0
Total Estimated Revenues		4,233.2	1,183.3	1,183.3	1,107.0	1,107.0

Administrative Services**Proposed Changes in Levels of Service for FY2002**

No significant changes in levels of service are anticipated.

**Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	935.0	967.8	1,437.0	3,339.8
Adjustments which will continue current level of service:				
-Transfer administrative support SPAR/Response Fund Admin	0.0	-31.3	-93.8	-125.1
-Transfer administrative support to division of Environmental Health	-90.8	-31.9	0.0	-122.7
-Convert Special FY2001 Labor Cost Fund Sources to GF	1.7	0.0	-1.7	0.0
-Transfer administrative support to EH/Laboratory Services	-42.0	-14.7	0.0	-56.7
-Year 2 Labor Costs - Net Change from FY2001	1.9	2.6	4.1	8.6
FY2002 Governor	805.8	892.5	1,345.6	3,043.9

Administrative Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	49	44	Annual Salaries	1,958,579
Part-time	0	0	COLA	34,393
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	679,506
			<i>Less 5.74% Vacancy Factor</i>	<i>(153,278)</i>
			Lump Sum Premium Pay	0
Totals	49	44	Total Personal Services	2,519,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	2	0	2
Accountant V	0	0	1	0	1
Accounting Clerk I	1	0	0	0	1
Accounting Clerk II	0	0	3	0	3
Accounting Spvr I	0	0	1	0	1
Accounting Tech I	1	0	0	0	1
Accounting Tech II	0	0	3	0	3
Accounting Tech III	0	0	2	0	2
Administrative Assistant	0	1	2	0	3
Administrative Manager II	1	0	0	0	1
Administrative Manager III	0	0	1	0	1
Administrative Svcs Mgr	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Analyst/Programmer V	0	0	1	0	1
Data Processing Mgr I	0	0	1	0	1
Division Director	0	0	1	0	1
Human Resources Mgr III	0	0	1	0	1
Micro/Network Spec II	1	1	1	0	3
Micro/Network Tech II	1	0	1	0	2
Outreach Administrator	1	0	0	0	1
Personnel Asst I	0	0	2	0	2
Personnel Officer I	0	0	1	0	1
Personnel Specialist I	1	0	2	0	3
Procurement Spec I	1	0	0	0	1
Procurement Spec II	0	0	1	0	1
Program Budget Analyst II	0	0	2	0	2
Program Budget Analyst IV	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Supply Technician I	0	0	1	0	1
Totals	8	2	34	0	44