

# **State of Alaska FY2002 Governor's Operating Budget**

Office of the Governor

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**Department Mission**

Ensure that state government is responsive to the needs of the citizens of Alaska, and that compelling needs within the state are recognized and addressed appropriately by providing support to the Governor and Lieutenant Governor in the policy issues and management of the Executive Branch of state government.

**Department Goals and Strategies**

The overall goals and strategies of the Knowles/Ulmer administration are outlined in the Governor's Priorities section of the Executive Budget Summary.

This departmental summary focuses on the agencies which are administratively located in the Governor's Office. Each agency's goals are listed below. For strategies to implement these goals, see the agency's detail budget.

**ALASKA STATE COMMISSION FOR HUMAN RIGHTS**

- Enforce the Human Rights Law prohibiting discrimination through impartial investigation of complaints, conciliation, administrative hearings and public education.

**OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY**

- Ensure full compliance with federal and state laws relating to equal employment opportunity and affirmative action.
- Increase awareness of fair employment practices in the executive branch of Alaska state government by reaching out to key constituencies, including minority and women's groups, community organizations and state agencies.

**OFFICE OF MANAGEMENT AND BUDGET**

- Work toward a long-term plan to balance the budget.
- Improve public understanding of the state budget.
- Continue to make the state budget process more effective and efficient.

**DIVISION OF GOVERNMENTAL COORDINATION**

- Streamline, coordinate and expedite permit reviews for development projects.
- Upgrade community-based coastal planning and development programs with Coastal Policy Council (CPC) oversight.
- Provide liaison to federal land and resource agencies to ensure that state interests are protected in federal decision making under the Coastal Management Program, the Alaska National Interest Lands Conservation Act, National Forest management, federal oil and gas development, and other federal programs.
- Enhance technical expertise to address emerging coastal issues.

**DIVISION OF ELECTIONS**

- Increase the efficiency and convenience of the electoral process.
- Improve accuracy of the voter registration list.
- Plan and prepare for the 2002 Primary and General elections.
- Encourage higher voter participation.

**Key Department Issues for FY2001 – 2002**

**ALASKA STATE COMMISSION FOR HUMAN RIGHTS**

- During fiscal year 2000, over 4200 Alaskans contacted the agency to inquire about their rights and responsibilities. In recent years an increased demand for services and corresponding rise in complaint inventory caused delays in processing cases. To reduce the delay the Commission revised its procedures, amended its regulations, and with the assistance of the Governor and Legislature, secured additional resources. These efforts resulted in the elimination of the agency's backlog of unassigned cases. The Commission continues to focus its resources on reducing the time to complete investigations and, when necessary, present cases at public hearing.

#### OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

- Researching and evaluating Affirmative Action Plan software; generating statewide Affirmative Action Plan; and devising guidelines to assist departments in preparing their Affirmative Action Plans.

#### OFFICE OF MANAGEMENT AND BUDGET

- Regardless of the price of oil, the state needs a long-range fiscal plan which balances the budget while maintaining stability for the Alaska economy and reliable services for Alaskans.
- The growing backlogs of school construction and deferred maintenance for schools and state facilities must be addressed with a plan that provides long-term financing.
- A consistent total funds perspective in publications and public discussion is needed to foster a more comprehensive understanding of the state's fiscal status. A better understanding of what does and does not require "general purpose revenues" (such as oil revenues or the Constitutional Budget Reserve Fund) will help ensure that self-supporting services are not unnecessarily constrained.
- Further work is needed to implement more effective results-based budgeting and decision making.

#### DIVISION OF GOVERNMENTAL COORDINATION

- A bill pending before Congress, when it re-convenes, appropriates \$150M for Coastal Impact Assistance to oil producing states, including Alaska. Alaska's portion is estimated to be approximately \$12.9M with an additional small amount based on qualifying OCS production. The bill includes language that defines the distribution of these funds within the state and the qualified uses of the funds. The Federal Department of Commerce will give 35% of Alaska's share directly to county-equivalent coastal political subdivisions (i.e., boroughs) based on a formula contained in the bill.
- Project consistency review regulations were promulgated in 1984 and, with minor exceptions, have remained substantially unchanged since that time. Although forward thinking for their time, they could not anticipate the array of project review issues that have emerged over the past 16 years. Revisions are under development that will address a number of issues that include: 30-day and 50-day reviews; Day 1 requirements; public notice requirements; relationship between agency permit reviews and the consistency review process, including coordinating timelines and processes; phasing projects; review timelines for federal activities; clock stops; renewals and modifications; expedited review by categorical approval and general concurrence determinations; public need determinations; elevation procedures; local knowledge; local permits; and definitions.
- Like the current consistency review regulations, over half of the more than 30 coastal district plans are outdated. These coastal plans do not provide districts with adequate tools for managing the coastal issues of today. District program regulations, which govern plan development and approval, were revised and streamlined in early FY2000. In FY2001 federal dollars were provided to five districts for update of their coastal district plans. In FY2002 another five will be funded for update.
- Criteria used during consistency reviews to evaluate projects proposed within Alaska's coastal zone were promulgated in 1978. Project applicants and state resource agencies have asked the Coastal Policy Council to review and propose amendments to these criteria, which are called standards at 6 AAC 80. Revisions are being considered for standards addressing coastal uses, activities, habitats and resources.

#### DIVISION OF ELECTIONS

- The division is faced with the ongoing difficulty of managing and maintaining our current voter registration system (VREMS) to assure that the 14-year-old system will be able to handle the year 2001 reapportionment of voters, the processing of initiative petition signatures, and increasing voter registration demands. The division will research options for upgrading the VREMS database to a more user and programming friendly system.
- The recruitment of election workers becomes increasingly difficult each year. During the primary and general elections, an estimated 2500 workers will be recruited. The level of compensation, the need to take time off work to be trained and to serve, and the nature of the tasks make voters less willing to serve. The division strives to make the training worthwhile, the materials interesting and easy to read, and to make the election workers feel appreciated. In spite of this, there are precincts in which election workers can not be found. When this happens,

the division can close the polling place and provide an absentee voting official in the community. Rather than continue this practice, the division will research how other jurisdictions recruit and keep election workers.

- The number of absentee and questioned ballots continues to increase dramatically with each election. With the 2000 General election, there was a substantial increase in absentee and questioned ballots. In order to provide sufficient time for the election supervisors and the review boards to log and review each ballot, the division changed the schedule for counting ballots. The division increased the number of public members on the review boards and revised procedures to make the process more efficient. However, absentee and questioned ballots continue to be received in overwhelming numbers, and the division must review these procedures to make counting and accountability more efficient.
- The division will seek legislative approval to conduct all annual regional educational attendance area (REAA) and coastal resource service area (CRSA) elections as By-Mail elections. By-Mail elections are beneficial because all registered voters in the impacted regions are mailed ballots, encouraging higher participation. It is difficult to recruit election boards for the REAA and CRSA elections, and with By-Mail voting, local election boards are not required. In October, five REAA elections were entirely and successfully conducted as By-Mail elections.

### **Major Department Accomplishments in 2000**

#### **ALASKA STATE COMMISSION FOR HUMAN RIGHTS:**

- Since eliminating the backlog of unassigned cases the Commission continues to reduce the time to process a complaint of discrimination.
- Alaskans give the Commission's new mediation program high marks. Seventy percent of those who take advantage of the opportunities afforded through the program settle their complaints. Even those who participate yet do not reach resolution evaluate the program positively.
- Launched a fair housing education and outreach program throughout Alaska with funds received from the U. S. Department of Housing and Urban Development (HUD) specifically for this project.

#### **OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY**

- Increased visibility and impact of outreach to employees and community groups by hosting informal receptions honoring Elizabeth Peratrovich; Women's History Month; and Asian Pacific Heritage Month.
- Initiated software upgrade (from Cobol) intended to extract more accurate workforce figures from the payroll data maintained by the Department of Administration.

#### **OFFICE OF MANAGEMENT AND BUDGET:**

- Expanded information on the OMB web site ([www.gov.state.ak.us/omb/akomb.htm](http://www.gov.state.ak.us/omb/akomb.htm)) to include detailed narrative and financial information about department budgets at the division (budget request unit) and program (component) levels.
- Coordinated development and implementation of the Governor's FY2001 "Children's Budget" which emphasized child protection, children's health, and quality education.
- Expanded use of performance measures in department budgets and developed key indicators in major interdepartmental program areas.
- Incorporated a rental rate methodology for eight state office buildings into the FY2001 budget to improve facility maintenance and make space costs part of agency budgets.

#### **DIVISION OF GOVERNMENTAL COORDINATION:**

- Coordinated approximately 315 multi-permit coastal project reviews.
- Secured \$2,765,000 in federal funds for FY2001 coastal management
- Obtained federal approval for two coastal community programs.
- Provided state response to all Outer Continental Shelf Lands Act and Alaska National Interest Lands Conservation Act Conservation System Unit activities.
- Provided Internet access to Alaska Coastal Management Program and permitting review information.
- Worked with the Alaska Coastal Management Program Working Group and the Department of Law to develop draft 6 AAC 50 regulations to present to the resource agencies and coastal districts for further refinement before presentation to the Coastal Policy Council.

#### **DIVISION OF ELECTIONS**

- The primary and general elections allowed the division to expand the use of precinct tabulators into four new communities, increasing the total number using that technology to 281.
- The division successfully conducted two statewide elections in 2000: the primary in August and the general in November. Within the first hour after the polls closed, election results were received from 245 of 451 precincts.
- The mainframe-based voter registration and election management system, (VREMS) was thoroughly reviewed and numerous modifications were made to streamline, stabilize and enhance the 14-year-old system.
- In cooperation with the Department of Labor, the division assisted with the preparation work needed to incorporate current precincts into the Department of Labor's mapping system. This completed the Phase 2 mapping portion of reapportionment.
- The division conducted the second thorough voter list maintenance efforts since passage of the National Voter Registration Act in 1995. As a result of the effort, 10,641 voters were moved to inactive status.
- The division successfully conducted and certified 18 REAA elections, four CRSA elections and one special election.
- Advances in technology allowed our division to add a new service to our website to help voters check the status of their absentee by mail application. By using this new service, the voter was able to check the mailing address of where the ballot was being sent, receive instructions to contact our office because of an incomplete application, or verify that the division had received their application.

### Key Performance Measures for FY2002

**Measure: Well presented performance measures are added in three to five areas of each department's FY2003 budget which will be released in December 2001.**

*(Not yet addressed by Legislature.)*

**Current Status:**

Each department has at least four performance measures in the Governor's FY2002 budget.

**Benchmark:**

Other states vary in the number of key performance measures they track. Several that started with hundreds of measures eventually reduced the number to focus on the most important areas. We are gradually increasing the number of areas with performance measures so we do it carefully and well.

**Background and Strategies:**

The governor's Executive Budget Summary (EBS) for FY1997 included a few key performance measures for each department. Each year since, departments have reported on their progress in the following year's EBS. One of the FY97 measures was for OMB to design a new statewide budget system. Performance measures are now an integral part of the budget system. Two years ago, the legislature began working on identifying missions and performance measures with departments.

Other states have learned that the process develops best when the executive and legislative branches work together to identify areas needing measures, agree on data needs and constraints, set targets for improvement that are aggressive but achievable, and adjust targets if necessary to meet the funding levels which are ultimately appropriated. The Knowles/Ulmer Administration is committed to working with the legislature to continue establishing viable performance measures and using the results to help evaluate budget needs and program effectiveness.

**Measure: DGC will bring affected local coastal districts and state and federal agencies together within 50 days to resolve issues for coastal projects requiring multi-agency permits.**

*(Revised from Legislature's FY2001 version.)*

**Current Status:**

In FY2000, the average project review time for completed project reviews was 47 days, which is less than the required 50 days under regulation 6 AAC 50.

**Background and Strategies:**

A coordinated consistency review involves a review of multiple permits and the bringing together of a number of stakeholders to resolve any conflicts and issues. As the coordinator of this process, the Division identifies any systemic bottlenecks and seeks long term solutions that will improve the total time to complete a consistency review.

**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"> <li>OMB will expand performance measures to five additional areas in each department's FY2002 budget which will be released in December 2000.</li> <li>DGC will bring affected local coastal districts and state and federal agencies together within 50 days to resolve issues for coastal projects requiring multi-agency permits.</li> </ul>	X				

## Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b>Formula Expenditures</b>												
None.												
<b>Non-Formula Expenditures</b>												
Commissions/Special Offices	1,307.4	191.8	500.5	1,999.7	1,331.5	212.1	0.0	1,543.6	1,338.4	188.7	0.0	1,527.1
Executive Operations	7,837.5	110.0	29.2	7,976.7	9,410.7	110.0	0.0	9,520.7	8,483.2	110.0	0.0	8,593.2
Gov State Facilities Rent	0.0	0.0	0.0	0.0	429.5	0.0	0.0	429.5	416.0	0.0	0.0	416.0
Office of Management & Budget	3,052.9	2,700.3	21.5	5,774.7	1,880.7	0.0	25.9	1,906.6	1,761.5	0.0	0.0	1,761.5
Governmental Coordination	0.0	0.0	0.0	0.0	1,455.9	3,108.1	0.0	4,564.0	1,480.9	11,463.9	0.0	12,944.8
Elective Operations	2,768.5	0.0	35.0	2,803.5	3,673.4	0.0	0.0	3,673.4	2,056.8	0.0	0.0	2,056.8
Agencywide Reductions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Office of International Trade	0.0	0.0	0.0	0.0	387.4	0.0	615.7	1,003.1	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>14,966.3</b>	<b>3,002.1</b>	<b>586.2</b>	<b>18,554.6</b>	<b>18,569.1</b>	<b>3,430.2</b>	<b>641.6</b>	<b>22,640.9</b>	<b>15,536.8</b>	<b>11,762.6</b>	<b>0.0</b>	<b>27,299.4</b>

### Funding Source Summary

*All dollars in thousands*

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1002 Federal Receipts	3,002.1	3,430.2	11,762.6
1003 General Fund Match	1,254.4	1,273.7	1,304.0
1004 General Fund Receipts	13,711.9	17,040.6	14,227.9
1005 General Fund/Program Receipts		17.8	4.9
1007 Inter-Agency Receipts	586.2	113.5	
1053 Investment Loss Trust Fund		237.0	
1103 Alaska Housing Finance Corporation Receipts		0.1	
1108 Statutory Designated Program Receipts		25.8	
1115 International Trade and Business Endowment Income		502.2	
<b>Totals</b>	<b>18,554.6</b>	<b>22,640.9</b>	<b>27,299.4</b>

### Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	175	175
Permanent Part Time	4	3
Non Permanent	38	23
<b>Totals</b>	<b>217</b>	<b>201</b>

**FY2002 Capital Budget Request**

<b>Project Title</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>
AccuVote System - Payment 4 of 6	387,789	0	0	387,789
Americans with Disabilities Act Compliance Projects	500,000	0	0	500,000
Pacific Salmon Treaty	0	10,000,000	0	10,000,000
<b>Department Total</b>	<b>887,789</b>	<b>10,000,000</b>	<b>0</b>	<b>10,887,789</b>

*This is an appropriation level summary only. For allocations and the full project details see the capital budget.*

## Overview of Departmental Budget Changes

- Authorize the Division of Governmental Coordination to receive \$8350.0 in Federal Coastal Impact Assistance Program funds

## Summary of Department Budget Changes by BRU

### From FY2001 Authorized to FY2002 Governor

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>18,569.1</b>	<b>3,430.2</b>	<b>641.6</b>	<b>22,640.9</b>
<b>Adjustments which will continue current level of service:</b>				
-Commissions/Special Offices	6.9	1.0	0.0	7.9
-Executive Operations	-927.5	0.0	0.0	-927.5
-Gov State Facilities Rent	-13.5	0.0	0.0	-13.5
-Office of Management & Budget	-119.2	0.0	-25.9	-145.1
-Governmental Coordination	25.0	5.8	0.0	30.8
-Elective Operations	-1,616.6	0.0	0.0	-1,616.6
-Office of International Trade	-387.4	0.0	-615.7	-1,003.1
<b>Proposed budget decreases:</b>				
-Commissions/Special Offices	0.0	-24.4	0.0	-24.4
<b>Proposed budget increases:</b>				
-Governmental Coordination	0.0	8,350.0	0.0	8,350.0
<b>FY2002 Governor</b>	<b>15,536.8</b>	<b>11,762.6</b>	<b>0.0</b>	<b>27,299.4</b>