State of Alaska
FY2005 Governor's Operating Budget

Department of Community & Economic Development
Administrative Services
Component Budget Summary

Contents

Component: Administrative Services

Contribution to Department's Mission

To provide business management support to departmental agencies and their programs.

Core Services

Provide efficient and cost effective business management support to all agencies within the department in the areas of:

Financial Services -- provides the full spectrum of budgetary and accounting services in accordance with generally accepted accounting principles, state governmental budgetary and accounting principles, federal budgetary and accounting principles, and cost accounting principles. This includes preparing operating and capital budget requests and other financial projections; establishing and maintaining accounting systems for statutory funds, legislative appropriations, and projects; payment of out-going grants to grantees, contractors, vendors, and travelers; receiving of revenue from the federal government, other governmental units, and the general public.

Procurement Services -- provides full spectrum of soliciting, acquiring, and managing professional and non-professional contracts, equipment purchases, and commodity purchases. Also includes the management of office buildings throughout Alaska, security and inventory of all equipment, and mail services. All services are provided in accordance with basic contracting principles, the State's Uniform Commercial Code (applies to private and government sectors), State's Procurement Code (applicable to State agencies), and federal procurement requirements applicable when DCED is receiving federal funding.

Information Technology Services -- evaluates, maintains, and installs computer equipment, systems, and network devices. Evaluate existing, develop new, and maintain computer processes, e-commerce processes, databases, website and webpages, and hardware capabilities.

Human Resources -- Coordinate the delivery of human resources services provided to the department by the Division of Personnel.

Provide training for staff throughout the department in the areas of financial, procurement, information technology, and human resources.

Major Activities to Advance Strategies	
• Ensure that every agency within DCED can make informed budgetary and financial decisions. • Ensure compliance with governmental accounting principles, federal grant accounting principles and specific State of Alaska accounting requirements. • Ensure Legislative appropriations are maximized and appropriations are neither under-collected nor over-spent. • Ensure accurate financial information and reports are available. • Ensure timely and accurate billing of federal agencies, other governmental units, and general public to ensure sufficient cash flow is maintained. • Pay grantees, contractors, vendors, and employee travel reimbursements accurately and promptly. • Ensure adherence to established procurement principles.	• Maintain an effective security on department data so that the data is never in any danger of being compromised. • Create a suite of applications for each division that will allow employees to do their jobs as quickly and efficiently as possible. • Respond to requests for programming in as timely a manner as possible. • Meet with key division staff on a periodic basis to assess their future and present needs and to establish timelines for completing their requests. • Maintain and tune all applications so they are efficient and bug free. • Develop, upgrade and support internet applications that will allow the public to access information maintained by the department. • Develop, upgrade and support e-commerce

Major Activities to Advance Strategies

- Ensure that office space, services, goods, equipment, and supplies are procured and managed in a fashion consistent with all requirements.
- Ensure the security of property and equipment.
- Provide an environment that makes department data easily accessible to local area, wide area and Internet users.
- applications that will allow licensees in all divisions to update or make initial licensure from the web.
- Provide quick and effective help to department employees for resolution of computer-related problems.
- Maintain a trouble-free network of computers, routers, printers, scanners and other devices that make up the entire network.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: $2,456,500

Personnel:

Full time	31
Part time	0
Total	31

Key Component Challenges

In FY03 DCED receipted $66.1 million in revenue. Payments were made via check, credit card (over-the-counter, phone, fax, mail), internet credit card, and electronic transfers to the divisions of insurance, occupational licensing, and banking, securities, & investments. The receipting process has become very complex and demanding from the previous era of processing only checks. The division is working on uniform procedures for all divisions to follow to insure timely and accurate receipting of revenues.

In FY02, the department implemented an update of its administrative cost allocation plan (ACAP) that identified the costs of services provided by the Commissioner's Office and the Division of Administrative Services to operating divisions, special funds, and independent agencies. The department first implemented the ACAP in FY00 to decrease the reliance on general funds for its centralized executive and support functions, allocating the cost for those services to the agencies and industries supported. To reflect changes in department operations since implementation of the last update, the ACAP will need to be updated in FY05, reflecting FY04 actual expenditures.

The division is continuously seeking out and implementing ways to reduce the cost of its services as well as the cost of departmental administrative overhead in general. Numerous processes and procedures have already been streamlined to minimize the amount of time and effort it takes to get things done (both within and outside the division), while maintaining appropriate accountability controls.

Significant Changes in Results to be Delivered in FY2005

No significant changes.

Major Component Accomplishments in 2003

Expanded the department's use of technology and e-commerce which allows for information to be updated quicker, the public to have faster access to information, receiving of revenue quicker and reducing the number of refunds, and allows departmental staff to work more efficiently. Specifics include:

Improving online access to the business and occupational licensing information maintained by the Division of Occupational Licensing. The public and other state agencies can now download large data files for free. Previously, these requests for information had to be responded to by staff and a fee was assessed the requestor.

Develop an online renewal system and payment of renewals for Alaska realtors. Inclusion of realtors is in addition to

online systems supported for renewals for Alaska Business Licenses, Nurses, and Architects, Engineers and Land Surveyors.

Make extensive changes to the Alaska Business License system because of law changes regarding the chance in licensing fees. The addition of different fee based on age required extensive changes to the automated systems and renewal processes.

Install a new online system for the Division of Banking, Securities, and Corporations for the administration of securities within Alaska. The system allow for electronic filing, electronic payment, and tracking of all registered securities within Alaska.

Install a new online receipting system for the Corporations Section and allows for a better linkage between the entity that made the payment versus for which entity the payment is made and for what service.

Enhance various Division of Insurance systems necessary to send and receive data from the National Association of Insurance Commissioners (NAIC). The NAIC coordinates information transfers and develops standards and model legislation for state's and the insurance industry. The enhancements to this system allow for the transfer of additional licensing and complaints information to and from the State of Alaska and the NAIC.

Complete a review of the Business Processes within the Division of Insurance. The information will be used to develop a set to System Requirements which will be use to develop, purchase or modify the current system to better meet the divisions needs.

Statutory and Regulatory Authority

AS 44.33.010-020 Administrative Services

Contact Information
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Administrative Services
Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,005.7	2,265.2	1,957.4
72000 Travel	12.1	17.5	17.5
73000 Contractual	168.3	110.4	451.8
74000 Supplies	24.8	28.1	28.1
75000 Equipment	31.9	1.7	1.7
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	**2,242.8**	**2,422.9**	**2,456.5**
Funding Sources:			
1004 General Fund Receipts	996.0	1,031.9	915.4
1007 Inter-Agency Receipts	1,246.8	1,391.0	1,541.1
Funding Totals	**2,242.8**	**2,422.9**	**2,456.5**

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor	
Unrestricted Revenues					
Unrestricted Fund	68515	996.0	1,031.9	915.4	
Unrestricted Total		**996.0**	**1,031.9**	**915.4**	
Restricted Revenues					
Interagency Receipts	51015	1,246.8	1,391.0	1,541.1	
Restricted Total		**1,246.8**	**1,391.0**	**1,541.1**	
Total Estimated Revenues		**2,242.8**	**2,422.9**	**2,456.5**	

Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor

All dollars shown in thousands

	General Funds	Federal Funds	Other Funds	Total Funds
FY2004 Authorized	**1,031.9**	**0.0**	**1,391.0**	**2,422.9**
Adjustments which will continue current level of service:				
-Changes to Retirement and Other Personal Services Rates	0.0	0.0	35.4	35.4
-Funding Source Change from General Fund to Interagency Receipts for Administrative Support Services Charged to Agencies	-114.7	0.0	114.7	0.0
Proposed budget decreases:				
-Savings Due to Human Resources Integration	-1.8	0.0	0.0	-1.8
FY2005 Governor	**915.4**	**0.0**	**1,541.1**	**2,456.5**

Administrative Services
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2004 **Authorized**	**FY2005** **Governor**	Annual Salaries	1,481,454
Full-time	37	31	Premium Pay	0
Part-time	0	0	Annual Benefits	600,661
Nonpermanent	0	0	*Less 5.99% Vacancy Factor*	(124,715)
			Lump Sum Premium Pay	0
Totals	**37**	**31**	**Total Personal Services**	**1,957,400**

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	3	0	3
Accountant IV	0	0	1	0	1
Accountant V	0	0	1	0	1
Accounting Clerk II	0	0	1	0	1
Accounting Tech I	1	0	2	0	3
Accounting Tech II	0	0	1	0	1
Accounting Tech III	0	0	2	0	2
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Data Processing Mgr III	0	0	1	0	1
Division Director	0	0	1	0	1
Micro/Network Spec I	1	0	1	0	2
Micro/Network Tech II	2	0	1	0	3
Procurement Spec I	0	0	1	0	1
Procurement Spec II	0	0	1	0	1
Procurement Spec IV	0	0	1	0	1
Publications Spec I	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Supply Technician I	0	0	1	0	1
Supply Technician II	0	0	1	0	1
Systems Programmer III	0	0	1	0	1
Totals	**5**	**0**	**26**	**0**	**31**