

State of Alaska FY2009 Governor's Operating Budget

Department of Environmental Conservation Administration Results Delivery Unit Budget Summary

Administration Results Delivery Unit

Contribution to Department's Mission

Provide administrative support and policy direction to the divisions in the department.

Core Services

- Develop partnerships and work cooperatively with the regulated community and other government and non-governmental stakeholders to protect human health and the environment.
- Lead department employees to accomplish department priorities and performance measures.
- Represent the department's authorities and responsibilities on the Governor's cabinet.
- Work with the legislature on the department's budget and legislative priorities.
- Represent the department's authorities and responsibilities on the Exxon Valdez Trustees Council.
- Adjudicate administrative appeals of department decisions.
- Approve department regulations for public notice and adopt final regulation changes for filing with the Lieutenant Governor.
- Provide administrative support services to customers and clients of the department.
- Develop and implement sound administrative policies and practices for the department.
- Provide timely and accurate information.
- Minimize risk from operations.
- Enforce protective standards for environmental and sanitary practices.

End Result	Strategies to Achieve End Result
<p>A: Effective, efficient administrative support.</p> <p><u>Target #1:</u> 90% of survey respondents rate support services at acceptable or higher.</p> <p><u>Measure #1:</u> % of survey respondents rate support services at acceptable or higher.</p>	<p>A1: Lead development and implementation of Department initiatives.</p> <p><u>Target #1:</u> Strategic Plan is 100% implemented by fiscal year 2008.</p> <p><u>Measure #1:</u> % of Strategic Plan implemented.</p> <p>A2: Improve availability, quality, and quantity of data for external and internal users.</p> <p><u>Target #1:</u> Network is available to employees 7 days a week.</p> <p><u>Measure #1:</u> % of time network is available.</p> <p>A3: Ensure compliance with all federal and state requirements.</p> <p><u>Target #1:</u> 100% of audit exceptions investigated and successfully resolved.</p> <p><u>Measure #1:</u> % of audit exceptions investigated and successfully resolved.</p> <p>A4: Investigate criminal violations.</p> <p><u>Target #1:</u> Criminal violations are investigated and successfully resolved.</p> <p><u>Measure #1:</u> % of criminal investigations successfully investigated and resolved.</p>

Major Activities to Advance Strategies

- Lead the department to accomplish goals and communicate performance.
- Lead the development of protective standards.
- Work within the government and with stakeholders, the public and the legislature to communicate department initiatives and needs.
- Develop and maintain support services for the department's customers and clients; other agencies, the legislature and department employees.
- Identify departmental training needs and develop training plans.
- Develop enforcement procedures for departmental permitting programs.
- Develop and maintain policies and procedures governing financial, budget, procurement and information systems management.

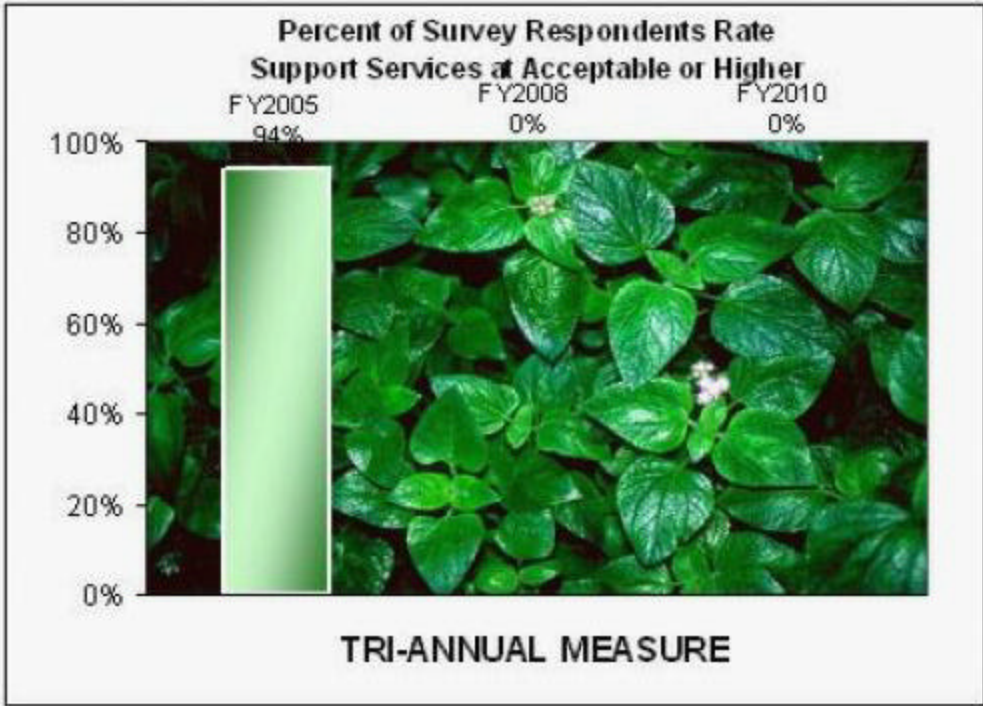
FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$7,474,400	Personnel:	
	Full time	56
	Part time	0
	Total	56

Performance Measure Detail

A: Result - Effective, efficient administrative support.

Target #1: 90% of survey respondents rate support services at acceptable or higher.
Measure #1: % of survey respondents rate support services at acceptable or higher.



Analysis of results and challenges: A survey is given to all Department of Environmental Conservation employees on a three year cycle. The survey measures the percent of customer satisfaction with the departments Administrative Services staff and includes all services within the administrative unit, such as Budget

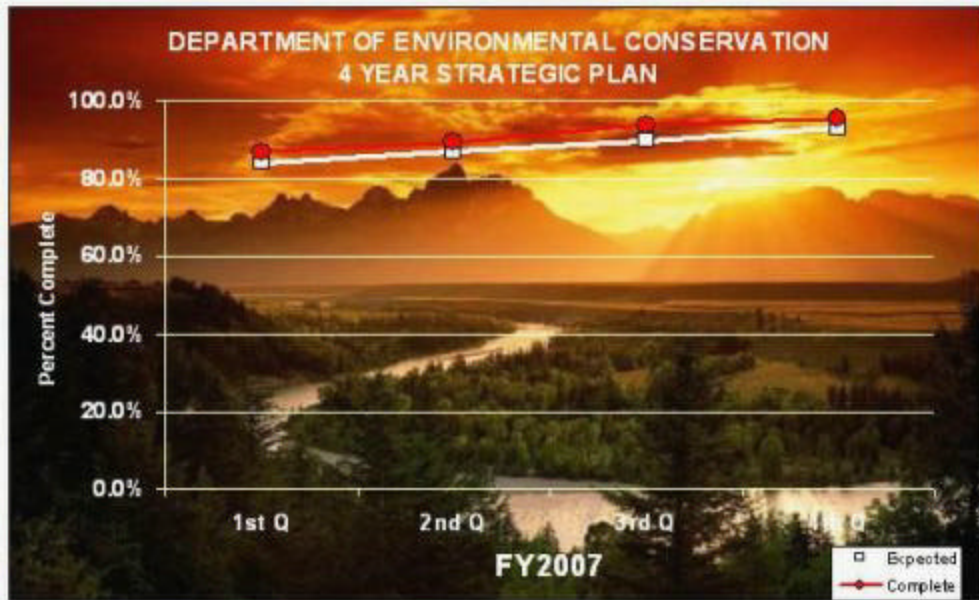
and Financial Services (including document processing), Information Technology, Procurement and the Environmental Crimes Unit.

Results from the survey taken in FY2005 show that 94% of the Division's customers are satisfied with the support services being provided. Results will be updated with a new survey in FY2008.

A1: Strategy - Lead development and implementation of Department initiatives.

Target #1: Strategic Plan is 100% implemented by fiscal year 2008.

Measure #1: % of Strategic Plan implemented.



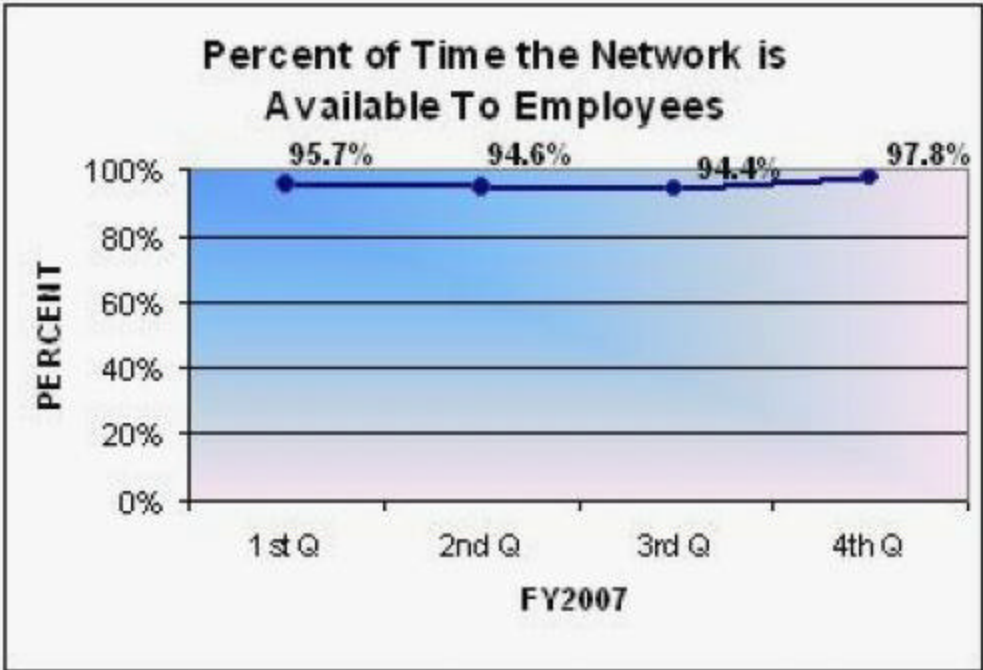
Analysis of results and challenges: DEC's strategic framework is based on the premise that, if we fulfill our duties (statutorily mandated) and accomplish our mission, the ultimate result will be that public health and the environment will be protected. We do this by influencing external entities to prevent, abate or control pollution through a comprehensive protection program. We don't prevent pollution – we influence others to take preventative action and establish standards by which to measure success.

This measure determines departmental progress against the 4 Year Strategic Plan. Progress is measured against expected results for individual projects, and averaged over the department. Within the strategic plan, performance exceeds expectations.

A2: Strategy - Improve availability, quality, and quantity of data for external and internal users.

Target #1: Network is available to employees 7 days a week.

Measure #1: % of time network is available.

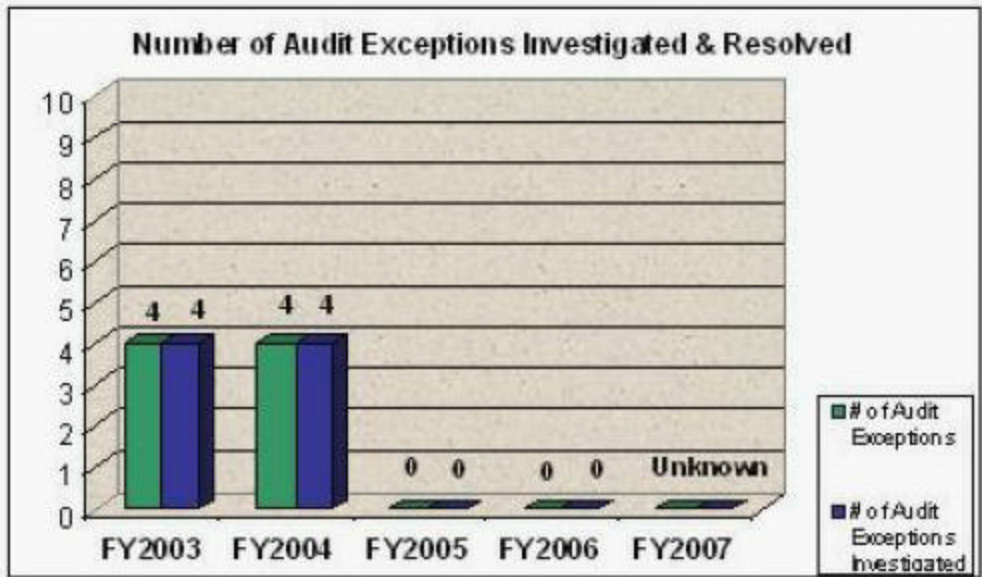


Analysis of results and challenges: During the last two quarters of FY2007 the Information Services Section was able to successfully provide network services 7 days a week. The results were based on the uptime of 17 critical department servers providing file and print, mail, and web services. A full day of network downtime was counted any time at least 1 server was down for more than 8 hours. Routine maintenance downtime was limited to short periods during the off hours.

A3: Strategy - Ensure compliance with all federal and state requirements.

Target #1: 100% of audit exceptions investigated and successfully resolved.

Measure #1: % of audit exceptions investigated and successfully resolved.



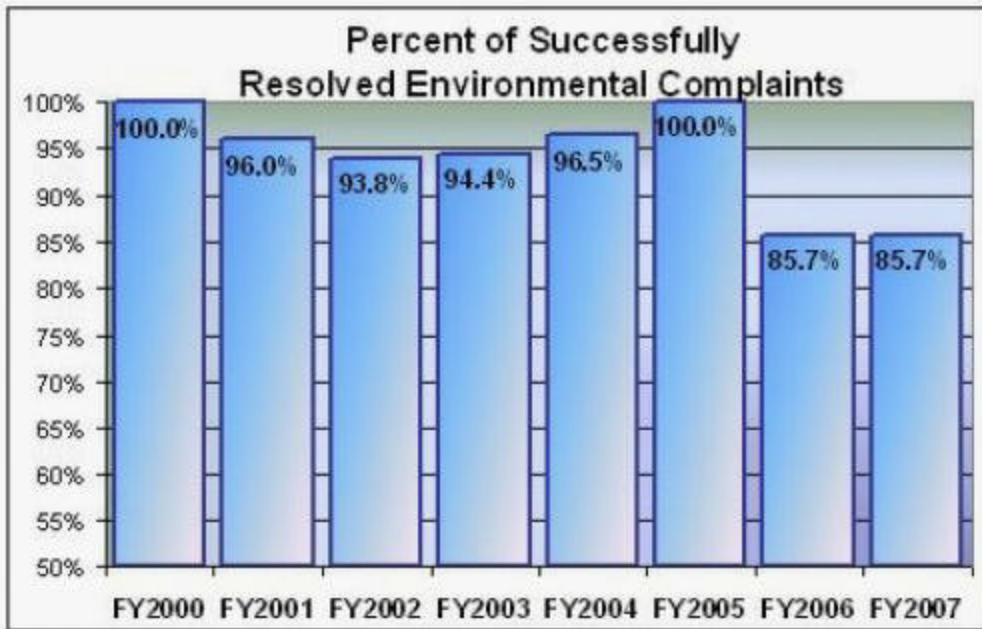
Analysis of results and challenges: The statewide single audit is performed annually and results are published upon completion.

There were no audit exceptions in FY2005 or FY2006. The statewide single audit results for FY2007 will not be available until September of 2008.

A4: Strategy - Investigate criminal violations.

Target #1: Criminal violations are investigated and successfully resolved.

Measure #1: % of criminal investigations successfully investigated and resolved.



Analysis of results and challenges: Normally environmental violations are enforced by ADEC's regulatory staff through administrative or civil remedies. However, when harmful conduct becomes intentional, knowing, or reckless, criminal enforcement must be considered.

The Environmental Crimes Unit is responsible for investigating the most complex and egregious violations of environmental law. Violators must be identified and sufficient evidence collected in order to successfully resolve an investigation. The effectiveness of this unit can be measured by its ability to successfully resolve a high percentage reported criminal violations.

There were 7 criminal investigations initiated by the Environmental Crimes unit in FY2007. Of those 7 investigations 6 have been resolved. The remaining case was still under investigation at the end of this reporting period, thus the percentage of criminal investigations successfully investigated and resolved for FY2007 is at 85.7%.

Due to the complexities of many of these investigations, they are not resolved in the same fiscal year as reported, but will be resolved in the following fiscal year and will be reflected in the year the violation was received after being resolved.

Key RDU Challenges

- The Commissioner's Office clearly communicates to the public and affected stakeholders what services can be realistically expected from the department's human and fiscal resources.
- The department has a large volume of data that is not easily accessible and we need to continue with our data integration efforts. This effort requires the conversion of numerous Access databases into the department standard SQL server with common indexes which are accessible across the divisions. Additionally, it will provide a common facility mechanism to be used as a shared key across divisional data stores. This will assist stakeholders within state government and without in accessing, filtering and using a broader set of related data for making good business decisions.
- Hiring and retaining competent staff continues to be a challenge. Due to higher salaries and benefits offered by the private sector, the department continues to lose good employees; impacting our ability to manage programs successfully.
- The department will continue to identify areas that can be managed in a more efficient manner and implement change as identified.

Significant Changes in Results to be Delivered in FY2009

None.

Major RDU Accomplishments in 2007

The department was successful in working with interested stakeholder work groups and the public on the following major state policy issues:

Better Permitting

The department continued its commitment to strengthen water and air permitting. Permits are essential to environmentally responsible development. They provide important information about impacts on the environment. A permit provides all stakeholders the opportunity to learn about a proposed project, comment, and receive a substantive response from us before final decisions are made.

Air Permit reform and streamlining is now structurally complete – all statutory and regulatory changes are finalized. Streamlined services with shorter, predictable permit delivery are being accomplished. However, additional improvements are still expected in FY2008 as performance audits and quality management tools provide important feedback on how well the reform is accomplishing each of its intended goals.

As an outgrowth of this review, the 2005 Legislature authorized DEC to seek and assume primacy for the federal wastewater discharges permitting program, National Pollutant Discharge Elimination System (NPDES). The state

program will be the Alaska Pollutant Discharge Elimination System (APDES). The department will increase its expertise in federal wastewater discharge permitting (NPDES program) by drafting federal permits under workshare agreements with the EPA. This will prepare the department for program delegation during FY2008. The Compliance and Enforcement Program will provide the requisite training to staff so that inspections will be conducted in a consistent manner providing the public assurance that an appropriate enforcement response will follow documented noncompliance.

Improved Oil Spill Safety and Economic Redevelopment of Contaminated Sites

Legislation introduced by the Governor to increase on-the-water spill drills, equipment testing and inspections has resulted in a 30% reduction in spills from regulated facilities. This significant accomplishment is the result of shifting from paperwork to practice through more practical development of reliable response skills for both government and industry. As a result there has been expanded and updated statewide emergency response team training, DEC responders are now at 117. Staff participated in spill drills that included Prince William Sound Tanker Drills, SeaRiver and BP Shipping, Alaska Shield Northern Edge 2007 Exercise, and the Alyeska Pipeline Service Company Trans-Alaska Pipeline Northern Edge 2007 Drill as well as community response training at various locations.

Economic redevelopment of contaminated sites through an innovative risk based approach for cleanup has resulted in the reuse of contaminated properties including the Delta Junction tank farm site, the former Weeks Field Development project, multiple rural abandoned canneries, the Bentley Trust Properties in Fairbanks and the Alaska Highway Gateway Arch Project in Delta Junction.

Effective Food Safety Statewide

Adopted revisions to the Alaska Food Code to include elements of Active Managerial Control (AMC) and updated requirements to reflect current science and achieve better alignment with the FDA's model food code. In addition to food manager and worker certification, changes include the voluntary use of standard operating procedures (SOPS) and self-assessments so operators can control factors that contribute to foodborne illness. Our new approach relies on operator certification, restaurant specific risk management and rigorous enforcement by DEC. This new program will provide equal protection from Metlakatla to Barrow. It will hold owners and operators responsible for knowing how food becomes contaminated and assures that standard operating procedures protect their customers. We will move from the spot inspection of the past to mandatory every-day management systems.

Better Understanding of Public Health Threats

As a result of human health studies, EPA was requiring ultra low sulfur fuel for diesel trucks and buses by 2007. While there are few trucks and buses in rural Alaska, every community depends on diesel generators for electricity. National initiatives will not help us decide the safest course for Alaskans. During FY2004, we developed and submitted a plan to the EPA for the gradual implementation of ultra low sulfur diesel fuel for use in trucks and buses in rural Alaska. The recommendation provides flexibility for rural communities to bring in the fuel as they need it, with a 2010 deadline for use of ultra low sulfur diesel in all diesel vehicles. The plan provides adequate time for DEC to assess rural health risks from diesel fuel use as necessary to support an infrastructure and fuel choice decision before 2010. In FY2007 and FY2008, the department is working closely with the Alaska Village Electric Cooperative, the University of Alaska Institute of Social and Economic Research, and others to complete a health and economic assessment to determine the impacts of the new standards and develop a plan for Alaska for the EPA consideration.

New Environmental Health Laboratory

Passed Avian Influenza (AI) proficiency tests to maintain certification as an official testing laboratory. Alaska's laboratory was one of only 40 in the nation to pass this rigorous testing certification. The laboratory completed over 3,500 AI tests on birds from Alaska, of which 2,500 tests were performed as part of a contract with the USDA. Statewide surveillance testing for Avian Influenza was performed by the State Veterinarian at agricultural fairs (Palmer, Kenai, Fairbanks, and Kodiak) as part of the state's Influenza Response Plan. No High Pathogenic Avian Influenza was identified.

Contact Information

Contact: Mike Maher, Administrative Services Director
Phone: (907) 465-5256
Fax: (907) 465-5070
E-mail: Mike.Maher@alaska.gov

Administration
RDU Financial Summary by Component

All dollars shown in thousands

	FY2007 Actuals				FY2008 Management Plan				FY2009 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
<u>Formula Expenditures</u>												
None.												
<u>Non-Formula Expenditures</u>												
Office of the Commissioner	392.6	395.4	57.5	845.5	393.6	701.0	90.8	1,185.4	402.2	462.1	90.9	955.2
Information & Admin Services	569.2	1,093.7	4,234.0	5,896.9	674.2	1,216.2	2,520.6	4,411.0	691.9	1,249.7	2,607.5	4,549.1
State Support Services	1,377.1	124.9	205.7	1,707.7	1,577.5	124.9	222.5	1,924.9	1,622.7	124.9	222.5	1,970.1
Agency-Wide Unallocated	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	2,338.9	1,614.0	4,497.2	8,450.1	2,645.3	2,042.1	2,833.9	7,521.3	2,716.8	1,836.7	2,920.9	7,474.4

Administration
Summary of RDU Budget Changes by Component
From FY2008 Management Plan to FY2009 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	2,645.3	2,042.1	2,833.9	7,521.3
Adjustments which will continue current level of service:				
-Office of the Commissioner	8.6	-238.9	0.1	-230.2
-Information & Admin Services	17.7	33.5	86.9	138.1
-State Support Services	45.2	0.0	0.0	45.2
FY2009 Governor	2,716.8	1,836.7	2,920.9	7,474.4