

State of Alaska FY2011 Governor's Operating Budget

Department of Revenue Commissioner's Office Component Budget Summary

Component: Commissioner's Office**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Management oversight of division programs
- Coordination, development and promotion of programs for collection and investment of public funds
- Provide controls and enforcement for the collection, investment and payment of funds (Permanent Fund Dividend, Child Support Services, Tax and Treasury Divisions)

Key Component Challenges

- To contribute to efforts to start large-scale natural gas development in Alaska and commercialization of North Slope natural gas reserves, in particular, through the Alaska Gasline Inducement Act (AGIA).
- To provide key decision makers (governor and legislature) with the information necessary to adopt a fiscal plan to insure that the State of Alaska has the financial resources necessary to provide constitutionally required public services in an era of volatile oil prices and declining production.
- To estimate oil and gas revenues in light of the highly volatile oil and gas market coupled with uncertainties in the U.S. economy.
- To maintain the State of Alaska's credit ratings with Standard and Poor's, Fitch Ratings, and Moody's Investors Service. Regular communication of state current events to the rating analysts, as well as ensuring analysts' concerns are relayed to State leadership, are key to meeting this challenge.
- To respond to rapid changes in the banking industry, including temporary regulation changes for the Federal Depository Insurance Program, permanent changes in the Federal Reserve banking reserve requirements, and uncertainty in the nation's banking system.
- To manage the increase in the total assets in GEFONSI, the Constitutional Budget Reserve Fund and other smaller funds managed by Treasury that have grown to the point that they now are larger than the assets of the retirement funds managed by Treasury. At this time, the total assets under management by Treasury are equivalent to those of the Permanent Fund.
- To maintain the integrity of core tax programs in the face of resource demands from major revenue and investment initiatives and aging or nonexistent information management systems.
- To use technology improvements to process approximately 650,000 Permanent Fund Dividend applications and another 1.5 million supporting documents annually and within a limited budget. The increase in applications and public contact will prove to be a key challenge in communication costs, resource allocation, and timely payment.
- The Child Support Services Division continues to face stringent federal requirements for data reliability that must be met to achieve the highest possible incentive revenue and to avoid possible penalties to the agency and to the Department of Health and Social Services, Division of Public Assistance.

Significant Changes in Results to be Delivered in FY2011

No changes in results delivered.

Major Component Accomplishments in 2009

Please see department accomplishments.

Statutory and Regulatory Authority

AS 09.25.100	Public Records
AS 09.50	Code of Civil Procedure
AS 10.25.570	Electric and Telephone Cooperative Act
AS 14.25.180	Teachers' Retirement - Management and Investment of Fund
AS 16.10.265	Purchase of Fish from Permit Holders
AS 16.10.290	Security for Collection of Wages and Payment for Raw Fish
AS.18.26	Alaska Medical Facility Authority
AS 18.56	Alaska Housing Finance Corporation
AS 25.25	Uniform Interstate Family Support Act
AS 25.27	Child Support Service Agency
AS 34.45	Unclaimed Property
AS 37.05	Fiscal Procedures Act
AS 37.07	Executive Budget Act
AS 37.10	Public Funds
AS 37.13	Alaska Permanent Fund and Corporation
AS 37.14	Trust Funds
AS 37.15	State Bonding Act
AS 37.17	Alaska BIDCO Assistance Program
AS 38.05.036	Audit of Royalty and Net Profit Payments and Costs
AS 39.35.110	Public Employees Retirement System of Alaska - Investments
AS 43	Revenue and Taxation
AS 44.25	Department of Revenue
AS 44.83.386	Alaska Energy Authority - Investment of Fund
AS 44.85	Alaska Municipal Bond Bank Authority
AS 45.98.050	Historical District Loan Act - Sale or Transfer of Mortgages and Notes

Contact Information

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**Commissioner's Office
Component Financial Summary**

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	621.0	524.5	530.8
72000 Travel	72.3	46.3	46.3
73000 Services	540.3	330.0	330.0
74000 Commodities	120.4	18.9	18.9
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
Expenditure Totals	1,354.0	919.7	926.0
Funding Sources:			
1004 General Fund Receipts	209.7	193.3	197.6
1007 Inter-Agency Receipts	685.2	166.9	168.9
1133 CSSD Administrative Cost Reimbursement	459.1	559.5	559.5
Funding Totals	1,354.0	919.7	926.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Authorized	FY2011 Governor
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						
Interagency Receipts	51015	685.2	0.0	0.0	166.9	168.9
Indirect Cost Reimbursement	51115	459.1	0.0	0.0	559.5	559.5
Restricted Total		1,144.3	0.0	0.0	726.4	728.4
Total Estimated Revenues		1,144.3	0.0	0.0	726.4	728.4

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	193.3	559.5	166.9	919.7
Adjustments which will continue current level of service:				
-FY2011 Health Insurance Cost Increase Non-Covered Employees	2.3	2.0	2.0	6.3
-Correct Unrealizable Fund Sources in the Health Insurance increases for Noncovered Employees	2.0	-2.0	0.0	0.0
FY2011 Governor	197.6	559.5	168.9	926.0

Commissioner's Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2010 Management Plan	FY2011 Governor		
Full-time	4	4	Annual Salaries	375,350
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	171,688
			<i>Less 2.97% Vacancy Factor</i>	(16,238)
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	530,800

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Commissioner	1	0	0	0	1
Dep Commissioner	1	0	0	0	1
Program Coordinator I	1	0	0	0	1
Special Assistant To Comm I	0	0	1	0	1
Totals	3	0	1	0	4

Component Detail All Funds
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	621.0	506.0	506.0	524.5	530.8	6.3	1.2%
72000 Travel	72.3	46.3	46.3	46.3	46.3	0.0	0.0%
73000 Services	540.3	348.5	348.5	330.0	330.0	0.0	0.0%
74000 Commodities	120.4	18.9	18.9	18.9	18.9	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,354.0	919.7	919.7	919.7	926.0	6.3	0.7%
Fund Sources:							
1004 Gen Fund	209.7	193.3	193.3	193.3	197.6	4.3	2.2%
1007 I/A Rcpts	685.2	166.9	166.9	166.9	168.9	2.0	1.2%
1133 CSSD Reimb	459.1	559.5	559.5	559.5	559.5	0.0	0.0%
General Funds	209.7	193.3	193.3	193.3	197.6	4.3	2.2%
Federal Funds	459.1	559.5	559.5	559.5	559.5	0.0	0.0%
Other Funds	685.2	166.9	166.9	166.9	168.9	2.0	1.2%
Positions:							
Permanent Full Time	5	4	4	4	4	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee												
	ConfCom	919.7	506.0	46.3	348.5	18.9	0.0	0.0	0.0	4	0	0
1004 Gen Fund		193.3										
1007 I/A Rcpts		166.9										
1133 CSSD Reimb		559.5										
Subtotal		919.7	506.0	46.3	348.5	18.9	0.0	0.0	0.0	4	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
ADN 0401018 Reduce Budgeted Vacancy												
	LIT	0.0	18.5	0.0	-18.5	0.0	0.0	0.0	0.0	0	0	0
A line item transfer is requested from contractual to personal services to bring the budgeted vacancy factor within OMB guidelines. Funds will be available in the contractual line as a result of ongoing efforts to manage costs.												
Subtotal		919.7	524.5	46.3	330.0	18.9	0.0	0.0	0.0	4	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
FY2011 Health Insurance Cost Increase Non-Covered Employees												
	SalAdj	6.3	6.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2.3										
1007 I/A Rcpts		2.0										
1133 CSSD Reimb		2.0										
Costs associated with Health Insurance Increases: \$6.3												
Correct Unrealizable Fund Sources in the Health Insurance increases for Noncovered Employees												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2.0										
1133 CSSD Reimb		-2.0										
The Commissioner's Office component receives a share of its funding from indirect cost recovery receipts billed to the department's federal program for Child Support Enforcement. The amount that can be collected each year is determined by both the negotiated indirect cost rate for the Department of Revenue, and the federal participation rate for the Child Support program.												
The department has budget authority in the CSSD Reimbursable funding source (1133) that is not currently collectible and is not projected to be collectible in FY2011. This fund change keeps the amount of uncollectible receipt authority in the Commissioner's Office budget from getting larger, and provides a usable funding source for the salary adjustments.												

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Totals	926.0	530.8	46.3	330.0	18.9	0.0	0.0	0.0	4	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2011 Governor (7749)
Component: Commissioner's Office (123)
RDU: Administration and Support (50)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Month	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-0001	Commissioner	FT	A	XE	Anchorage	AA	30M	12.0		135,000	0	0	55,688	190,688	70,288
04-0003	Special Assistant To Comm	FT	A	XE	Juneau	AA	21B / C	12.0		69,438	0	0	35,873	105,311	38,818
04-3050	Dep Commissioner	FT	A	XE	Anchorage	AA	28F / F	12.0		114,696	0	0	50,261	164,957	60,803
04-8008	Program Coordinator I	FT	A	GP	Anchorage	2A	18C / D	12.0		56,216	0	0	29,866	86,082	31,730
													Total Salary Costs:	375,350	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	171,688	
		Total Positions	New	Deleted											
Full Time Positions:		4	0	0											
Part Time Positions:		0	0	0											
Non Permanent Positions:		0	0	0											
Positions in Component:		4	0	0											
Total Component Months:		48.0													
													Total Pre-Vacancy:	547,038	
													Minus Vacancy Adjustment of 2.97%:	(16,238)	
													Total Post-Vacancy:	530,800	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	530,800	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	201,638	195,653	36.86%
1007 Inter-Agency Receipts	174,067	168,901	31.82%
1133 CSSD Administrative Cost Reimbursement	171,332	166,247	31.32%
Total PCN Funding:	547,038	530,800	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Revenue
Travel

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
72000	Travel		72.3	46.3	46.3
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
72000 Travel Detail Totals			72.3	46.3	46.3
72100	Instate Travel	Instate transportation, lodging, meals and incidentals	49.4	41.3	41.3
72400	Out Of State Travel	Out of state transportation, lodging, meals & incidentals	22.8	5.0	5.0
72900	Other Travel Costs	Other travel costs not covered elsewhere	0.1	0.0	0.0

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000	Services		540.3	330.0	330.0
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000 Services Detail Totals			540.3	330.0	330.0
73025		Education Services Training, conferences, memberships, and employee tuition	2.2	10.0	10.0
73052		Mgmt/Consulting (Non IA Svcs Financial) Accounting, auditing, financial management, and/or consulting services for the Department of Revenue, cost allocation plan	0.0	141.4	125.2
73150		Information Technlgy IT costs including training, software licensing, and software maintenance	24.5	44.6	44.6
73156		Telecommunication Local, long distance, cellular and telecommunications equipment charges; data/network; and television	22.2	10.0	10.0
73225		Delivery Services Delivery and courier services	0.7	4.8	4.8
73450		Advertising & Promos Advertising	0.0	0.5	0.5
73525		Utilities Document disposal	0.0	1.0	1.0
73650		Struc/Instruct/Land Repairs/maintenance of structures or infrastructure	8.3	0.0	0.0
73665		Rentals/Leases (Non IA-Struct/Infs/Land) Rentals and/or leases of space, structures or infrastructure	0.0	1.0	1.1
73675		Equipment/Machinery Repairs, maintenance, rentals and/or leases of office furniture and equipment	237.0	13.0	13.6
73753		Program Mgmt/Consult Program management/consulting related to gasline development project	124.2	0.0	0.0
73805	IT-Non-Telecommnctns	Admin ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	2.4	2.3	2.3
73806	IT-Telecommunication	Admin ETS chargeback for telecommunications EPR, line fees and service requests	15.1	14.5	14.7
73809	Mail	Admin Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	2.1	2.2	2.2

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)

RDU: Administration and Support (50)

Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000 Services Detail Totals			540.3	330.0	330.0
73810	Human Resources	Admin Human resource and payroll services provided by the Division of Personnel	3.9	3.1	3.1
73811	Building Leases	Admin Cost of space in state owned facility	60.6	71.4	86.3
73812	Legal	Law Regulations review	0.0	8.0	8.0
73814	Insurance	Admin Risk Management	0.1	0.1	0.1
73815	Financial	Admin Division of Finance AKSAS/AKPAY	0.3	0.4	0.4
73816	ADA Compliance	Labor Share of cost for ADA compliance	0.1	0.1	0.1
73819	Commission Sales (IA Svcs)	Admin Fees associated with the State Travel Office	1.5	1.5	1.9
73827	Safety (IA Svcs)	Admin Security services	0.1	0.1	0.1
73979	Mgmt/Consulting (IA Svcs)	Admin Division of Personnel salary survey	35.0	0.0	0.0

Line Item Detail
Department of Revenue
Commodities

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
74000	Commodities		120.4	18.9	18.9
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
74000 Commodities Detail Totals			120.4	18.9	18.9
74222		Books And Educational Books, educational, subscriptions, and miscellaneous business supplies and equipment	0.1	1.0	1.0
74226		Equipment & Furniture Office equipment and furniture	95.0	2.5	2.5
74229		Business Supplies Office supplies	5.8	10.0	10.0
74233		Info Technology Equip Desktop computers, printers, and IT equipment less than \$5,000 per item	11.6	2.4	2.4
74236		Subscriptions Subscription related to the gasline development project	6.4	1.5	1.5
74237	I/A Purchases (Commodities/Business)	Gov Interagency purchase of service pins	0.7	0.5	0.5
74237	I/A Purchases (Commodities/Business)	Legis Directory of state officials, statutes	0.2	0.5	0.5
74480	Household & Instit.	Beverage services (water and coffee) provided to the public during hearings and meetings held for public comment	0.6	0.5	0.5

Restricted Revenue Detail
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Master Account	Revenue Description	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51015	Interagency Receipts	685.2	166.9	168.9

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
59040	Revenue	Department-wide	04001000	11100	685.2	166.9	168.9
	Support services provided by the Commissioner's Office are billed through the department's internal cost allocation plan.						

Restricted Revenue Detail
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Master Account	Revenue Description	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51115	Indirect Cost Reimbursement	459.1	559.5	559.5

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51115	Indirect Cost Recov		04001000	11100	459.1	559.5	559.5
Indirect cost recovery receipts are received from the federal Child Support Enforcement Program and are allocated to agencies that incur overhead costs in support of CSSD.							

Inter-Agency Services
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010			
				FY2009 Actuals	Management Plan	FY2011 Governor	
73805	IT-Non-Telecommnctns	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	Inter-dept	Admin	2.4	2.3	2.3
				73805 IT-Non-Telecommnctns subtotal:	2.4	2.3	2.3
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept	Admin	15.1	14.5	14.7
				73806 IT-Telecommunication subtotal:	15.1	14.5	14.7
73809	Mail	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	2.1	2.2	2.2
				73809 Mail subtotal:	2.1	2.2	2.2
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	3.9	3.1	3.1
				73810 Human Resources subtotal:	3.9	3.1	3.1
73811	Building Leases	Cost of space in state owned facility	Inter-dept	Admin	60.6	71.4	86.3
				73811 Building Leases subtotal:	60.6	71.4	86.3
73812	Legal	Regulations review	Inter-dept	Law	0.0	8.0	8.0
				73812 Legal subtotal:	0.0	8.0	8.0
73814	Insurance	Risk Management	Inter-dept	Admin	0.1	0.1	0.1
				73814 Insurance subtotal:	0.1	0.1	0.1
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept	Admin	0.3	0.4	0.4
				73815 Financial subtotal:	0.3	0.4	0.4
73816	ADA Compliance	Share of cost for ADA compliance	Inter-dept	Labor	0.1	0.1	0.1
				73816 ADA Compliance subtotal:	0.1	0.1	0.1
73819	Commission Sales (IA Svcs)	Fees associated with the State Travel Office	Inter-dept	Admin	1.5	1.5	1.9
				73819 Commission Sales (IA Svcs) subtotal:	1.5	1.5	1.9
73827	Safety (IA Svcs)	Security services	Inter-dept	Admin	0.1	0.1	0.1
				73827 Safety (IA Svcs) subtotal:	0.1	0.1	0.1
73979	Mgmt/Consulting (IA Svcs)	Division of Personnel salary survey	Inter-dept	Admin	35.0	0.0	0.0
				73979 Mgmt/Consulting (IA Svcs) subtotal:	35.0	0.0	0.0
74237	I/A Purchases (Commodities/Business)	Interagency purchase of service pins	Inter-dept	Gov	0.7	0.5	0.5
74237	I/A Purchases (Commodities/Business)	Directory of state officials, statutes	Inter-dept	Legis	0.2	0.5	0.5
				74237 I/A Purchases (Commodities/Business) subtotal:	0.9	1.0	1.0
				Commissioner's Office total:	122.1	104.7	120.2
				Grand Total:	122.1	104.7	120.2