

State of Alaska FY2011 Governor's Operating Budget

Department of Transportation/Public Facilities Administration and Support Results Delivery Unit Budget Summary

Administration and Support Results Delivery Unit

Contribution to Department's Mission

Provide executive leadership, coordination with other governmental agencies and assurance of program management within legal guidelines.

Core Services

- This RDU contains the leadership that ensures the department meets its statutory responsibilities of the planning, design, construction, maintenance, and operations of transportation facilities and buildings. We strive to achieve a balance between planned growth in the intermodal transportation system and the effective management of maintenance and operations of the state's existing infrastructure.
- The Contracting, Procurement and Appeals Section develops, implements, and maintains policies, procedures, and standards that assure all transportation modes and regions receive responsive and consistent guidance, direction and training in administering construction and non-construction procurements and contracts.
- Internal Review is an independent section that reports directly to the Commissioner. This section is an extension of the management function that identifies problems and recommends actions that can correct those problems. It provides a measurement of how well the department is meeting its statutory requirements and achieving its objectives.
- Equal Employment and Civil Rights oversees three affirmative action programs, Disadvantaged Business Enterprise (DBE), External Equal Employment Opportunity (ExEEO), and On-the-Job Training (OJT) which apply to contractors and subcontractors working on USDOT-assisted projects. It also oversees two non-discrimination programs (Title VI of the Civil Rights Act of 1964 and Americans with Disabilities Act of 1990) which ensure equal treatment by the department during all phases of its operations.
- The Transportation Management and Security Section coordinates operations, including fleet management, highway and aviation maintenance, safety, security, and provides oversight of those areas for department management. The section also coordinates major maintenance projects and determines priority of statewide maintenance projects.

Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

END RESULT A: Elimination and prevention of discrimination based on race, religion, gender, age, marital status, ability or national origin in federally assisted programs.

- In 2008 there was one occurrence of non-compliance with equal employment provisions by project contractors or a decrease of 67% from the prior year.

Status of Strategies to Achieve End Result

- The number of construction contractors reviewed for compliance with federal equal opportunity regulations increased in FY2008 by 12.5% over the prior year. This brought the number of reviews up to 9.
- In 2008 the number of on-the-job trainees on highway projects decreased by 31% from the prior year.

END RESULT B: Maximize federal design and construction funding and compliance with federal requirements.

- The difference between proposed and audited overhead rates for consulting engineering firms and utility companies increased by .9% between 2008 and 2009, which is below the target of 5%.

Status of Strategies to Achieve End Result

- Reduced the number of days between the start of fieldwork and actual audit report issuance by 51% between 2003 and 2009.

END RESULT C: Carry out safe operations.

- The national average is 5.9 injuries per hundred employees and the department total is 3.2.

Status of Strategies to Achieve End Result

- Three OSHA safety violations were issued for department facilities in 2007.

Major Activities to Advance Strategies

- Review of highway construction contractors (external equal employment, disadvantaged business participation, on the job training)
- Communicate Equal Employment Opportunity (EEO) requirements to contractors and prospective contractors
- Provide training and working document assistance to highway contractors, Disadvantaged Business Enterprise (DBE) firms
- Engineering consultant pre-award overhead rate audits
- Perform utility company rate audits
- Perform concessionaire audits
- Provide additional training and material support for on-the-job training (OJT) of trainees on highway projects
- Implementation of a training and certification program for equipment operators
- Conduct monthly safety meetings and coordinate safety training sessions

Key RDU Challenges

- Key issues in the department are the uncertainty and timing of adequate funding levels to meet the transportation needs of Alaskans, the department's capability to get projects obligated in a timely manner and the proper allocation of federal construction funds; compliance with federal environmental requirements; growth; and maintaining a positive and productive work environment.
- Protecting Alaska's investment in its transportation infrastructure continues to be a key concern. Lack of adequate funding over much of the previous decade has limited the extent of preventative maintenance programs resulting in continuing deterioration of the existing highway and airport systems.
- The high cost of commodities including petroleum, petroleum-based products, steel, and cement is contributing to the increasing cost of procuring and operating equipment.
- Security of all transportation assets is still a main focus following the events of September 11, 2001 and continuing international terrorism events. The Commissioner's Office must keep abreast of the new requirements for all the modal functions and be able to direct resources to the changing priorities.
- Contracting and Appeals provides the neutral, independent review of all claims and protests that are appealed to the commissioner for the final agency decision. This step is required by statute and is the agency's final administrative action prior to judicial review by the courts. This section is responsible for implementation of any contracting and procurement changes driven by administrative or court decisions.
- The Disadvantaged Business Enterprise (DBE) program continues to ensure that DBE firms are given an equal opportunity for work on construction projects. Due to legal challenges in Washington state against their transportation department's DBE program implementation and the resulting US 9th Circuit Court decision (Western States Paving Decision) the department undertook a disparity study to determine the level and extent that discrimination exists in the design and construction of federal assisted highways, airports and transit facilities.

Significant Changes in Results to be Delivered in FY2011

No significant changes are expected.

Major RDU Accomplishments in 2009

- Conducted airport pavement condition inspections on 1/3rd of all paved airports in the State.
- Hired a contractor to conduct the third Quality Assurance inspection of our highway system.
- AMHS implemented tariff discounts which resulted in a 1% passenger and 6% vehicle increase during the discount periods over the previous year.
- Completed 97 consultant engineering overhead rate audits, 18 utility company rate audits, 12 cost allocation plan reviews, 5 special reviews, and 11 final audits.
- Completed the departments Disadvantaged Business Enterprise (DBE) disparity study, which reviewed DBE availability, utilization, disparity and recommended annual goals for the department DBE program.

Contact Information

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**Administration and Support
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2009 Actuals				FY2010 Management Plan				FY2011 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
Formula Expenditures None.												
Non-Formula Expenditures												
Commissioner's Office	728.3	170.0	1,036.0	1,934.3	756.9	170.0	1,006.8	1,933.7	766.7	170.0	1,015.6	1,952.3
Contracting and Appeals	9.5	0.0	199.2	208.7	9.5	0.0	297.6	307.1	9.5	0.0	297.6	307.1
EE/Civil Rights	278.1	0.0	685.2	963.3	306.2	0.0	681.5	987.7	350.7	0.0	681.5	1,032.2
Internal Review	101.8	0.0	851.6	953.4	211.5	0.0	874.2	1,085.7	211.5	0.0	829.4	1,040.9
Transportation Mgmt & Security	566.4	0.0	239.9	806.3	939.7	0.0	292.2	1,231.9	939.7	0.0	322.2	1,261.9
Totals	1,684.1	170.0	3,011.9	4,866.0	2,223.8	170.0	3,152.3	5,546.1	2,278.1	170.0	3,146.3	5,594.4

Administration and Support
Summary of RDU Budget Changes by Component
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	2,223.8	170.0	3,152.3	5,546.1
Adjustments which will continue current level of service:				
-Commissioner's Office	9.8	0.0	8.8	18.6
Proposed budget decreases:				
-Internal Review	0.0	0.0	-44.8	-44.8
Proposed budget increases:				
-EE/Civil Rights	44.5	0.0	0.0	44.5
-Transportation Mgmt & Security	0.0	0.0	30.0	30.0
FY2011 Governor	2,278.1	170.0	3,146.3	5,594.4