

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

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March 17, 2011

The Honorable Lyman Hoffman  
Co-Chair, Senate Finance Committee  
Alaska State Legislature  
State Capitol, Room 518  
Juneau, AK 99801-1182

The Honorable Bert Stedman  
Co-Chair, Senate Finance Committee  
Alaska State Legislature  
State Capitol, Room 516  
Juneau, AK 99801-1182

The Honorable Bill Thomas  
Co-Chair, House Finance Committee  
Alaska State Legislature  
State Capitol, Room 505  
Juneau, AK 99801-1182

The Honorable Bill Stoltze  
Co-Chair, House Finance Committee  
Alaska State Legislature  
State Capitol, Room 515  
Juneau, AK 99801-1182

Re: FY 2012 Capital Budget Amendments HB 107/SB 46

Dear Finance Committee Co-Chairs:

Enclosed, please find proposed amendments to the FY 2012 capital budget that have come to our attention since our previous amendments were submitted on February 16.

The administration is requesting your consideration of funding for the Statewide Administrative Systems replacement project. As you know, the current State accounting system is over 25 years old. Significant work has been done to determine the cost estimates for the project and a newly completed procurement has helped to refine the project scope and costs. This appropriation will allow the Department of Administration to complete and implement this critical project.

Many of the capital amendments reflect adjustments to the Department of Transportation and Public Facilities' federal highway program. The most significant is federal authorization to allow the department to ensure that the State has sufficient projects underway for design and permitting to be able to access and obligate federal highway funds. Sufficient lead time is necessary for these projects to be included in the State Transportation Improvement Program (STIP) and without projects that are ready to go, Alaska could lose federal funds.

Thank you for your consideration of these capital budget amendments.

Sincerely,



Karen J. Rehfeld  
Director

Enclosures

cc: David Teal, Director, Legislative Finance Division

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