

State of Alaska FY2012 Governor's Operating Budget

Department of Transportation/Public Facilities Contracting and Appeals Component Budget Summary

Component: Contracting and Appeals

Contribution to Department's Mission

To effectively carry out the Department of Transportation & Public Facilities (DOT&PF) Commissioner's statutory responsibility to procure the planning, design, and construction of public works (including state buildings).

Core Services

- Oversee departmental and customer agency compliance with federal and state laws, regulations, and policies governing construction procurements and contract administration.
- Develop, implement, and maintain policies, procedures, and operational standards that assure all transportation modes, regions, engineering services, highway construction and maintenance groups, and those state agencies with a DOT&PF delegation of construction authority, receive responsive and consistent guidance in the administration of procurements and contracts.
- Administer the statewide Construction Contracting Warrant System. This system trains and certifies individuals on construction procurement requirements.
- Assist in the resolution of contract and procurement claims and disputes before they are elevated to the Commissioner's Office as appeals.
- Administer the construction contracts protest and claim appeal adjudication process.
- Administer the airport lease appeal adjudication process.

Key Component Challenges

Providing the most efficient construction programs within the constraints of state and federal laws is a major goal of this department. To achieve that goal, constant review and improvement of the construction procurement processes must take place. Staff continues to work on improving the procurement processes in the following areas:

- In addition to providing direct and immediate support to the regions and customer agencies on construction procurement/contract matters, we will continue to further assist staff by developing regulations for innovative procurements. These actions will serve to ensure uniform and consistent construction procurement and contract administration.
- We will continue to actively listen and work with contractors and construction industry representatives on changes to statutes, regulations, policies, procedures, and terms and conditions important to all parties. The eventual goal to be achieved by this activity is the reduction in frequency, duration, and cost of resolving contractual disputes, reduction in project costs and improving delivery time.
- Continue to encourage regions to establish multiple award term contracts. Once established, these term contracts will improve project delivery by reducing the delays in acquiring professional services contractors.

Significant Changes in Results to be Delivered in FY2012

No significant change anticipated.

Major Component Accomplishments in 2010

- Provided advice on construction contracting to DOT&PF regions and 10 delegated agencies.
- Conducted on-line and in-house training for the Construction Warrant Program and Design Build Procurement in Juneau, Anchorage, Fairbanks and Ketchikan.
- Updated or developed department-wide policies, procedures and Contracting Officer Bulletins.
- Acted as liaison between the Associated General Contractors of Alaska and DOT&PF to resolve issues and conflicts.
- Processed procurement waivers and claims/protest appeals for the commissioner.

Statutory and Regulatory Authority

U.S.C. Title 23
AS Title 02, Aeronautics
AS Title 19, Highways and Ferries
AS Title 35, Public Buildings, Works and Improvements
AS Title 36, Procurement Code
AS Title 44, Applicable Portions
2 AAC 12, Procurement Regulations
81 & 82 AAM Procurement-Alaska Administrative Manual
Delegation from the Department of Administration to the DOT&PF Commissioner

Contact Information
<p>Contact: Mark O'Brien, Chief Contracts Officer Phone: (907) 465-6990 Fax: (907) 586-8365 E-mail: Mark.O'Brien@alaska.gov</p>

**Contracting and Appeals
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	255.2	272.7	283.8
72000 Travel	15.3	15.3	15.3
73000 Services	21.2	27.9	27.9
74000 Commodities	2.9	2.0	2.0
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	294.6	317.9	329.0
Funding Sources:			
1004 General Fund Receipts	9.5	10.0	10.3
1007 Inter-Agency Receipts	37.9	39.8	40.5
1061 Capital Improvement Project Receipts	247.2	268.1	278.2
Funding Totals	294.6	317.9	329.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	37.9	39.8	40.5
Capital Improvement Project Receipts	51200	247.2	268.1	278.2
Restricted Total		285.1	307.9	318.7
Total Estimated Revenues		285.1	307.9	318.7

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	10.0	0.0	307.9	0.0	317.9
Adjustments which will continue current level of service:					
-FY 2012 Personal Services increases	0.5	0.0	13.4	0.0	13.9
-FY 2011 Over/Understated GGU/SU salary adjustments	-0.2	0.0	-2.6	0.0	-2.8
FY2012 Governor	10.3	0.0	318.7	0.0	329.0

Contracting and Appeals Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2011 Management Plan	FY2012 Governor		
Full-time	2	2	Annual Salaries	188,816
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	102,413
			<i>Less 2.55% Vacancy Factor</i>	(7,429)
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	283,800

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Chief Contracts Officer	0	0	1	0	1
Procurement Spec IV	0	0	1	0	1
Totals	0	0	2	0	2

Component Detail All Funds
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	255.2	263.4	263.4	272.7	283.8	11.1	4.1%
72000 Travel	15.3	19.5	19.5	15.3	15.3	0.0	0.0%
73000 Services	21.2	33.0	33.0	27.9	27.9	0.0	0.0%
74000 Commodities	2.9	2.0	2.0	2.0	2.0	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	294.6	317.9	317.9	317.9	329.0	11.1	3.5%
Fund Sources:							
1004 Gen Fund	9.5	10.0	10.0	10.0	10.3	0.3	3.0%
1007 I/A Rcpts	37.9	39.8	39.8	39.8	40.5	0.7	1.8%
1061 CIP Rcpts	247.2	268.1	268.1	268.1	278.2	10.1	3.8%
Unrestricted General (UGF)	9.5	10.0	10.0	10.0	10.3	0.3	3.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	285.1	307.9	307.9	307.9	318.7	10.8	3.5%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	2	2	2	2	2	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 Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	317.9	263.4	19.5	33.0	2.0	0.0	0.0	0.0	2	0	0
1004 Gen Fund		10.0										
1007 I/A Rcpts		39.8										
1061 CIP Rcpts		268.1										
Subtotal		317.9	263.4	19.5	33.0	2.0	0.0	0.0	0.0	2	0	0

***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
ADN 25-1-7652 Transfer Needed to Meet Personal Services Staffing Needs												
	LIT	0.0	9.3	-4.2	-5.1	0.0	0.0	0.0	0.0	0	0	0
Subtotal		317.9	272.7	15.3	27.9	2.0	0.0	0.0	0.0	2	0	0

Contracts and Appeals has two employees in the component and should carry a 0.0% vacancy factor. No turnover is anticipated, a line item transfer is needed to cover the full cost of the two positions. A transfer is possible from the Travel and Contractual lines due to actual expenditures being less than budgeted.

***** Changes From FY2011 Management Plan To FY2012 Governor *****												
FY 2012 Personal Services increases												
	SalAdj	13.9	13.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.5										
1007 I/A Rcpts		1.1										
1061 CIP Rcpts		12.3										

This change record includes the following personal services increases:
: \$13.9

Alaska State Employees Assn (GGU) FY2012 Health Insurance Increased Costs : \$2.0

Alaska Public Employees Assn (SU) FY2012 Health Insurance Increased Costs : \$2.0

Alaska State Employees Association (GGU) FY 12 COLA increases
: \$2.0

Alaska Public Employees Association (SU) FY 12 COLA increases
: \$2.9

Alaska State Employees Association - ASEA Geographic Differential for GGU

Change Record Detail - Multiple Scenarios With Descriptions
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
: \$2.0												
Alaska Public Employees Association - APEA Geographic Differential for SU												
: \$3.0												
FY 2011 Over/Understated GGU/SU salary adjustments												
	SalAdj	-2.8	-2.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-0.2										
1007 I/A Rcpts		-0.4										
1061 CIP Rcpts		-2.2										
When the SU and GGU salary adjustments were calculated, errors were made that understated some GGU amounts and overstated some SU amounts. This change record identifies the over and under stated amounts associated with these calculations.: \$-2.8												
Totals		329.0	283.8	15.3	27.9	2.0	0.0	0.0	0.0	2	0	0

Personal Services Expenditure Detail
Department of Transportation/Public Facilities

Scenario: FY2012 Governor (8665)
Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
18-7189	Chief Contracts Officer	FT	A	SS	Juneau	202	23N	12.0		113,988	0	0	58,224	172,212	10,591
25-0184	Procurement Spec IV	FT	A	GP	Juneau	202	20F / G	12.0		74,828	0	0	44,189	119,017	0
													Total Salary Costs:	188,816	
													Total COLA:	0	
													Total Premium Pay::	0	
													Total Benefits:	102,413	
													Total Pre-Vacancy:	291,229	
													Minus Vacancy Adjustment of 2.55%:	(7,429)	
													Total Post-Vacancy:	283,800	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	283,800	
Total Component Months:		24.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	10,591	10,321	3.64%
1007 Inter-Agency Receipts	22,388	21,816	7.69%
1039 U/A Indirect Cost Recovery	258,250	251,663	88.68%
Total PCN Funding:	291,229	283,800	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 Transportation/Public Facilities
Travel

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		15.3	15.3	15.3
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000 Travel Detail Totals			15.3	15.3	15.3
72100	Instate Travel	Instate travel for hearings, coordination and administration.	14.3	12.3	12.3
72400	Out Of State Travel	Out of state travel for hearings, coordination and administration.	1.0	3.0	3.0

Line Item Detail
Department of Transportation/Public Facilities
Services

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services		21.2	27.9	27.9
Expenditure Account			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals			21.2	27.9	27.9
73025	Education Services		1.1	2.6	2.6
73150	Information Technlgy		0.4	0.4	0.4
73225	Delivery Services		0.0	0.1	0.1
73401	Long Distance		0.0	0.3	0.3
73403	Data/Network		0.0	0.1	0.1
73404	Cellular Phones		0.0	0.8	0.7
73753	Program Mgmt/Consult		1.0	0.0	0.0
73805	IT-Non-Telecommnctns	Enterprise Technology Services	0.7	1.1	1.1
73806	IT-Telecommunication	Enterprise Technology Services	2.1	2.2	2.2
73809	Mail	Central Mail	0.1	0.2	0.2
73810	Human Resources	Personnel	0.0	0.2	0.3

Line Item Detail
Department of Transportation/Public Facilities
Services

Component: Contracting and Appeals (2355)

RDU: Administration and Support (333)

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals			21.2	27.9	27.9
73812	Legal	Transportation Section Legal services provided by the Department of Law.	0.0	2.5	2.5
73815	Financial	Finance Chargeback fees for AKSAS and AKPAY.	0.1	0.3	0.3
73816	ADA Compliance	Americans With Disabilities Chargeback fees for the statewide coordinator of the Americans with Disabilities Act (ADA).	0.0	0.2	0.2
73818	Training (Services-IA Svcs)	Centralized HR Employee training offered by Department of Administration, Division of Personnel and Division of Finance on human resources, payroll and finance.	0.0	0.3	0.3
73819	Commission Sales (IA Svcs)	State Travel Office Processing fees charged by the State Travel Office.	0.2	0.7	0.7
73822	Construction (IA Svcs)	Central Design & Eng Svcs Engineering support provided by Central Region Construction and CIP Component, Public Facilities Branch, for the Sister Agency Delegation of Construction Authority program.	15.5	15.9	15.9

Line Item Detail
Department of Transportation/Public Facilities
Commodities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000	Commodities		2.9	2.0	2.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000 Commodities Detail Totals			2.9	2.0	2.0
74229	Business Supplies	Office Supplies.	0.7	0.5	0.5
74233	Info Technology Equip	Printer, monitor upgrades.	2.1	1.0	1.0
74236	Subscriptions	Subscription to Construction Claims Monthly.	0.0	0.5	0.5
74481	Food Supplies	Food supply charges for the Maintenance Managers Meeting.	0.1	0.0	0.0

Restricted Revenue Detail
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51015	Interagency Receipts	37.9	39.8	40.5

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51015	Interagency Receipts Sister Agency Delegation of Construction Authority receipts, in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.		Transportation		0.0	39.8	40.5
59020	Administration Sister Agency Delegation of Construction Authority receipt for the Department of Administration; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	General Svcs Facilities Maint.			3.6	0.0	0.0
59050	Education Sister Agency Delegation of Construction Authority receipt for the Department of Education and Early Development; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	Mt. Edgecumbe Boarding School			2.0	0.0	0.0
59060	Health & Social Svcs Sister Agency Delegation of Construction Authority receipt for the Department of Health and Social Services; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	Department-wide			3.4	0.0	0.0
59070	Labor Sister Agency Delegation of Construction Authority receipt for the Department of Labor and Workforce Development; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	AVTEC			2.3	0.0	0.0
59080	Commrc & Economc Dev Sister Agency Delegation of Construction Authority receipt for the Department of Commerce and Economic Development; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	AIDEA			13.3	0.0	0.0
59090	Military & Vet Affrs Sister Agency Delegation of Construction Authority receipt for the Department of Military and Veterans Affairs; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.	Department-wide			2.4	0.0	0.0
59100	Natural Resources	Department-wide			3.6	0.0	0.0

Restricted Revenue Detail
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51015	Interagency Receipts	37.9	39.8	40.5

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
	Sister Agency Delegation of Construction Authority receipt for the Department of Natural Resources; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.						
59110	Fish & Game	Administrative Services			2.5	0.0	0.0
	Sister Agency Delegation of Construction Authority receipt for the Department of Fish and Game; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.						
59120	Public Safety	Department-wide			1.7	0.0	0.0
	Sister Agency Delegation of Construction Authority receipt for the Department of Public Safety; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.						
59200	Corrections	Department-wide			3.1	0.0	0.0
	Sister Agency Delegation of Construction Authority receipt for the Department of Corrections; in accordance with the applicable provisions of AS 36.30.015 and 2 AAC 12.740.						

Restricted Revenue Detail
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51200	Capital Improvement Project Receipts	247.2	268.1	278.2

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
59465	Indirect CIP Receipts Recovery of indirect costs from the capital budget via the department's Indirect Cost Allocation Plan (ICAP).				247.2	268.1	278.2

Inter-Agency Services
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011		
					Management Plan	FY2012 Governor	
73805	IT-Non-Telecommnctns	Computer services provided by the Department of Administration, Enterprise Technology Services, such as central server, data storage, printing, network services, open connect, and task order system.	Inter-dept	Enterprise Technology Services	0.7	1.1	1.1
				73805 IT-Non-Telecommnctns subtotal:	0.7	1.1	1.1
73806	IT-Telecommunication	Telecommunications services provided by the Department of Administration, Enterprise Technology Services, such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio, and video conferencing.	Inter-dept	Enterprise Technology Services	2.1	2.2	2.2
				73806 IT-Telecommunication subtotal:	2.1	2.2	2.2
73809	Mail	Chargeback fees for central mail services such as mailing vendor payments (AKSAS) and payroll warrants (AKPAY).	Inter-dept	Central Mail	0.1	0.2	0.2
				73809 Mail subtotal:	0.1	0.2	0.2
73810	Human Resources	Chargeback fees for human resource services such as labor relations, position classifications and payroll processing.	Inter-dept	Personnel	0.0	0.2	0.3
				73810 Human Resources subtotal:	0.0	0.2	0.3
73812	Legal	Legal services provided by the Department of Law.	Inter-dept	Transportation Section	0.0	2.5	2.5
				73812 Legal subtotal:	0.0	2.5	2.5
73815	Financial	Chargeback fees for AKSAS and AKPAY.	Inter-dept	Finance	0.1	0.3	0.3
				73815 Financial subtotal:	0.1	0.3	0.3
73816	ADA Compliance	Chargeback fees for the statewide coordinator of the Americans with Disabilities Act (ADA).	Inter-dept	Americans With Disabilities	0.0	0.2	0.2
				73816 ADA Compliance subtotal:	0.0	0.2	0.2
73818	Training (Services-IA Svcs)	Employee training offered by Department of Administration, Division of Personnel and Division of Finance on human resources, payroll and finance.	Inter-dept	Centralized HR	0.0	0.3	0.3
				73818 Training (Services-IA Svcs) subtotal:	0.0	0.3	0.3
73819	Commission Sales (IA Svcs)	Processing fees charged by the State Travel Office.	Inter-dept	State Travel Office	0.2	0.7	0.7
				73819 Commission Sales (IA Svcs) subtotal:	0.2	0.7	0.7
73822	Construction (IA Svcs)	Engineering support provided by Central Region Construction and CIP Component, Public Facilities Branch, for the Sister Agency Delegation of Construction Authority program.	Inter-dept	Central Design & Eng Svcs	15.5	15.9	15.9
				73822 Construction (IA Svcs) subtotal:	15.5	15.9	15.9

Inter-Agency Services
Department of Transportation/Public Facilities

Component: Contracting and Appeals (2355)
RDU: Administration and Support (333)

<u>Expenditure Account</u>	<u>Service Description</u>	<u>Service Type</u>	<u>Servicing Agency</u>	<u>FY2010 Actuals</u>	<u>FY2011 Management Plan</u>	<u>FY2012 Governor</u>
			Contracting and Appeals total:	18.7	23.6	23.7
			Grand Total:	18.7	23.6	23.7