

State of Alaska FY2013 Governor's Operating Budget

Department of Administration E-Travel Component Budget Summary

Component: E-Travel**Contribution to Department's Mission**

The E-Travel Management Team provides travel services for the executive branch of State government.

Core Services

- Administer E-Travel program serving travelers within the executive branch including Medicaid beneficiaries.
- Manage relationships with providers of travel services to ensure the state is receiving the greatest possible value for its travel expenditures.
- Report information about state travel purchases to all interested parties.

Results at a Glance

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

End Result A: Improved customer satisfaction.

Target #1: 90% of respondents rate the State Travel Office services as satisfactory or better.

Status #1: In FY 2011, 88% of respondents overall rated travel services as satisfactory or better, an increase of 6% over the previous year rating.

End Result B: Increased savings for state travel expenditures.

Target #1: Positive annual saving of \$2 million from the combined operations of the E-Travel Office contracts.

Status #1: In FY 2011, a net savings of \$3,584,365 for cumulative total of \$15.1 million were achieved by the E-Travel Office.

Key Component Challenges**Managed Travel**

Consistent and efficient management of travel expenditures is an objective that all agencies strive to achieve and is the purpose of managed travel administered by the Department of Administration. The E-Travel Office was established in FY2005 within the Division of Finance to reach this statewide goal, but early on it suffered from ineffective technology and low levels of customer acceptance. Recognizing this fact, the E-Travel management team spent time researching best practices for managed travel, reviewing survey responses and customer comments, and obtaining input from travel coordinators to craft the requirements for RFP 2009-0200-8305. The resulting contract with USTravel included current technology which automates shopping for and purchasing airfare, lodging, and ground transportation. The current E-Travel service is much better positioned to address the basic challenge of meeting customer service expectations while taking management control of the travel process.

Significant Changes in Results to be Delivered in FY2013

An audit of existing service and performance of managed travel was conducted and results were made available in September 2011. A few areas of improvement were identified and reviewed with USTravel so that action can be taken to eliminate or mitigate the audit findings. The important items in the audit were related to rural airfare rates not routinely available in the system, negotiated rates for preferred hotels not being easily visible during travel booking, negotiated contract rates for non-rural airfare were not 100% accurate, and slower system response time as compared to other commercial booking tools.

Major Component Accomplishments in 2011

- Consolidated the work location of support personnel within the existing Division of Finance workspace to reduce administrative costs which resulted in state recovery costs for each purchased ticket being reduced from \$2 to \$1.50 in quarter two of FY2012.

- E-Travel Online adoption rate remains steady at approximately 60% of travel booked without agent assistance and an additional 14% started in the online tool and completed with some agent assistance. The state saves nearly \$10 per transaction booked in the tool without agent assistance.
- The managed travel service for executive branch travelers, including Medicaid beneficiaries, resulted in a calculated savings of \$3.5 million for FY2011, a \$700,000 increase over FY2010.
- Contracts with Alaska Airlines, Delta Airlines, and rural air carriers within Alaska were maintained, which generated most of the calculated savings. Alaska Airlines contract provides a 5% savings on all published fares. ERA Aviation joined the rural Invitation To Bid (ITB) group and the resulting rural carrier savings have been significant with \$339,917 for state travel and \$2,217,513 for Medicaid beneficiary travel.
- USTravel implemented new software that provides reports to travel coordinators so that management of unused tickets is more effective and timely. In addition, unused ticket availability was added to the E-Travel Online profiles to increase visibility.
- New Western States Contracting Alliance (WSCA) contracts for hotels and rental cars (Hertz, National, and Enterprise) provide additional savings for those areas not covered under the preferred hotel and Budget Rent-A-Car contracts.

Statutory and Regulatory Authority

AS 36.30.005 Centralization of Procurement Authority
AS 39.20.110-190 Travel Regulations.

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**E-Travel
Component Financial Summary**

All dollars shown in thousands

	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	234.3	304.8	321.0
72000 Travel	6.7	5.0	5.0
73000 Services	2,365.8	2,607.1	2,607.1
74000 Commodities	0.4	25.0	25.0
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	2,607.2	2,941.9	2,958.1
Funding Sources:			
1004 General Fund Receipts	0.0	30.6	31.0
1007 Inter-Agency Receipts	2,607.2	2,911.3	2,927.1
Funding Totals	2,607.2	2,941.9	2,958.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	2,607.2	2,911.3	2,927.1
Restricted Total		2,607.2	2,911.3	2,927.1
Total Estimated Revenues		2,607.2	2,911.3	2,927.1

**Summary of Component Budget Changes
From FY2012 Management Plan to FY2013 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>
FY2012 Management Plan	30.6	0.0	2,911.3	0.0	2,941.9
Adjustments which will continue current level of service:					
-FY2013 Salary Increases	0.3	0.0	13.1	0.0	13.4
-FY2013 Health Insurance Increases	0.1	0.0	2.7	0.0	2.8
FY2013 Governor	31.0	0.0	2,927.1	0.0	2,958.1

**E-Travel
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2012 Management Plan	FY2013 Governor		
Full-time	3	3	Annual Salaries	204,154
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	118,908
			<i>Less 0.64% Vacancy Factor</i>	(2,062)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	321,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant IV	0	0	1	0	1
State Travel Manager	0	0	1	0	1
State Travel Office Assistant	0	0	1	0	1
Totals	0	0	3	0	3

Component Detail All Funds
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	234.3	325.8	344.8	304.8	321.0	16.2	5.3%
72000 Travel	6.7	5.0	5.0	5.0	5.0	0.0	0.0%
73000 Services	2,365.8	2,563.4	2,567.1	2,607.1	2,607.1	0.0	0.0%
74000 Commodities	0.4	25.0	25.0	25.0	25.0	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	2,607.2	2,919.2	2,941.9	2,941.9	2,958.1	16.2	0.6%
Fund Sources:							
1004 Gen Fund (UGF)	0.0	7.9	30.6	30.6	31.0	0.4	1.3%
1007 I/A Rcpts (Other)	2,607.2	2,911.3	2,911.3	2,911.3	2,927.1	15.8	0.5%
Unrestricted General (UGF)	0.0	7.9	30.6	30.6	31.0	0.4	1.3%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	2,607.2	2,911.3	2,911.3	2,911.3	2,927.1	15.8	0.5%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	3	3	3	3	3	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	1	1	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee												
	ConfCom	2,919.2	325.8	5.0	2,563.4	25.0	0.0	0.0	0.0	3	0	1
1004 Gen Fund		7.9										
1007 I/A Rcpts		2,911.3										
ETS/HR Chargeback Transfer to ETravel ADN 02-12-0028												
	Trin	1.7	0.0	0.0	1.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1.7										
<p>Pursuant to Section 1, Chapter 3, FSSLA 2011, pages 2, lines 22-25, \$1,328,200 is distributed to state departments and agencies in order to pay service costs charged by the Department of Administration in FY2012, primarily for Personnel and Enterprise Technology Services.</p> <p>The DOA portion of \$94.4 is distributed as follows:</p> <ul style="list-style-type: none"> Office of Administrative Hearings: .9 Office of the Commissioner: .6 Division of Administrative Services: 1.5 DOA Information Technology Support: .6 Division of Finance: 5.3 E-Travel: 1.7 Division of Personnel: 6.5 Labor Relations: .6 Purchasing: .8 Property Management: .3 Central Mail: 2.2 Retirement and Benefits: 8.7 Lease Administration: .8 Facilities: 7.7 Facilities Administration: .8 Enterprise Technology Services: Risk Management: 2.0 Alaska Oil and Gas Conservation Commission: 3.3 Office of Public Advocacy: 14.7 Public Defender Agency: 14.1 Violent Crimes Compensation Board: .2 Alaska Public Offices Commission: .9 Motor Vehicles: 10.7 												
ETS/HR Transfer within Department of Administration ADN 02-12-0044												
	Trin	21.0	19.0	0.0	2.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		21.0										

Change Record Detail - Multiple Scenarios With Descriptions
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

Pursuant to Section 1, Chapter 3, FSSLA 2011, pages 2, lines 22-25, \$1,328,200 is distributed to state departments and agencies in order to pay service costs charged by the Department of Administration in FY2012. DOA's Unrealizable Fund Sources for Personal Services and DOA Internal Core Services Allocation totals \$291.2 and is shown below:

- Office of Administrative Hearings: 34.8
- Office of the Commissioner: .7
- Division of Administrative Services: .7
- DOA Information Technology Support: .6
- Division of Finance: 29.0
- E-Travel: 21.0
- Division of Personnel: 11.8
- Labor Relations: .9
- Purchasing: 1.0
- Property Management: 22.8
- Central Mail: 2.5
- Retirement and Benefits: 10.4
- Lease Administration: 34.3
- Facilities: 9.3
- Facilities Administration: 1.0
- Enterprise Technology Services: 32.4
- Risk Management: 2.4
- Alaska Oil and Gas Conservation Commission: 4.0
- Office of Public Advocacy: 29.0
- Public Defender Agency: 16.8
- Violent Crimes Compensation Board: 12.2
- Alaska Public Offices Commission: 1.0
- Motor Vehicles: 12.6

Subtotal	2,941.9	344.8	5.0	2,567.1	25.0	0.0	0.0	0.0	0.0	3	0	1
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***** **Changes From FY2012 Authorized To FY2012 Management Plan** *****

ADN 02-12-0029 Delete College Intern, PCN 02-IN0910												
PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1

The needs of the agency for the college intern are not required at this time. The position has been deleted due to efficiencies in the program.

ADN 02-12-0041 Move Authorization from Personal Services to Contractual Services												
LIT	0.0	-40.0	0.0	40.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Due to continuing efficiencies in the E-Travel component, personal services funding is available to transfer to the services line for service costs provided by E-

Change Record Detail - Multiple Scenarios With Descriptions
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Travel online processing and US Travel.												
Subtotal		2,941.9	304.8	5.0	2,607.1	25.0	0.0	0.0	0.0	3	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
FY2013 Salary Increases												
	SalAdj	13.4	13.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.3										
1007 I/A Rcpts		13.1										
FY2013 Salary Increases: \$13.4												
FY2013 Health Insurance Increases												
	SalAdj	2.8	2.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.1										
1007 I/A Rcpts		2.7										
FY2013 Health Insurance Increases: \$2.8												
Totals		2,958.1	321.0	5.0	2,607.1	25.0	0.0	0.0	0.0	3	0	0

Department of Administration

Scenario: FY2013 Governor (9494)
Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

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
02-4092	State Travel Manager	FT	1	SS	Juneau	205	20B / C	12.0		72,518	0	0	41,804	114,322	7,945
02-4093	Accountant IV	FT	A	GP	Juneau	205	20K	12.0		87,036	0	0	47,456	134,492	0
02-4095	State Travel Office Assistant	FT	A	GP	Juneau	205	17A	10.0		44,600	0	0	29,648	74,248	0

	Total Positions	New	Deleted
Full Time Positions:	3	0	0
Part Time Positions:	0	0	0
Non Permanent Positions:	0	0	0
Positions in Component:	3	0	0

Total Component Months: 34.0

Total Salary Costs:	204,154
Total COLA:	0
Total Premium Pay:	0
Total Benefits:	118,908
Total Pre-Vacancy:	323,062
Minus Vacancy Adjustment of 0.64%:	(2,062)
Total Post-Vacancy:	321,000
Plus Lump Sum Premium Pay:	0
Personal Services Line 100:	321,000

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	7,945	7,895	2.46%
1007 Inter-Agency Receipts	315,117	313,105	97.54%
Total PCN Funding:	323,062	321,000	100.00%

Line Item Detail
Department of Administration
Travel

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000	Travel		6.7	5.0	5.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000 Travel Detail Totals			6.7	5.0	5.0
72410	Employee Travel (Out of state)	Employee instate travel	4.9	4.5	4.5
72420	Nonemployee Travel (Out of state Emp)	Non employee out of state travel	1.8	0.5	0.5

Line Item Detail
Department of Administration
Services

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services		2,365.8	2,607.1	2,607.1
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals			2,365.8	2,607.1	2,607.1
73025	Education Services	Training and conference fees	0.1	0.8	1.8
73150	Information Technlgy	Information technology	0.5	0.6	2.0
73156	Telecommunication	Telecommunications	7.1	8.0	10.0
73225	Delivery Services	Courier and freight charges	0.2	0.3	1.0
73450	Advertising & Promos	Advertising and promotional publications	0.2	0.2	0.3
73525	Utilities	Utilities	0.4	0.4	1.0
73650	Struc/Infstruct/Land	Repair and maintenance costs	0.1	0.5	1.0
73675	Equipment/Machinery	Repair and maintenance of office equipment	1.5	5.0	6.6
73750	Other Services (Non IA Svcs)	Other service costs	2,219.0	2,425.6	2,431.9
73805	IT-Non-Telecommunication	Enterprise Technology Services Enterprise Productivity Rate (EPR) - Computer Services	1.8	3.2	3.2
73806	IT-Telecommunication	Enterprise Technology Services Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	13.5	29.0	15.0
73809	Mail	Central Mail Costs for central mail room services	0.7	0.9	0.7
73811	Building Leases	Leases State Facility Rent	63.7	64.0	64.0
73814	Insurance	Risk Management Services provided by Risk Management	0.1	0.1	0.1
73815	Financial	Finance Chargeback costs from the Division of Finance	0.2	0.3	0.3
73819	Commission Sales (IA Svcs)	E-Travel US Travel service fees	0.1	0.1	0.1
73979	Mgmt/Consulting (IA Svcs)	Admin Commissioners Office, Administrative Services and Information Technology (IT) desktop chargeback for services	56.6	68.1	68.1

Line Item Detail
Department of Administration
Commodities

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000	Commodities		0.4	25.0	25.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
		74000 Commodities Detail Totals	0.4	25.0	25.0
74200	Business	Business and office supplies	0.4	25.0	25.0

Restricted Revenue Detail
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts				2,607.2	2,911.3	2,927.1
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59015	Office Of The Governr Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	2.7	3.0	3.5
59020	Administration Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	64.5	31.0	34.0
59026	State Travel Office Receipts Interagency receipts for travel management services throughout the state executive branch		2400270	11100	2,411.3	2,744.8	2,744.8
59030	Law Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	3.0	3.0	3.5
59040	Revenue Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	3.1	3.5	4.0
59050	Education Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	4.3	4.5	5.0
59060	Health & Social Svcs Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	32.7	33.0	36.0
59070	Labor Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	7.0	7.5	8.5
59080	Commrc & Economc Dev Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	3.2	3.5	4.5
59090	Military & Vet Affrs Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	3.6	4.0	5.0

Restricted Revenue Detail
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts				2,607.2	2,911.3	2,927.1
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59100	Natural Resources Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	10.6	11.0	11.8
59110	Fish & Game Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	12.9	13.0	14.0
59120	Public Safety Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	16.7	17.0	17.5
59180	Environmental Consvn Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	7.2	7.5	8.0
59200	Corrections Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	13.3	13.5	14.5
59250	Dotpf Op, Tpb,& Othr Interagency receipts for travel management services throughout the state executive branch	Department-wide	2400270	11100	11.1	11.5	12.5

Inter-Agency Services
Department of Administration

Component: E-Travel (2966)
RDU: Centralized Administrative Services (13)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011 Actuals	FY2012		
					Management Plan	FY2013 Governor	
73805	IT-Non-Telecommunication	Enterprise Productivity Rate (EPR) - Computer Services	Intra-dept	Enterprise Technology Services	1.8	3.2	3.2
				73805 IT-Non-Telecommunication subtotal:	1.8	3.2	3.2
73806	IT-Telecommunication	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	Intra-dept	Enterprise Technology Services	13.5	29.0	15.0
				73806 IT-Telecommunication subtotal:	13.5	29.0	15.0
73809	Mail	Costs for central mail room services	Intra-dept	Central Mail	0.7	0.9	0.7
				73809 Mail subtotal:	0.7	0.9	0.7
73811	Building Leases	State Facility Rent	Intra-dept	Leases	63.7	64.0	64.0
				73811 Building Leases subtotal:	63.7	64.0	64.0
73814	Insurance	Services provided by Risk Management	Intra-dept	Risk Management	0.1	0.1	0.1
				73814 Insurance subtotal:	0.1	0.1	0.1
73815	Financial	Chargeback costs from the Division of Finance	Intra-dept	Finance	0.2	0.3	0.3
				73815 Financial subtotal:	0.2	0.3	0.3
73819	Commission Sales (IA Svcs)	US Travel service fees	Intra-dept	E-Travel	0.1	0.1	0.1
				73819 Commission Sales (IA Svcs) subtotal:	0.1	0.1	0.1
73979	Mgmt/Consulting (IA Svcs)	Commissioners Office, Administrative Services and Information Technology (IT) desktop chargeback for services	Intra-dept	Admin	56.6	68.1	68.1
				73979 Mgmt/Consulting (IA Svcs) subtotal:	56.6	68.1	68.1
				E-Travel total:	136.7	165.7	151.5
				Grand Total:	136.7	165.7	151.5