

State of Alaska FY2013 Governor's Operating Budget

Department of Revenue Criminal Investigations Unit Component Budget Summary

Component: Criminal Investigations Unit

Contribution to Department's Mission

The mission of the Criminal Investigations Unit (CIU) is to enforce Department of Revenue's criminal laws and regulations through investigation, public education and use of legal process, and provide inter-law enforcement agency support through data exchange and joint operations.

Core Services

- Investigate taxpayer fraud and crimes relating to tax programs
- Investigate child support cases relating to fraud and non-compliance with court orders
- Investigate Permanent Fund Dividend fraud and crimes relating to PFD eligibility
- Assist law enforcement through participation in working groups and information sharing

Key Component Challenges

The Criminal Investigations Unit analyzes potential fraud and other criminal activity occurring in programs within the Tax Division, Child Support Services Division, and Permanent Fund Dividend Division. The nature of investigating is becoming more dangerous and criminal activity seems to be crossing programs. The challenges faced by this unit include:

- Improving investigator safety;
- Create economic efficiencies in the enforcement of Revenue criminal code violations by ensuring that time, travel budgets and equipment are used wisely. Access to the federal database will ensure optimum collaboration with federal and other state and local law enforcement agencies; and
- The benefits of increased safety of our investigators in the field through access to the FBI's National Crime Information Center (NCIC) database and the National Law Enforcement Telecommunications System (NLETS) are yet to be achieved because the CIU does not qualify as a law enforcement agency because its officers do not have arrest authority. In addition, there are substantial federal grant funds and free training that the CIU cannot take advantage of without its formal federal recognition as a law enforcement agency.

Significant Changes in Results to be Delivered in FY2013

No changes in results delivered.

Major Component Accomplishments in 2011

- Consolidated three separate investigations groups into the Department of Revenue, Criminal Investigations Unit. This move was made, in part, to create economic efficiencies within the department by eliminating duplications in travel and administrative support as well as providing the department a greater ability to share information and existing resources.
- During the past 12 months, the CIU has investigated 863 PFD applications. This process resulted in 111 applications being denied and 371 new cases opened. Of these, eight individuals were referred for prosecution.
- CIU investigations into online tobacco sales using classified advertising sites resulted in one suspect charged with two felonies and four misdemeanors. Arrest warrants were issued in one of these cases after the suspect fled the State.
- CIU had two grand jury indictments for charitable gaming cases. One suspect is charged with 12 felonies,

one misdemeanor, and five violations; the other suspect is charged with theft of approximately \$150,000 of monies from a local charity.

- Two cases have been referred to the Department of Law, Office of Special Prosecutor (OSPA) for local vehicle rental companies avoiding taxes totaling approximately \$850,000. A grand jury is expected to convene in December to seek a true bill.
- The CIU completed 531 tax related inspections throughout the state.
- CIU had two CSSD jury trials over the past 12 months.
- CIU investigations resulted in CSSD collections (seizures/settlements) totaling \$505,310 in the first three quarters of 2011.

Statutory and Regulatory Authority

AS 43 Revenue and Taxation
AS 25.27 Child Support Services Agency

Contact Information
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Criminal Investigations Unit Component Financial Summary			
		<i>All dollars shown in thousands</i>	
	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	1,324.6	1,384.3
72000 Travel	0.0	50.4	50.4
73000 Services	0.0	200.0	180.0
74000 Commodities	0.0	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	0.0	1,600.0	1,639.7
Funding Sources:			
1007 Inter-Agency Receipts	0.0	1,600.0	1,639.7
Funding Totals	0.0	1,600.0	1,639.7

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	0.0	1,600.0	1,639.7
Restricted Total		0.0	1,600.0	1,639.7
Total Estimated Revenues		0.0	1,600.0	1,639.7

**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	0.0	0.0	1,600.0	0.0	1,600.0
Adjustments which will continue current level of service:					
-FY2013 Salary Increases	0.0	0.0	27.4	0.0	27.4
-FY2013 Health Insurance Increases	0.0	0.0	12.3	0.0	12.3
FY2013 Governor	0.0	0.0	1,639.7	0.0	1,639.7

Criminal Investigations Unit Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2012 Management Plan	FY2013 Governor		
Full-time	13	13	Annual Salaries	890,707
Part-time	0	0	Premium Pay	14,387
Nonpermanent	0	0	Annual Benefits	523,954
			<i>Less 3.62% Vacancy Factor</i>	(51,748)
			Lump Sum Premium Pay	7,000
Totals	13	13	Total Personal Services	1,384,300

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Admin Operations Mgr I	1	0	0	0	1
Administrative Officer I	1	0	0	0	1
Investigator II	0	0	1	0	1
Investigator III	7	0	1	0	8
Investigator IV	2	0	0	0	2
Totals	11	0	2	0	13

Component Detail All Funds
Department of Revenue

Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	0.0	1,280.0	1,280.0	1,324.6	1,384.3	59.7	4.5%
72000 Travel	0.0	75.0	75.0	50.4	50.4	0.0	0.0%
73000 Services	0.0	220.0	220.0	200.0	180.0	-20.0	-10.0%
74000 Commodities	0.0	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	0.0	1,600.0	1,600.0	1,600.0	1,639.7	39.7	2.5%
Fund Sources:							
1007 I/A Rcpts (Other)	0.0	1,600.0	1,600.0	1,600.0	1,639.7	39.7	2.5%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	1,600.0	1,600.0	1,600.0	1,639.7	39.7	2.5%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	12	12	13	13	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: Criminal Investigations Unit (2993)
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 FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee												
ConfCom		1,600.0	1,280.0	75.0	220.0	25.0	0.0	0.0	0.0	12	0	0
1007 I/A Rcpts		1,600.0										
Subtotal		1,600.0	1,280.0	75.0	220.0	25.0	0.0	0.0	0.0	12	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
ADN 0411068 Transfer PCN 04-7190 from Child Support Services												
Trin		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
A vacant range 16 Accounting Technician III (PCN 04-7190) located in the Anchorage Child Support Services Division, is transferred to the Criminal Investigations Unit (CIU) in Anchorage and reclassified to a range 17, Administrative Officer I to provide administrative and specialized support to the CIU. Existing funding for this position is federal receipts and general fund match, which is not collectible by the CIU. The CIU is funded with interagency receipts and its costs are covered by labor rate agreements. The position, once transferred, will be included in the CIU's labor rate plan.												
ADN 0421022 Adjust for Cost Allocated Spending Plan												
LIT		0.0	44.6	-24.6	-20.0	0.0	0.0	0.0	0.0	0	0	0
The Criminal Investigations Unit (CIU) is transferring \$44.6 from travel and contractual services to the personal services line to reduce its vacancy factor and align the budget with the spending plan developed in conjunction with the CIU's labor rate-based cost allocation plan.												
Subtotal		1,600.0	1,324.6	50.4	200.0	25.0	0.0	0.0	0.0	13	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Align Authority to Comply with Vacancy Factor Guidelines												
LIT		0.0	20.0	0.0	-20.0	0.0	0.0	0.0	0.0	0	0	0
In order to maintain the budgeted vacancy rate in accordance with vacancy factor guidelines, a line item transfer from contractual services has been requested.												
FY2013 Salary Increases												
SalAdj		27.4	27.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		27.4										
FY2013 Salary Increases: \$27.4												
FY2013 Health Insurance Increases												
SalAdj		12.3	12.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		12.3										

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Criminal Investigations Unit (2993)
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	
FY2013 Health Insurance Increases: \$12.3												
	Totals	1,639.7	1,384.3	50.4	180.0	25.0	0.0	0.0	0.0	13	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2013 Governor (9494)
Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

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
04-3249	Investigator III	FT	A	GP	Anchorage	200	18F / G	12.0		65,865	0	3,004	40,163	109,032	0
04-3256	Investigator III	FT	A	GP	Anchorage	200	18G / J	12.0		68,405	0	3,873	41,329	113,607	0
04-3257	Investigator III	FT	A	GP	Anchorage	200	18F / G	12.0		65,695	0	3,755	40,362	109,812	0
04-6034	Admin Operations Mgr I	FT	A	SS	Anchorage	200	22E / F	12.0		86,068	0	0	45,539	131,607	0
04-6054	Investigator II	FT	A	GP	Juneau	205	16C / D	12.0		54,773	0	0	35,343	90,116	0
04-6095	Investigator III	FT	A	GP	Juneau	205	18F / G	12.0		68,979	0	0	40,201	109,180	0
04-6101	Investigator III	FT	A	GP	Anchorage	200	18E / F	12.0		64,808	0	0	38,775	103,583	0
04-7058	Investigator IV	FT	A	SS	Anchorage	200	20L / M	12.0		89,355	0	0	46,663	136,018	0
04-7149	Investigator III	FT	A	GG	Anchorage	200	18M / A	12.0		54,828	0	0	35,361	90,189	0
04-7190	Administrative Officer I	FT	A	GP	Anchorage	200	17C	12.0		54,828	0	0	35,361	90,189	0
04-7228	Investigator III	FT	A	GP	Anchorage	200	18J / K	12.0		71,971	0	0	41,224	113,195	0
08-2077	Investigator IV	FT	A	SS	Anchorage	200	20F / J	12.0		78,077	0	0	42,806	120,883	0
08-2078	Investigator III	FT	A	GP	Anchorage	200	18F / G	12.0		67,055	0	3,755	40,827	111,637	0

Total Positions		New	Deleted	Total Salary Costs:	890,707
Full Time Positions:	13	0	0	Total COLA:	0
Part Time Positions:	0	0	0	Total Premium Pay:	14,387
Non Permanent Positions:	0	0	0	Total Benefits:	523,954
Positions in Component:	13	0	0	Total Pre-Vacancy:	1,429,048
				Minus Vacancy Adjustment of 3.62%:	(51,748)
				Total Post-Vacancy:	1,377,300
Total Component Months:	156.0			Plus Lump Sum Premium Pay:	7,000
				Personal Services Line 100:	1,384,300

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1007 Inter-Agency Receipts	1,429,048	1,377,300	100.00%
Total PCN Funding:	1,429,048	1,377,300	100.00%

Lump Sum Funding Sources:	Amount	Percent
1007 Inter-Agency Receipts	7,000	100.00%
Total Lump Sum Funding:	7,000	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: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000	Travel		0.0	50.4	50.4
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000 Travel Detail Totals			0.0	50.4	50.4
72110	Employee Travel (Instate)	Instate airfare, surface transportation, lodging, meals & incidentals	0.0	50.4	50.4

Line Item Detail
Department of Revenue
Services

Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

Line Number	Line Name			FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services			0.0	200.0	180.0
				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Expenditure Account	Servicing Agency	Explanation				
73000 Services Detail Totals				0.0	200.0	180.0
73025	Education Services	Training, conferences, memberships, and employee tuition		0.0	15.0	11.0
73050	Financial Services	Accounting, auditing, financial management and/or consulting services; cost allocation/labor rate plan		0.0	3.0	2.0
73075	Legal & Judicial Svc	Witness fees, transcription costs		0.0	2.5	1.5
73150	Information Technlgy	Information technology services including consulting, software licensing, software maintenance, and IT training		0.0	12.0	12.0
73156	Telecommunication	Local, long distance, cellular and telecommunications equipment charges; data/network; and television		0.0	3.0	2.5
73225	Delivery Services	Delivery and courier services; postage		0.0	1.5	1.5
73525	Utilities	Confidential document disposal		0.0	0.5	0.5
73650	Struc/Infstruct/Land	Repairs, maintenance, rentals and/or leases of space, structures or infrastructure		0.0	0.0	0.0
73675	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment		0.0	4.0	4.0
73750	Other Services (Non IA Svcs)	Other services including program management/consulting, safety, printing and copying		0.0	26.2	12.7
73805	IT-Non-Telecommunication	Admin	ETS chargeback for computer services EPR and task orders	0.0	7.2	7.2
73806	IT-Telecommunication	Admin	ETS chargeback for telecommunications EPR	0.0	11.6	11.6
73806	IT-Telecommunication	Admin	ETS chargeback for telecommunications line fees, services requests, and VPN	0.0	5.6	5.6
73809	Mail	Admin	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	0.0	1.5	1.5
73810	Human Resources	Admin	Human resource and payroll services provided by the	0.0	10.1	10.1

Line Item Detail
Department of Revenue
Services

Component: Criminal Investigations Unit (2993)

RDU: Administration and Support (50)

Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor	
73000 Services Detail Totals			0.0	200.0	180.0	
		Division of Personnel				
73811	Building Leases	Admin	State Office Building - Juneau	0.0	7.5	7.5
73811	Building Leases	Admin	Atwood Building and parking garage - Anchorage	0.0	28.5	28.5
73814	Insurance	Admin	Risk Management	0.0	0.2	0.2
73815	Financial	Admin	Division of Finance AKSAS/AKPAY	0.0	0.5	0.5
73816	ADA Compliance	Labor	ADA compliance	0.0	0.1	0.1
73818	Training (Services-IA Svcs)	Admin	Training provided by state agencies	0.0	1.0	1.0
73819	Commission Sales (IA Svcs)	Admin	State Travel Office fees	0.0	1.5	1.5
73848	State Equip Fleet	Trans	All costs associated with the use of state-owned vehicles	0.0	14.4	14.4
73979	Mgmt/Consulting (IA Svcs)	Revenue-CO	Support services provided by the Commissioner's Office	0.0	14.0	14.0
73979	Mgmt/Consulting (IA Svcs)	Revenue-ASD	Administrative support provided by the Administrative Services Division, including IT, fiscal, budget, contract management, procurement, and legislative services	0.0	28.6	28.6

Line Item Detail
Department of Revenue
Commodities

Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000	Commodities		0.0	25.0	25.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000 Commodities Detail Totals			0.0	25.0	25.0
74200	Business	Business supplies including books and educational; equipment and furniture; office supplies; desktop computers, printers and IT equipment less than \$5,000 per item; and subscriptions including electronic access to information	0.0	14.0	14.0
74480	Household & Instit.	Institutional supplies	0.0	1.0	1.0
74600	Safety (Commodities)	Law enforcement supplies	0.0	10.0	10.0

Restricted Revenue Detail
Department of Revenue

Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts				0.0	1,600.0	1,639.7
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59040	Revenue RSA to provide consolidated investigative services	Tax Division	4216902	11100	0.0	799.5	799.5
59040	Revenue RSA to provide consolidated investigative services	Child Support Services	4416902	11100	0.0	484.4	484.4
59040	Revenue RSA to provide consolidated investigative services	Permanent Fund Dividend Division	4616902	11100	0.0	316.1	355.8

Inter-Agency Services
Department of Revenue

Component: Criminal Investigations Unit (2993)
RDU: Administration and Support (50)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011 Actuals	FY2012		
					Management Plan	FY2013 Governor	
73805	IT-Non-Telecommunication	ETS chargeback for computer services EPR and task orders	Inter-dept	Admin	0.0	7.2	7.2
73805 IT-Non-Telecommunication subtotal:					0.0	7.2	7.2
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR	Inter-dept	Admin	0.0	11.6	11.6
73806	IT-Telecommunication	ETS chargeback for telecommunications line fees, services requests, and VPN	Inter-dept	Admin	0.0	5.6	5.6
73806 IT-Telecommunication subtotal:					0.0	17.2	17.2
73809	Mail	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	0.0	1.5	1.5
73809 Mail subtotal:					0.0	1.5	1.5
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	0.0	10.1	10.1
73810 Human Resources subtotal:					0.0	10.1	10.1
73811	Building Leases	State Office Building - Juneau	Inter-dept	Admin	0.0	7.5	7.5
73811	Building Leases	Atwood Building and parking garage - Anchorage	Inter-dept	Admin	0.0	28.5	28.5
73811 Building Leases subtotal:					0.0	36.0	36.0
73814	Insurance	Risk Management	Inter-dept	Admin	0.0	0.2	0.2
73814 Insurance subtotal:					0.0	0.2	0.2
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept	Admin	0.0	0.5	0.5
73815 Financial subtotal:					0.0	0.5	0.5
73816	ADA Compliance	ADA compliance	Inter-dept	Labor	0.0	0.1	0.1
73816 ADA Compliance subtotal:					0.0	0.1	0.1
73818	Training (Services-IA Svcs)	Training provided by state agencies	Inter-dept	Admin	0.0	1.0	1.0
73818 Training (Services-IA Svcs) subtotal:					0.0	1.0	1.0
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept	Admin	0.0	1.5	1.5
73819 Commission Sales (IA Svcs) subtotal:					0.0	1.5	1.5
73848	State Equip Fleet	All costs associated with the use of state-owned vehicles	Inter-dept	Trans	0.0	14.4	14.4
73848 State Equip Fleet subtotal:					0.0	14.4	14.4
73979	Mgmt/Consulting (IA Svcs)	Support services provided by the Commissioner's Office	Intra-dept	Revenue-CO	0.0	14.0	14.0
73979	Mgmt/Consulting (IA Svcs)	Administrative support provided by the Administrative Services Division, including IT, fiscal, budget, contract management, procurement, and legislative services	Intra-dept	Revenue-ASD	0.0	28.6	28.6
73979 Mgmt/Consulting (IA Svcs) subtotal:					0.0	42.6	42.6
Criminal Investigations Unit total:					0.0	132.3	132.3
Grand Total:					0.0	132.3	132.3