

State of Alaska FY2018 Governor's Operating Budget

Department of Revenue Unclaimed Property Component Budget Summary

Component: Unclaimed Property**Contribution to Department's Mission**

The mission of the Unclaimed Property program is to administer Alaska's Uniform Unclaimed Property Act (AS 34.45).

Core Services

- Receive and account for unclaimed property in the form of cash, securities, and safe deposit boxes from companies, organizations (profit and non-profit) and government agencies throughout the United States in accordance with Alaska's Unclaimed Property Act
- Provide services to reunite owners, heirs or legal representatives with their unclaimed property
- Determine entitlement by analyzing statutes, court orders, legal cases, and reviewing evidence
- Promote unclaimed property reporting
- Account for and post liability accruals such as; mergers, splits, dividends, security proceeds and interest

Major Component Accomplishments in 2016

- Identified electronic reporting vehicle for unclaimed property holders which provides secure electronic report/file transmittals. Encrypted and password protected reports can now be emailed to a new designated report and holder email address, improving productivity. Continued to educate and encourage the use of electronic reporting tools.
- Transferred \$12.0 million into the state general fund for FY2016 collections in excess of refunds. Since the inception of the program in 1986, a total of \$116 million has been transferred to the state general fund from the Unclaimed Property Trust account.
- During the past five years approximately \$27.6 million dollars has been returned to current or former Alaska owners and businesses.
- During the past five years \$36.0 million has been transferred to the general fund.

Key Component Challenges

- Continue to align unclaimed property practices with banking and business transactions utilizing electronic deposits, payments, and debit cards for credit balances, payroll, and social services programs. Re-evaluate last known contact other than a mailing address.
- Increase productivity and continue to move towards paperless environment, via secure online reporting, and remit payment portal.
- Improve online claim verifications and process payments electronically.
- Uniform Unclaimed Property Act revisions may impact current State laws.
- New property types such as Health Savings and College Savings Plans create challenges in establishing procedures that will not diminish the property value under Federal Tax laws for early withdrawals and transfers.
- Identity theft and fraud contribute to the challenges of determining and validating entitlement to unclaimed property accounts.
- Property accounts are held in trust, currently totaling \$39.9 million dollars.

Significant Changes in Results to be Delivered in FY2018

No changes in results delivered.

Statutory and Regulatory Authority

AS 34.45 Alaska's Uniform Unclaimed Property Act

Contact Information
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Unclaimed Property Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2017</u> <u>Management</u> <u>Plan</u>	<u>FY2018</u> <u>Governor</u>		
Full-time	4	4	Annual Salaries	269,827
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	162,945
			<i>Less 2.86% Vacancy Factor</i>	(12,372)
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	420,400

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	2	0	2
Unclaimed Property Agent	0	0	1	0	1
Unclaimed Property Manager	0	0	1	0	1
Totals	0	0	4	0	4

Component Detail All Funds
Department of Revenue

Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	414.8	416.9	416.9	416.9	420.4	3.5	0.8%
72000 Travel	0.0	7.6	7.6	7.6	7.6	0.0	0.0%
73000 Services	116.0	148.8	148.8	148.8	148.8	0.0	0.0%
74000 Commodities	6.6	7.7	7.7	7.7	7.7	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	537.4	581.0	581.0	581.0	584.5	3.5	0.6%
Fund Sources:							
1004Gen Fund (UGF)	4.5	0.0	0.0	0.0	0.0	0.0	0.0%
1005GF/Prgm (DGF)	532.9	581.0	581.0	581.0	584.5	3.5	0.6%
Unrestricted General (UGF)	4.5	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	532.9	581.0	581.0	581.0	584.5	3.5	0.6%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	4	4	4	4	4	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: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee	ConfCom	581.0	416.9	7.6	148.8	7.7	0.0	0.0	0.0	4	0	0
1005 GF/Prgm		581.0										
Subtotal		581.0	416.9	7.6	148.8	7.7	0.0	0.0	0.0	4	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
FY2018 Salary and Health Insurance Increases	SalAdj	1.5	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		1.5										
Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$1.5												
FY2018 PS Health Ins.: \$1.5												
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		-0.4										
Alaska Public Employees Association, supervisory unit, 15 hours of furlough required for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018.												
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		2.4										
Alaska Care rate increase from \$1346 to \$1555 per month for APEA members. \$2.4												
Totals		584.5	420.4	7.6	148.8	7.7	0.0	0.0	0.0	4	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2018 Governor (13956)
Component: Unclaimed Property (2938)
RDU: Taxation and Treasury (510)

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	UGF Amount
04-3053	Accounting Tech II	FT	A	GP	Juneau	99	14Q	12.0		75,096	0	0	42,880	117,976	0
04-3202	Unclaimed Property Agent	FT	A	GP	Juneau	205	15A / B	12.0		49,769	0	0	34,089	83,858	0
04-3232	Unclaimed Property Manager	FT	A	SS	Juneau	99	18P	12.0		95,948	0	0	52,149	148,097	0
04-8049	Accounting Tech II	FT	A	GP	Juneau	205	14C / D	12.0		49,014	0	0	33,827	82,841	0
Total													Total Salary Costs:	269,827	
Positions													Total COLA:	0	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	162,945	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	432,772	
													Minus Vacancy Adjustment of 2.86%:	(12,372)	
													Total Post-Vacancy:	420,400	
Total Component Months: 48.0													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	420,400	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1005 General Fund/Program Receipts	432,772	420,400	100.00%
Total PCN Funding:	432,772	420,400	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 (1676)
Department of Revenue
Travel

Component: Unclaimed Property (2938)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		0.0	7.6	7.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			0.0	7.6	7.6
2000	In-State Employee Travel	Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	0.0	7.6	7.6

Line Item Detail (1676)
Department of Revenue
Services

Component: Unclaimed Property (2938)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		116.0	148.8	148.8
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			116.0	148.8	148.8
3000	Education Services	Training, conferences, memberships, and employee tuition	2.3	4.0	2.3
3001	Financial Services	Accounting, auditing, management/consulting services	0.0	32.0	0.0
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	25.1	30.3	25.1
3004	Telecommunications	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	0.1	0.2	0.1
3008	Utilities	Disposal of records and confidential material	0.7	0.5	0.7
3009	Structure/Infrastructure/Land	Repairs/maintenance of structures or infrastructure	0.9	1.0	0.9
3010	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment	2.3	2.1	2.3
3011	Other Services	Professional management and consulting services; printing and copying services; and State Travel Office fees	0.0	4.6	0.8
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN	2.7	2.7	2.7

Line Item Detail (1676)
Department of Revenue
Services

Component: Unclaimed Property (2938)

Object Class		Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals				116.0	148.8	148.8
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	ETS chargeback for telecommunications EPR, phone lines and service requests	6.1	6.2	6.1
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	6.4	6.5	6.4
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	2.5	2.5	2.5
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	25.2	20.2	25.2
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.1	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance IRIS and AKPAY	3.4	1.9	3.4
3036	Inter-Agency Safety	Admin - Department-wide	Parking enforcement at State Office Building located in Juneau	0.3	0.2	0.3
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)	Support services provided by the Administrative Services Division, including IT, fiscal, budget, contract management, procurement, and legislative support	37.9	27.1	69.9
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	Support services provided by the Commissioner's Office	0.0	6.7	0.0

Line Item Detail (1676)
Department of Revenue
Commodities

Component: Unclaimed Property (2938)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		6.6	7.7	7.7
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
		4000 Commodities Detail Totals	6.6	7.7	7.7
4000	Business	Business supplies including book 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	6.6	7.7	7.7

Revenue Detail (1681)
Department of Revenue

Component: Unclaimed Property (2938)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5005 GF/Prgm (1005 GF/Prgm)			532.9	581.0	584.5
5120 Program Receipts - Other Revenue	Rev - Unclaimed Property (2938)	Program receipts are received from the Unclaimed Property Trust to support the operation of the Unclaimed Property Program. All funds received as unclaimed property are deposited into the Unclaimed Property Trust account in the general fund. Amounts received from property holders exceed refunds to owners because not all unclaimed property owners are located. A minimum balance is maintained in the trust account and excess funds are periodically transferred to the general fund. This program was transferred to its own component in FY2010	532.9	581.0	584.5

Inter-Agency Services (1682)
Department of Revenue

Component: Unclaimed Property (2938)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals				84.6	74.1	116.6
With Department of Administration				46.7	40.3	46.7
With Department of Revenue				37.9	33.8	69.9
Object Class	Servicing Agency	Explanation		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN	2.7	2.7	2.7
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	ETS chargeback for telecommunications EPR, phone lines and service requests	6.1	6.2	6.1
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	6.4	6.5	6.4
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	2.5	2.5	2.5
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	25.2	20.2	25.2
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.1	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance IRIS and AKPAY	3.4	1.9	3.4
3036	Inter-Agency Safety	Admin - Department-wide	Parking enforcement at State Office Building located in Juneau	0.3	0.2	0.3
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)	Support services provided by the Administrative Services Division, including IT, fiscal, budget, contract management, procurement, and legislative support	37.9	27.1	69.9
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	Support services provided by the Commissioner's Office	0.0	6.7	0.0