

State of Alaska FY2019 Governor's Operating Budget

Department of Revenue Commissioner's Office Component Budget Summary

Component: Commissioner's Office**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Major Component Accomplishments in 2017

Please see department accomplishments.

Key Component Challenges

- To provide key decision makers with the information necessary to adopt a fiscal plan to insure that the State of Alaska has the financial resources necessary to provide constitutionally required public services in an era of volatile oil prices and declining production.
- Estimating oil and gas revenues in light of the highly volatile oil and gas market coupled with uncertainties in the U.S. and global economies.
- Continuing to contribute in efforts to start large-scale natural gas development in-state and commercialization of North Slope natural gas reserves.
- Maintaining the State of Alaska's credit ratings. Regular communication of state current events and fiscal plans to the rating analysts as well as ensuring analysts' concerns are relayed to state leadership, are key to meeting this challenge. As of November, 2017 Fitch and S&P rated Alaska as AA and Moody's at Aa3, after downgrades throughout the calendar year.
- Responding to rapid changes and uncertainty in the banking industry, including regulatory issues and reserve requirements
- State assets managed by Treasury staff, including the GeFONSI and the Constitutional Budget Reserve Fund, totaled \$11.1 billion at June 30, 2017; bringing total assets managed by Treasury to \$42 billion. Market volatility, increasingly complex and growing investment mandates and lagging growth in the number of Treasury staff continue to provide investment challenges.
- To use technology improvements to process approximately 650,000 Permanent Fund Dividend applications and another 1.5 million supporting documents annually and within a limited budget. The increase in applications and public contact will prove to be a key challenge in communication costs, resource allocation, and timely payment.
- Meeting stringent federal requirements for data reliability that must be met to achieve the highest possible incentive revenue and avoid possible penalties to the Department of Revenue and the Department of Health and Social Services, Division of Public Assistance.

Significant Changes in Results to be Delivered in FY2019

Please see department changes in results.

Statutory and Regulatory Authority

AS 09.25.100

Public Records

AS 09.50	Code of Civil Procedure
AS 10.25.570	Electric and Telephone Cooperative Act
AS 14.25.180	Teachers' Retirement - Management and Investment of Fund
AS 16.10.265	Purchase of Fish from Permit Holders
AS 16.10.290	Security for Collection of Wages and Payment for Raw Fish
AS.18.26	Alaska Medical Facility Authority
AS 18.56	Alaska Housing Finance Corporation
AS 25.25	Uniform Interstate Family Support Act
AS 25.27	Child Support Service Agency
AS 34.45	Unclaimed Property
AS 37.05	Fiscal Procedures Act
AS 37.07	Executive Budget Act
AS 37.10	Public Funds
AS 37.13	Alaska Permanent Fund and Corporation
AS 37.14	Trust Funds
AS 37.15	State Bonding Act
AS 38.05.036	Audit of Royalty and Net Profit Payments and Costs
AS 39.35.110	Public Employees Retirement System of Alaska - Investments
AS 43	Revenue and Taxation
AS 44.25	Department of Revenue
AS 44.83.386	Alaska Energy Authority - Investment of Fund
AS 44.85	Alaska Municipal Bond Bank Authority
AS 45.98.050	Historical District Loan Act - Sale or Transfer of Mortgages and Notes

Contact Information
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Commissioner's Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2018</u> <u>Management</u> <u>Plan</u>	<u>FY2019</u> <u>Governor</u>		
Full-time	4	3	Annual Salaries	287,387
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	155,249
			<i>Less 1.94% Vacancy Factor</i>	(8,568)
			Lump Sum Premium Pay	432
Totals	4	3	Total Personal Services	434,500

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Commissioner	1	0	0	0	1
Executive Secretary III	1	0	0	0	1
Spec Asst To The Comm II	0	0	1	0	1
Totals	2	0	1	0	3

Component Detail All Funds
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Non-Formula Component

	FY2017 Actuals	FY2018 Conference Committee	FY2018 Authorized	FY2018 Management Plan	FY2019 Governor	FY2018 Management Plan vs FY2019 Governor	
71000 Personal Services	571.7	459.6	459.6	459.6	434.5	-25.1	-5.5%
72000 Travel	30.1	38.5	38.5	38.5	38.5	0.0	0.0%
73000 Services	273.8	390.2	390.2	390.2	415.7	25.5	6.5%
74000 Commodities	4.6	28.9	28.9	28.9	28.9	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	880.2	917.2	917.2	917.2	917.6	0.4	0.0%
Fund Sources:							
1004Gen Fund (UGF)	134.5	134.7	134.7	134.7	134.7	0.0	0.0%
1007I/A Rcpts (Other)	306.1	193.2	193.2	193.2	193.6	0.4	0.2%
1133CSSD Reimb (Fed)	439.6	589.3	589.3	589.3	589.3	0.0	0.0%
Unrestricted General (UGF)	134.5	134.7	134.7	134.7	134.7	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	306.1	193.2	193.2	193.2	193.6	0.4	0.2%
Federal Funds	439.6	589.3	589.3	589.3	589.3	0.0	0.0%
Positions:							
Permanent Full Time	3	3	3	4	3	-1	-25.0%
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: Commissioner's Office (123)
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 FY2018 Conference Committee To FY2018 Authorized *****												
FY2018 Conference Committee												
ConfCom		917.2	459.6	38.5	390.2	28.9	0.0	0.0	0.0	3	0	0
1004 Gen Fund		134.7										
1007 I/A Rcpts		193.2										
1133 CSSD Reimb		589.3										
Subtotal		917.2	459.6	38.5	390.2	28.9	0.0	0.0	0.0	3	0	0
***** Changes From FY2018 Authorized To FY2018 Management Plan *****												
Transfer Investigations Manager to Commissioners Office												
Atrin		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
<p>Criminal Investigations Unit (CIU) Investigators will be transferred back into the Department of Revenue from the Department of Public Safety as they will not be commissioned as Peace Officers.</p> <p>In FY2018 this position will be located in the Commissioners Office Component.</p> <p>Nine CIU positions are being transferred back into the Department of Revenue:</p> <p>PFD Division: Full-time Investigator III (04-6095), range 18, located in Juneau Full-time Investigator III (04-6101), range 18, located in Anchorage</p> <p>Child Support Services Division: Full-time Investigator IV (04-7058), range 20, located in Anchorage Full-time Investigator III (04-7228), range 18, located in Anchorage</p> <p>Tax Division: Full-time Investigator IV (08-2077), range 20, located in Anchorage Full-time Investigator III (08-2078), range 18, located in Anchorage Full-time Investigator III (04-3249), range 18, located in Anchorage Full-time Investigator III (04-3256), range 18, located in Anchorage</p> <p>Criminal Investigations Unit located in the Commissioner's Office: Full-time Dept Investigations Manager (04-0022), range 22, located in Anchorage</p>												
Subtotal		917.2	459.6	38.5	390.2	28.9	0.0	0.0	0.0	4	0	0
***** Changes From FY2018 Management Plan To FY2019 Governor *****												

Change Record Detail - Multiple Scenarios with Descriptions
Department of Revenue

Component: Commissioner's Office (123)
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	
FY2019 Salary and Health Insurance Increases												
1007 I/A Rcpts	SalAdj	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Salary and Health Insurance Increases: \$0.4												
Calculate FY2019 increase to GGU Health Insurance from \$1389 to \$1432 per member per month.												
Transfer Vacant Accounting Tech (04-2096) to Office of the Commissioner from Tax												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
In FY2018 a vacant Accounting Tech II position located in Anchorage was transferred from the Tax Division into Office of the Commissioner. This position was deleted and an Executive Secretary III position was created.												
Position transferred and deleted: Full-time Accounting tech II (04-2096), range 14, located in Anchorage												
Transfer Positions to Reestablish Criminal Investigations Unit												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
In FY2018 Governor, Department of Revenue (DOR) requested the transfer of the Criminal Investigations Unit (CIU) in its entirety to the Department of Public Safety (DPS). CIU did not transfer to DPS and positions were returned to the Commissioner's Office during FY2018 Management Plan and need to be transferred into CIU.												
Full-time Administrative Assistant II (04-7190), range 14, located in Anchorage Full-time Investigator V (04-0022), range 21, located in Anchorage												
Align Authority to Continue Existing Service Levels												
	LIT	0.0	-25.5	0.0	25.5	0.0	0.0	0.0	0.0	0	0	0
Align authority to continue existing service levels.												
Totals		917.6	434.5	38.5	415.7	28.9	0.0	0.0	0.0	3	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2019 Governor (14641)
Component: Commissioner's Office (123)
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	UGF Amount
04-#016	Executive Secretary III	FT	A	XE	Anchorage	N00	16B / C	12.0		54,712	0	0	37,715	92,427	18,236
04-0001	Commissioner	FT	A	XE	Anchorage	N00	0	12.0		141,156	0	0	67,017	208,173	42,571
04-0003	Spec Asst To The Comm II	FT	A	XE	Juneau	N05	23B / C	12.0		91,519	0	0	50,517	142,036	28,024
04-2096	Accounting Tech II	FT	A	GP	Juneau	205	14A / B	12.0		0	0	0	0	0	0
													Total Salary Costs:	287,387	
													Total COLA:	0	
													Total Premium Pay::	0	
													Total Benefits:	155,249	
													Total Pre-Vacancy:	442,636	
													Minus Vacancy Adjustment of 1.94%:	(8,568)	
													Total Post-Vacancy:	434,068	
													Plus Lump Sum Premium Pay:	432	
													Personal Services Line 100:	434,500	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	88,831	87,111	20.07%
1007 Interagency Receipts	117,172	114,904	26.47%
1133 CSSD Administrative Cost Reimbursement	236,633	232,053	53.46%
Total PCN Funding:	442,636	434,068	100.00%

Lump Sum Funding Sources:	Amount	Percent
1133 General Fund Receipts	432	100.00%
Total Lump Sum Funding:	432	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: Commissioner's Office (123)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
2000	Travel		30.1	38.5	38.5
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
2000 Travel Detail Totals			30.1	38.5	38.5
2000	In-State Employee Travel	Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	21.6	26.5	26.5
2001	In-State Non-Employee Travel	Non-Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	0.0	4.0	4.0
2002	Out of State Employee Travel	Employee out of state travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	8.4	8.0	8.0
2006	Other Travel Costs	Cash Advance	0.1	0.0	0.0

Line Item Detail (1676)
Department of Revenue
Services

Component: Commissioner's Office (123)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000	Services		273.8	390.2	415.7
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000 Services Detail Totals			273.8	503.7	415.7
3000	Education Services	Training, conferences, memberships, and employee tuition	0.7	0.5	0.5
3001	Financial Services	Accounting, auditing, management/consulting services	70.0	196.0	140.1
3002	Legal and Judicial Services	Transcription services	0.8	5.0	5.0
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	5.4	5.0	3.0
3004	Telecommunications	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	8.2	7.0	5.0
3008	Utilities	Disposal of records and confidential material	0.1	0.1	0.1
3009	Structure/Infrastructure/Land	Repairs/maintenance of structures or infrastructure	0.4	1.5	1.5
3010	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment	15.6	15.6	12.1
3011	Other Services	Professional management and consulting services; printing and copying services; and State Travel Office fees	1.0	1.2	1.2
3017	Inter-Agency Information Technology Non-Telecommunications	ETS chargeback for computer services (including EPR and MICS charges for mainframe usage)	2.4	3.0	3.0

Line Item Detail (1676)
Department of Revenue
Services

Component: Commissioner's Office (123)

Object Class		Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
3000 Services Detail Totals				273.8	503.7	415.7
3018	Inter-Agency Information Technology Telecommunications		ETS chargeback for telecommunications EPR, phone lines and service requests	16.7	17.0	17.0
3020	Inter-Agency Building Maintenance	Admin - Department-wide	Building maintenance performed by Division of General Services	2.0	2.0	2.0
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	1.4	1.3	1.5
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	3.1	1.4	1.6
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	57.7	65.0	73.0
3024	Inter-Agency Legal	Law - Department-wide	Regulations review, other legal opinions and review	10.6	50.0	17.0
3025	Inter-Agency Auditing	Admin - Department-wide	State Audit	25.5	25.5	25.5
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	0.6	1.0	1.0
3030	Inter-Agency Hearing/Mediation	Admin - Department-wide	Hearing officer services provided by Office of Administrative Hearing	11.1	55.0	55.0
3036	Inter-Agency Safety	Admin - Department-wide	Parking enforcement at State Office Building located in Juneau	0.2	0.5	0.5
3038	Inter-Agency Management/Consulting	Admin - Department-wide	Consulting RSAs	40.2	50.0	50.0

Line Item Detail (1676)
Department of Revenue
Commodities

Component: Commissioner's Office (123)

Line Number	Line Name		FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
4000	Commodities		4.6	28.9	28.9
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
		4000 Commodities Detail Totals	4.6	28.9	28.9
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	4.6	28.9	28.9

Revenue Detail (1681)
Department of Revenue

Component: Commissioner's Office (123)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
5007 I/A Rcpts (1007 I/A Rcpts)			306.1	193.2	193.6
5301 Inter-Agency Receipts		Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	306.1	193.2	193.6
5133 CSSD Reimb (1133 CSSD Reimb)			439.6	589.3	589.3
5081 CSSD Admin Cost Reimb (Indirect) Federal Grants/Contracts		Indirect cost recovery receipts are received from the federal Child Support Enforcement Program and are allocated to agencies that incur overhead costs in support of CSSD.	439.6	589.3	589.3
6004 Gen Fund (1004 Gen Fund)			15.8	0.0	0.0
6047 General Fund - Miscellaneous			15.8	0.0	0.0

Inter-Agency Services (1682)
Department of Revenue

Component: Commissioner's Office (123)

				FY2017 Actuals	FY2018 Management Plan	FY2019 Governor
Component Totals				152.5	251.8	227.2
With Department of Administration				141.9	201.8	210.2
With Department of Law				10.6	50.0	17.0
Object Class	Servicing Agency	Explanation	FY2017 Actuals	FY2018 Management Plan	FY2019 Governor	
3020	Inter-Agency Building Maintenance	Admin - Department-wide	Building maintenance performed by Division of General Services	2.0	2.0	2.0
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	1.4	1.3	1.5
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	3.1	1.4	1.6
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	57.7	65.0	73.0
3024	Inter-Agency Legal	Law - Department-wide	Regulations review, other legal opinions and review	10.6	50.0	17.0
3025	Inter-Agency Auditing	Admin - Department-wide	State Audit	25.5	25.5	25.5
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	0.6	1.0	1.0
3030	Inter-Agency Hearing/Mediation	Admin - Department-wide	Hearing officer services provided by Office of Administrative Hearing	11.1	55.0	55.0
3036	Inter-Agency Safety	Admin - Department-wide	Parking enforcement at State Office Building located in Juneau	0.2	0.5	0.5
3038	Inter-Agency Management/Consulting	Admin - Department-wide	Consulting RSAs	40.2	50.0	50.0