# Change Record Detail with Description (1440)
## Department of Commerce, Community, and Economic Development

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Banking and Securities (2808)
**RDU:** Banking and Securities (536)
**Title:** Financial Examiner I/II for Alaska Native Claims Settlement Act Filings and Support (ADN: 08-2018-0065)

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | PPT | NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 103.4 | 88.4 | 0.0 | 15.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1 | 0 | 0 |
| 1005 GF/Prgm | | 103.4 | | | | | | | | | | |

Per AS 45.55.139, ANCSA corporations with 500 or more shareholders and over $1,000.0 in assets must file their annual reports, proxies, consents or authorizations, proxy statements, and other materials related to proxy solicitations with DBS. Shareholders of these ANCSA corporations are required to file proxy materials as well. DBS is also the agency that receives complaints or requests for investigations related to those filings.

A Financial Examiner I/II is needed to maintain service levels for ANCSA filings and requests for information. In FY2017, ANCSA candidate and corporate filings grew over 300% - from 399 in FY2016 to 1,212 in FY2017. Requests for investigations increased 62% - from 29 to 47. Requests for investigations (complaints) must be addressed within 10 days per regulation. The volume of filings and complaints is anticipated to continue at these higher levels.

Due to the significance of ANCSA filings and complaints and the required timelines, DBS has refocused examiners from other programs towards this work. However, this is not sustainable and is done at the detriment of other important programs. The division must timely process ANCSA corporate filings and respond to complaints within 10 business days. In order to be timely, the division currently reassigns workload to meet ANCSA corporations and individual candidates' filings and complaints. Without this position, the division would be forced to reduce resources tasked with examinations and enforcement activities for other programs including depository and non-depository institutions, securities firms and sales persons, mortgage lenders and originators, payday lenders, money transmitters, and loan entities. The division is required by statute to examine certain entities annually or every 18 months. Therefore, non-statutorily required routine and for cause examinations would be deferred or not pursued.

The division started assessing fees to ANCSA corporations midway through FY2016 to help cover the cost of regulation. In FY2017 (the first full year of fee assessment), $173.2 was collected from ANCSA corporations.

This position is included in the FY2019 budget development scenario.

# Change Record Detail with Description (1440)
## Department of Environmental Conservation

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Solid Waste Management (2344)
**RDU:** Environmental Health (207)
**Title:** Increase Program Receipt Authority

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 35.0 | 35.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 1005 GF/Prgm | | 35.0 | | | | | | | | | | |

The Solid Waste Management program conducted a fee study in FY2017. Revised fee regulations have gone through public notice, review, and comment, and were enacted effective October 27, 2017. The Department anticipates revenue from the new fees will exceed general fund program receipt authority in the Division of Environmental Health by as much as $35.0 in FY2018. Solid Waste will need additional general fund program receipt authority or the program will have to reduce services and potentially lay off staff to meet a shortfall as a result of declining interagency receipt revenue.

The Division of Air Quality expects to under collect general fund program receipt authority in FY2018 due to fluctuations in the amount of Title I permit work from year to year. There will be sufficient available general fund program receipt authority for a $35.0 supplemental transfer from Air Quality to Solid Waste Management in FY2018 without impacting services to the public in Air Quality.

# Change Record Detail with Description (1440)

## Department of Environmental Conservation

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Air Quality (2061)
**RDU:** Air Quality (206)
**Title:** Decrease Program Receipt Authority

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | -35.0 | -35.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 1005 GF/Prgm | | -35.0 | | | | | | | | | | |

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# Change Record Detail with Description (1440)

## Department of Health and Social Services

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Front Line Social Workers (2305)
**RDU:** Children's Services (486)
**Title:** Public Assistance Cost Allocation Plan Amendment

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | PPT | NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 6,500.0 | 4,000.0 | 0.0 | 2,500.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 1002 Fed Rcpts | | 6,500.0 | | | | | | | | | | |

A recent amendment to the section of the Public Assistance Cost Allocation Plan (PACAP) covering the Office of Children's Services changes the allocation methodology for the Front Line Social Workers component, the largest personal services component within the Office of Children's Services budget. The estimated increase is associated primarily with the claiming for the Title IV-E foster care, adoption, and guardianship programs. The changes increase the federal claiming potential for indirect charges.

The large increases in federal share are from both the Title IV-E and Medicaid programs. Several changes associated with the Random Moment Sample (RMS) PACAP amendment resulted in a very robust federal claim;

The number of activity codes used for the RMS doubled to better capture the work being performed by protective service staff. The activities being performed are either directly charged to a federal/state program or have a cost allocation methodology assigned, such as the title IV-E foster care penetration rate.

The allocation methodology for Family Resource activities was changed from the Title IV-E foster care penetration rate to a Title IV-E blended rate. This allowed the division to charge both the Title IV-E adoption and guardianship programs, in addition to the IV-E foster care program. This resulted in an increase of approximately 5% federal share.

Four activities associated with training were approved and allowed the division to claim at the enhanced Title IV-E federal participation rate for all three IV-E programs of 75% instead of at 50%. This resulted in an estimated increase of federal share of approximately 1.15%.

RPL #06-2017-0716 provided the Office of Children's Services $6,500.0 federal authority in FY2017. A similar increment was included in the Governor's budget submitted December 15, 2017.

# Change Record Detail with Description (1440)

## Department of Health and Social Services

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Foster Care Base Rate (2236)
**RDU:** Children's Services (486)
**Title:** Decline in Child Support Payment Collections

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 1,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,000.0 | 0.0 | 0 | 0 | 0 |
| 1004 Gen Fund | | 1,000.0 | | | | | | | | | | |

The Child Support Services Division (CSSD) within the Department of Revenue has seen declining collections of child support, as a result child support payments to the Office of Children's Services has also declined. When child support is collected by the state, past debts of the payer are paid prior to any money being transferred to OCS. For example, if a parent owed another parent child support when children were removed, any funds collected by CSSD would first pay off the debt to the other parent prior to paying OCS.

Additionally OCS has experienced a slight decreased in the number of social security beneficiaries in state custody and the processing time the Social Security Agency takes to complete a payee change from the existing payee to the state has increased. Social Security payments issued during the processing time go to the existing payee, not the state resulting in reduced social security revenue to the state.

These two factors have resulted in a significant reduction in collection of general fund program receipt to the division. The division budget relies on $5,600.0 annually in receipts, in FY2016 collections were $4,456.0, in FY2017 they declined to $4,026.8. FY2018 collections to date are approximately 20% lower than this time last year. The division is no longer able to absorb these costs within existing appropriations and requires additional authority to cover the shortfall.

# Change Record Detail with Description (1440)

## Department of Health and Social Services

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Foster Care Special Need (2238)
**RDU:** Children's Services (486)
**Title:** FY2017 Special Need Payments Made in FY2018

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 2,895.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,895.7 | 0.0 | 0 | 0 | 0 |
| 1004 Gen Fund | | 2,895.7 | | | | | | | | | | |

OCS deferred FY2017 obligations into FY2018 in the amount of $2,895.7. Deferred payments include those made for children's medical needs, clothing, and food. Additional authority will allow Foster Care Special Needs to provide services to children and families and avoid deferring payments from FY2018 into FY2019.

This is a one-time increment.

# Change Record Detail with Description (1440)
## Department of Health and Social Services

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Alaska Temporary Assistance Program (220)
**RDU:** Public Assistance (73)
**Title:** Temporary Assistance for Needy Families Maintenance of Effort

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 2,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,000.0 | 0.0 | 0 | 0 | 0 |
| 1003 G/F Match | | 2,000.0 | | | | | | | | | | |

Between FY2014 and FY2018 the Alaska Temporary Assistance Program (ATAP) component unrestricted general fund appropriation has been reduced a total of $11,072.6. The maintenance of effort (MOE) for the Temporary Assistance for Needy Families (TANF) program, mandated by the Federal Government, is primarily met by the expenditures within ATAP. The state received notification of penalty for failure to meet the MOE obligation for federal fiscal year 2017, Oct 2016 - Sept 2017.

The department has made efforts to utilize expenditures from other sources in order to meet the MOE requirements, these efforts have not been successful. This supplemental request will assist the department in meeting federal requirements however there is still risk that the MOE will not be met and further federal penalties will be issued.

# Change Record Detail with Description (1440)

## Department of Revenue

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** APFC Investment Management Fees (2310)
**RDU:** Alaska Permanent Fund Corporation (45)
**Title:** Investment and Custody Fees

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | PPT | NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | Suppl | 5,000.0 | 0.0 | 0.0 | 5,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 1105 PFund Rcpt | | 5,000.0 | | | | | | | | | | |

Currently valued at more than $64 billion, the Alaska Permanent Fund has grown significantly over the past 18 months. The projection of and budget for external manager fees is prepared based on the market value of assets under management and forecasted returns. Strong markets have produced growth in the Permanent Fund's externally managed portfolios that exceeded the projections used for the FY18 budget.

The FY18 appropriation for external manager fees is $125.8 million and current projections indicate that APFC will pay $123.6 million in manager fees. Unanticipated market performance or manager changes could cause the actual amount of fees paid to exceed projections. As a prudent course of action, the Board of Trustees authorized APFC staff to pursue a FY18 supplemental budget request of $5,000,000 for the Investment Management Fee allocation to ensure that APFC has sufficient funds to meet our contractual obligations.

Any funds that are requested and not expended will lapse at the close of the fiscal year and will remain in the Permanent Fund.

# Change Record Detail with Description (1440)

## Special Appropriations

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Alaska Comprehensive Insurance Program (3147)
**RDU:** Alaska Comprehensive Insurance Program (657)
**Title:** Payment from Premera to the Reinsurance Program

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Y | Suppl | -25,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -25,000.0 | 0.0 | 0 | 0 | 0 |
| 1248 ACHI Fund | | -25,000.0 | | | | | | | | | | |

Section 27 (g), Chapter 1, SSSLA 2017, is amended to read:
(g) The sum of [$55,000,000] $30,000,000 is appropriated from the Alaska comprehensive health insurance fund (AS 21.55.430) to the Department of Commerce, Community, and Economic Development, division of insurance, for the calendar year 2017 reinsurance program under AS 21.55 for the fiscal years ending June 30, 2017, and June 30, 2018.

As a direct result of the success of the Alaska Reinsurance Program (ARP), in November 2017 Premera announced that it was reimbursing $25 million to the program. The contribution was deposited with the Alaska Comprehensive Health Insurance Association (ACHIA), which manages the ARP via a grant from the Division of Insurance. As a result of Premera's refund, grant billings from ACHIA for the calendar year 2017 ARP (chapter 1, SSSLA 2017, page 102, line 11) will be $30 million instead of $55 million. To reflect the reduced need, $25 million is removed from the existing multi-year appropriation for calendar year 2017.

# Change Record Detail with Description (1440)
## Fund Capitalization

**Scenario:** FY2018 Supplemental Jan29 (14823)
**Component:** Disaster Relief Fund (2497)
**RDU:** Fund Capitalization (no approp out) (608)
**Title:** Disaster Relief Funding

| Language | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions PFT | Positions PPT | Positions NP |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Y | Suppl | 2,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,000.0 | 0 | 0 | 0 |
| 1004 Gen Fund | | 2,000.0 | | | | | | | | | | |

The sum of $2,000,000 is appropriated from the general fund to the disaster relief fund (AS 26.23.300(a)).

This increase is needed due to the low balance of the disaster relief fund and the estimated amount needed for spring 2018 disasters.

A disaster is defined in AS 26.23.900 to mean the occurrence or imminent threat of widespread or severe damage, injury, loss of life or property, or shortage of food, water, or fuel resulting from an incident such as a storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, avalanche, snowstorm, prolonged extreme cold, drought, fire, flood, epidemic, explosion, or riot; the release of oil or a hazardous substance if the release requires prompt action to avert environmental danger or damage; equipment failure if it is not predictably frequent or recurring, or preventable by adequate maintenance or operation; enemy or terrorist attack, or a credible threat thereof; outbreak of disease or a credible threat thereof.

Sufficient general fund authority of $2,000,000 currently exists in the FY2019 budget. This amount may need to be increased depending on actual disasters and the use of the disaster relief fund.

THE STATE
of ALASKA
GOVERNOR BILL WALKER

Department of
Health and Social Services

FINANCE AND MANAGEMENT SERVICES
Juneau Office

P.O. Box 110650
Juneau, Alaska 99811-0650
Main: 907.465.3082
Fax: 907.465.2499

**DATE:** January 28, 2018

**TO:** Neil Steininger, Chief Budget Analyst
Office of Management and Budget

**FROM:** Shawnda O'Brien
Assistant Commissioner

**SUBJECT:** FY2016 Shortfall and Supplemental Ratification Request

The Department of Health and Social Services requests the following prior year supplemental ratifications.

In FY2016 the State of Alaska implemented a new accounting system, IRIS. This first year in the new system presented significant challenges to understand and use the system appropriately and account for expenditure and revenue detail in a manner that would prevent shortfalls.

| RDU | Component | Description | General Funds | Total Funds |
|---|---|---|---|---|
| AKPH (H001) | Pioneer Homes (H017) | Shortfall associated with uncollected revenue | $467,693.27 | $467,693.27 |

The Alaska Pioneer Homes under-collected revenues in the Pioneer Homes Component in the following fund sources based on actuals posted in IRIS as of January 26, 2018:

| | |
|---|---|
| Program Receipts | $134,258.82 |
| Interagency Receipts | $422,168.02 |
| Statutory Designated Program Receipts | $321,621.96 |
| **Total** | **$878,048.80** |

There were balances remaining in General Funds and General Fund Mental Health for both Alaska Pioneer Homes Management and Pioneer Homes in the amount of $410,652.53. This brings the overspent amount down to $467,396.27 for the fiscal year ending 2016.

| RDU | Component | Description | General Funds | Total Funds |
|---|---|---|---|---|
| Public Health (H007) | Several Components | Shortfall associated with uncollected revenue | $1,350,310.26 | $1,350,310.26 |

The Division of Public Health under-collected revenues in the following components in the following fund sources based on actuals posted in IRIS as of January 26, 2018:

| | |
|---|---|
| Community Health Grants | |
| Federal Receipts | $41,786.50 |
| Health Planning and Systems Development | |
| Program Receipts | $109,368.56 |
| Interagency Authority | $23,254.28 |
| Nursing | |
| Federal Receipts | $651,987.58 |
| Program Receipts | $21,426.81 |
| Women Children and Family Health | |
| Federal Receipts | $364,074.00 |
| General Funds | $411,451.35 |
| Interagency Receipts | $12,578.16 |
| Statutory Designated Program Receipts | $8,275.90 |
| Public Health Administration | |
| Federal Receipts | $41,807.00 |
| General Funds | $182,429.90 |
| Emergency Programs | |
| Federal Receipts | $1,011,839.70 |
| General Funds | $130,425.22 |
| Interagency Receipts | $8,683.75 |
| Chronic Disease Prevention and Health Promotion | |
| Federal Receipts | $920,608.33 |
| General Funds | $897,842.30 |
| Interagency Receipts | $12,656.89 |
| Epidemiology | |
| Federal Receipts | $655,344.56 |
| General Fund Match | $34,242.00 |
| Interagency Receipts | $212,944.70 |
| Medical Examiner | |
| Interagency Authority | $265.85 |
| Public Health Labs | |
| Federal Receipts | $1,040,824.39 |

| | |
|---|---|
| General Fund | $346.95 |
| Statutory Designated Program Receipts | $118,746.94 |
| **Total** | **$7,608,590.32** |

The total reflected is offset by balances in several of the funding sources in each component either in the amount of $6,258,280.06. This brings the overspent amount down to $1,350,310.26 for the fiscal year ending 2016.

| RDU | Component | Description | General Funds | Total Funds |
|---|---|---|---|---|
| Medicaid Services (H012) | Health Care Services Medicaid | Shortfall associated with federal reporting disallowances | $8,715,670.72 | $8,715,670.72 |

The primary cause of the shortfall is due to the delayed fixes to MMIS defects and re-processing of claims. The fiscal agent, Conduent (formerly XEROX) was unable to provide the department estimates of the amounts of re-processed claims they were re-processing in the quarter being reported.

The majority of re-processed claims occurred during the last half of FY2016 and the adjustments associated with claims from FY2014 and part of FY2015 were processed outside the eight quarter federal reporting rules and were disallowed by the Centers for Medicare and Medicaid Services (CMS). On September 30, 2015, a request for a good faith claiming waiver had been submitted by the department in anticipation this may occur and followed up with a second request on August 31, 2016. CMS approved the good faith waiver requests in December 12, 2016 and all of the disallowed claims were submitted in FY 2017.

Due to federal reporting rules the claimed revenues were not posted to the state FY2016 due to approval from CMS being received in FY2017. Thereby creating a shortfall in general funds in FY2016.

| RDU | Component | Description | General Funds | Total Funds |
|---|---|---|---|---|
| Capital Requests | H264 – Mental Health Housing FY2010 | Shortfall associated with funding disallowances | $8,824.49 | $8,824.49 |
| | H260 – Mental Health Home Modification and Upgrades to Retain Housing FY2011 | Shortfall associated with funding disallowances | $7,355.06 | $7,355.06 |
| | HUBC – Unbudgeted Capital RSA's | Error in posting revenues due to conversions to IRIS | $300,310.83 | $300,310.83 |

Several capital appropriations experienced shortfalls associated to funding allowances and conversion issues when the department transitioned to IRIS. Usual funding sources for the Mental Health Housing and the Mental Health Home Modification and Upgrades to Maintain Housing programs general fund mental health and MHTAAR funding but for this appropriation we received AHFC dividends instead.

A small percentage of every capital appropriation is used to fund the Facilities Section operating costs, which is not allowed by the funding received from AHFC.

The unbudgeted RSA's were overspent due to conversion issues with the IRIS in the first year of implementation and when they were identified by the agency it was past the timeframes in which they could be corrected.

If you have any additional questions please contact me directly at 465-1630.

CC: Valerie Nurr'araaluk Davidson, Commissioner
Jon Sherwood, Deputy Commissioner
Karen Forrest, Deputy Commissioner
Jay Butler, State Medical Officer
Marian Sweet, Deputy Director, Finance and Management Services

THE STATE of ALASKA
GOVERNOR BILL WALKER

**Department of Public Safety**

DIVISION OF ADMINISTRATIVE SERVICES
Office of the Director

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# Memorandum

To: Torrey Jacobson, Program Budget Analyst IV
Office of Management and Budget

From: Kelly Howell, Director KH
Division of Administrative Services

Date: January 24, 2018

Subject: Ratification Request, ADN 12-2018-3032

The Department of Public Safety (DPS) is requesting a Ratification to clear a revenue shortfall of $4,304,930 in AR 47863-13. This revenue shortfall was a result of withholding of payment under a reimbursable service agreement (RSA) pending the outcome of a federal review/audit.

The RSA was between the Department of Public Safety (DPS – servicing agency) and the Department of Transportation & Public Facilities' (DOT&PF) Alaska Highway Safety Office (AHSO – requesting agency) and involved grants using federal funds from the National Highway Traffic Safety Administration (NHTSA) for driving under the influence (DUI) enforcement activities conducted by the DPS Alaska Bureau of Highway Patrol.

AHSO approved the activities as outlined in DPS' grant applications. These activities were the subject of a NHTSA management review in 2011 with NHTSA identifying the grants awarded by AHSO to DPS for 2009 – 2011 as potentially ineligible due to lack of documentation and questionable activities, which DPS disagreed with. Nevertheless, NHTSA informed DOT&PF and DPS that they would not reimburse for activities under the grants while their management review was being negotiated and finalized.

In 2014 NHTSA determined that the State of Alaska was liable for the 2009 and 2010 reimbursements on the DPS grants and their Office of Chief Counsel initiated collection efforts through the US Department of Justice targeting the DOT&PF AHSO. Through negotiations between the DOT&PF Deputy Commissioner, DOT&PF Director of Program Development and the Alaska Attorney General's office, a settlement was reached that required DOT&PF to commit and expend $2.1 million of state general funds to stand up a new program in lieu of repaying the 2009 and 2010 grant funds (in excess of $6 million). This $2.1 million came out of the existing DOT&PF Capital Budget.[1]

[1] The information in this paragraph was provided by AHSO Manager, Tammy Kramer.

In 2016, DOT&PF informed DPS that NHTSA declined to reimburse the State of Alaska for these expenditures and there were no available and eligible funds to reimburse DPS. Therefore, a Ratification in the amount of $4,304,930 is needed to address the prior year expenditures that were made by DPS in good faith under the RSA for which DOT&PF will not be reimbursing.

Cc: Walt Monegan, DPS Commissioner
Colonel Hans Brinke, AST Director
Cassidy Kearney, DPS Budget Manager
Bel Liberty, DPS Finance Officer

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UNIVERSITY of ALASKA
Many Traditions One Alaska

Statewide Strategy, Planning & Budget
PO BOX 755260
Fairbanks, AK 99775-5260

December 22, 2017

Ms. Pat Pitney, Director
Office of Management and Budget
P.O. Box 110020
Juneau, AK 99811

Re: FY2018 Supplemental Request

Dear Ms. Pitney:

The University of Alaska (UA) is requesting an FY2018 supplemental necessary to implement the monetary terms of agreements reached with United Academics, AAUP/AFT (UNAC) and Fairbanks Firefighters Union, IAFF 1324 (FFU) post passage of the FY2018 operating budget.

Please include UNAC and affirm FFU in a "SALARY AND BENEFIT ADJUSTMENTS" section (see below). No additional appropriation is required to implement the monetary terms of these agreements.

FY2018 Operating Budget bill (CCS HB57; SSSLA 2017 Chap 1, Sec 42)
* Sec. 42. SALARY AND BENEFIT ADJUSTMENTS.
(b) The operating budget appropriations made to the University of Alaska in sec. 1 of this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30, 2018, for university employees who are not members of a collective bargaining unit and to implement the terms for the fiscal year ending June 30, 2018, of the following collective bargaining agreements:
(1) University of Alaska Federation of Teachers (UAFT);
(2) Alaska Higher Education Crafts and Trades Employees, Local 6070;
<u>(3) Fairbanks Firefighters Union, IAFF Local 1324;</u>
(4) United Academic - Adjuncts - American Association of University Professors, American Federation of Teachers;
<u>(5) United Academics, AAUP/AFT (UNAC).</u>

Please let me know if you have any questions or need additional information.

Sincerely,

Michelle Rizk