

State of Alaska FY2020 Governor's Operating Budget

Department of Administration Lease Administration Component Budget Summary

Component: Lease Administration

Contribution to Department's Mission

The leases program provides cost effective office space for State agencies in a timely manner.

Results

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

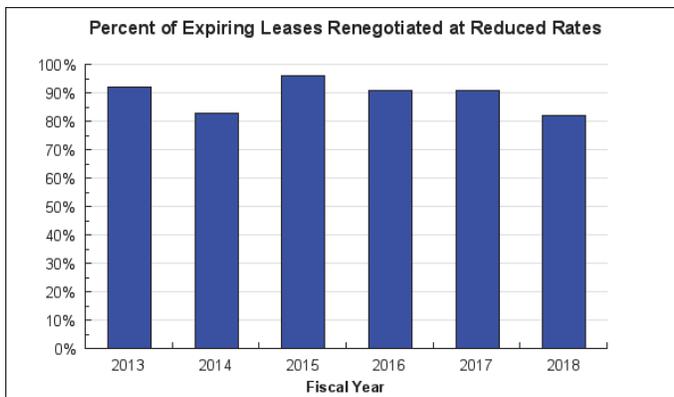
Core Services

- Procure, manage and administer office and other types of space leases from the private sector and state property owners on behalf of the Executive Branch.
- Provide space-planning, and procure architectural design services to address lease space issues.
- Negotiate lease terms and consolidate state owned and/or leased space when economies can be realized

Measures by Core Service

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

1. Procure, manage and administer office and other types of space leases from the private sector and state property owners on behalf of the Executive Branch.



2. Provide space-planning, and procure architectural design services to address lease space issues.

3. Negotiate lease terms and consolidate state owned and/or leased space when economies can be realized

Major Component Accomplishments in 2018

- Engaged in aggressive negotiation tactics, which resulted in a lease reduction cost for multiple agencies in FY2018.
- Continued to implement the streamlined lease administration practices defined in the January 2017 Lease Kaizen.
- Reinstated the Request for Proposal process for leased space, including the implementation of an innovative request for proposal process.
- Identified and implemented several agency colocation opportunities and reductions of square footage in a number of leases to maximize space efficiency and lease cost savings.
- Continued to effectively reduce the average cost of leased space when compared to market rate across the state.
- Negotiated aggressively with identified key leases to reduce cost beyond the AS 36.30.083 lease extension requirements.
- Continued to work cooperatively with agencies to ensure space is utilized in the most effective and efficient manner as the state strives to reduce the amount of leased space necessary for state agencies.

- Created new lease action request form to more efficiently address agency needs in leased space.
- Held Lessor Summit to gain agency input into cost reduction effort and successfully implemented agreed upon reductions to statewide contracts, renegotiations of existing leases and creation of the Innovative RFP process.

Key Component Challenges

Agency Expansion - In FY2019, agencies have acquired new positions as a result of legislation, increasing their space needs. This has resulted in expansion of certain leases and even re-lease of space that was previously negotiated to give back. SSoA continues to attempt to reconfigure space to minimize amount of increase.

Space Efficiency & Cost – Identify and implement acceptable practices for ensuring space in state leased and owned buildings is used efficiently.

Hold Over Leases: Execute long-term lease contracts resulting from aggressive negotiation tactics and reduce the number of leases currently in holdover pending agreement of terms.

Contract Management - Lease compliance to ensure renovation, insurance and all other pertinent clauses are enforced. As needed, staff will also meet with State occupants to ensure they are informed of all cure issues and concerns related to their specific lease.

CMMS System - SSoA has been included in the solicitation of a Statewide CMMS system being procured by the Department of Transportation and Public Facilities. While this statewide system is being implemented, SSoA is utilizing an interim tracking system.

Significant Changes in Results to be Delivered in FY2020

Private Leased Space - Various strategies will continue to be refined to achieve lease cost savings. In addition to reducing the number of leased facilities, space efficiency and cost reductions will be used as a guideline and framework to equitably reduce the amount of lease space required by state agencies.

Statutory and Regulatory Authority

AS 36.30.080 State Procurement Code
AS 44.21.020 (1), (5) Duties of the Department

Contact Information
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Lease Administration Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2019 Management Plan	FY2020 Governor		
Full-time	10	10	Annual Salaries	733,138
Part-time	0	0	COLA	17,057
Nonpermanent	0	0	Premium Pay	38,884
			Annual Benefits	449,830
			<i>Less 1.80% Vacancy Factor</i>	(22,309)
			Lump Sum Premium Pay	0
Totals	10	10	Total Personal Services	1,216,600

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant IV	0	0	1	0	1
Accounting Tech III	0	0	1	0	1
Administrative Assistant II	1	0	0	0	1
Contracting Officer II	1	0	0	0	1
Contracting Officer III	3	0	0	0	3
Contracting Officer IV	1	0	0	0	1
Program Coordinator I	1	0	0	0	1
State Leasing & Facilities Mgr	1	0	0	0	1
Totals	8	0	2	0	10

Component Detail All Funds
Department of Administration

Component: Lease Administration (2304)
RDU: Shared Services of Alaska (17)

Non-Formula Component

	FY2018 Actuals	FY2019 Conference Committee	FY2019 Authorized	FY2019 Management Plan	FY2020 Governor	FY2019 Management Plan vs FY2020 Governor	
71000 Personal Services	1,212.8	1,281.1	1,281.1	1,189.6	1,216.6	27.0	2.3%
72000 Travel	3.5	25.6	25.6	3.5	3.5	0.0	0.0%
73000 Services	374.3	159.5	159.5	291.0	291.0	0.0	0.0%
74000 Commodities	4.7	22.6	22.6	4.7	4.7	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	1,595.3	1,488.8	1,488.8	1,488.8	1,515.8	27.0	1.8%
Fund Sources:							
1007 I/A Rcpts (Other)	1,595.3	1,488.8	1,488.8	1,488.8	1,515.8	27.0	1.8%
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	1,595.3	1,488.8	1,488.8	1,488.8	1,515.8	27.0	1.8%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	10	10	10	10	10	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 Administration

Component: Lease Administration (2304)
RDU: Shared Services of Alaska (17)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2019 Conference Committee To FY2019 Authorized *****												
FY2019 Conference Committee	ConfCom	1,488.8	1,281.1	25.6	159.5	22.6	0.0	0.0	0.0	10	0	0
1007 I/A Rcpts		1,488.8										
Subtotal		1,488.8	1,281.1	25.6	159.5	22.6	0.0	0.0	0.0	10	0	0
***** Changes From FY2019 Authorized To FY2019 Management Plan *****												
Align Authority with Anticipated Expenditures	LIT	0.0	-91.5	-22.1	131.5	-17.9	0.0	0.0	0.0	0	0	0
Transfer authority from personal services, travel, and commodities to services to align authority with anticipated expenditures. Additional authority is needed for projected service contracts. This transfer more closely aligns travel and commodities authority with actual expenditures.												
Subtotal		1,488.8	1,189.6	3.5	291.0	4.7	0.0	0.0	0.0	10	0	0
***** Changes From FY2019 Management Plan To FY2020 Governor *****												
Reverse SU 15 Hour Furlough Reduction	SalAdj	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		1.2										
FY2020 Salary Adjustments - GGU, CEA, TEAME	SalAdj	24.5	24.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		24.5										
FY2020 Salary Adjustments - GGU, CEA, TEAME: \$24.5												
FY2020 GGU HI from \$1432 to \$1530: \$7.4												
FY2020 GGU 3% COLA: \$17.1												
Reverse Alaska State Employees Association (GGU) 15 Hour Furlough	SalAdj	1.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		1.3										
The Alaska State Employees Association (representing the general government unit) contractually required 15 hours of furlough for each permanent full-time employee in each year from July 1, 2016, to June 30, 2019. The furlough requirement was removed from the contract in FY2020.												
Totals		1,515.8	1,216.6	3.5	291.0	4.7	0.0	0.0	0.0	10	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2020 Governor (15610)
Component: Lease Administration (2304)
RDU: Shared Services of Alaska (17)

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
02-5001	Division Operations Manager	FT	A	SS	Juneau	205	24F	0.6	*	5,932	0	0	2,980	8,912	0
02-5005	Chief Procurement Off	FT	A	XE	Juneau	N05	25F	1.8	*	18,022	0	0	8,997	27,019	0
02-5010	Contracting Officer III	FT	A	GP	Anchorage	200	19D / E	11.4	**	65,766	3,009	3,996	41,543	114,314	0
02-5068	Accounting Tech I	FT	A	GP	Juneau	205	12G	3.6	*	14,719	954	3,777	11,904	31,354	0
02-5098	Program Coordinator I	FT	A	SS	Anchorage	200	18A / B	6.0	**	33,054	0	0	20,776	53,830	0
02-5108	Administrative Officer II	FT	A	SS	Juneau	205	19F	0.2	*	1,458	0	0	815	2,273	0
02-5127	Contracting Officer III	FT	A	GP	Anchorage	200	19G	11.4	**	71,239	2,872	0	42,051	116,162	0
02-5132	Accounting Tech III	FT	A	GP	Juneau	205	16D / E	12.0	*	59,667	2,585	4,465	40,532	107,249	0
02-5138	Administrative Assistant II	FT	A	GP	Juneau	205	14A	1.8	*	6,826	400	3,503	6,324	17,053	0
02-5142	Administrative Assistant II	FT	A	SS	Anchorage	600	14F	6.0	**	28,873	0	4,167	20,771	53,811	0
02-5154	Contracting Officer II	FT	A	GP	Anchorage	200	16C / D	11.4	**	52,452	2,309	4,250	37,054	96,065	0
02-5155	Accounting Tech II	FT	A	GP	Juneau	205	14K / L	1.2	*	6,207	278	4,778	5,625	16,888	0
02-5156	Contracting Officer III	FT	A	GP	Anchorage	200	19B / C	11.4	**	61,587	2,482	0	38,733	102,802	0
02-5158	Accountant IV	FT	A	GP	Juneau	205	20C	3.6	*	22,419	904	0	13,253	36,576	0
02-5160	State Leasing & Facilities Mgr	FT	A	XE	Anchorage	N00	25B / C	8.4	**	72,080	0	0	37,854	109,934	0
02-5162	Accountant IV	FT	A	SS	Juneau	205	20M / N	8.4	**	74,436	0	0	38,765	113,201	0
02-5164	Administrative Assistant I	FT	A	GP	Anchorage	200	12B	6.0	*	19,974	953	5,412	17,970	44,309	0
02-5165	Contracting Officer IV	FT	A	SS	Anchorage	200	22L	11.4	**	103,204	0	0	53,360	156,564	0
02-5170	Accountant IV	FT	A	SS	Juneau	205	20F	1.2	*	9,330	0	0	5,090	14,420	0
02-5177	Accounting Tech II	FT	A	GP	Juneau	205	14J	1.2	*	5,893	311	4,536	5,433	16,173	0

Total Positions	New	Deleted	Total Salary Costs:	733,138
Full Time Positions:	10	0	Total COLA:	17,057
Part Time Positions:	0	0	Total Premium Pay:	38,884
Non Permanent Positions:	0	0	Total Benefits:	449,830
Positions in Component:	10	0	Total Pre-Vacancy:	1,238,909
			Minus Vacancy Adjustment of 1.80%:	(22,309)
			Total Post-Vacancy:	1,216,600
Total Component Months:	119.0		Plus Lump Sum Premium Pay:	0
			Personal Services Line 100:	1,216,600

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1007 Interagency Receipts	1,238,909	1,216,600	100.00%
Total PCN Funding:	1,238,909	1,216,600	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 Administration
Travel

Component: Lease Administration (2304)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
2000	Travel		3.5	3.5
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
2000 Travel Detail Totals			3.5	3.5
2000	In-State Employee Travel	Transportation costs for travel relating to administration, training, conventions and meetings, boards and commissions	3.5	3.5

Line Item Detail (1676)
Department of Administration
Services

Component: Lease Administration (2304)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
3000	Services		374.3	291.0
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			374.3	291.0
3000	Education Services	Training, educational conferences, agency memberships, and employee tuition	2.6	2.1
3001	Financial Services	Accounting, auditing, management consulting and fees	138.0	13.1
3002	Legal and Judicial Services	Legal and judicial services, including costs to conduct hearings and mediation	1.0	1.0
3003	Information Technology	Software licensing and maintenance, training, and consulting	38.9	40.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors	1.1	1.1
3006	Delivery Services	Freight, courier services, and postage	0.7	1.6
3007	Advertising and Promotions	Advertising, promotions and legal notices	0.7	0.0
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rental, and leases	4.4	13.6
3010	Equipment/Machinery	Machinery, furniture and office equipment purchase, repairs, maintenance, rentals, and leases	2.5	4.2
3011	Other Services	Architecture and engineering, consultation and training services	55.2	55.0

Line Item Detail (1676)
Department of Administration
Services

Component: Lease Administration (2304)

Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			374.3	291.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) computer services	10.0	11.8
3018	Inter-Agency Information Technology Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) telecommunications and telephone line services	14.7	15.0
3021	Inter-Agency Mail	Admin - Print Services (2333) Centralized mail services chargeback	0.4	1.0
3022	Inter-Agency Human Resources	Admin - Personnel (56) Human Resources services chargeback	5.4	6.0
3023	Inter-Agency Building Leases	Admin - Facilities (2429) Rent for state-owned facilities and lease payments	71.1	82.0
3026	Inter-Agency Insurance	Admin - Risk Management (71) Workers compensation and liability claims reimbursement	0.2	1.0
3027	Inter-Agency Financial	Admin - Finance (59) State payroll and accounting system chargeback	2.2	2.5
3038	Inter-Agency Management/Consulting	Admin - Accounting (3134) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	1.1	12.0
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.4	10.0
3038	Inter-Agency Management/Consulting	Admin - Alaska Division of IT (3141) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.7	10.0
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	6.1	7.0
3038	Inter-Agency	Admin - Purchasing (60) Internal department cost allocation	0.9	1.0

Line Item Detail (1676)
Department of Administration
Services

Component: Lease Administration (2304)

Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			374.3	291.0
Management/Consulting		chargeback, desktop and information technology support, accounting and procurement services		

Line Item Detail (1676)
Department of Administration
Commodities

Component: Lease Administration (2304)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
4000	Commodities		4.7	4.7
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
4000 Commodities Detail Totals			4.7	4.7
4000	Business	General business supplies such as office consumables, furniture, and computer equipment	4.7	4.7

Revenue Detail (1681)
Department of Administration

Component: Lease Administration (2304)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2018 Actuals	FY2019 Management Plan
5007 I/A Rcpts (1007 I/A Rcpts)			1,595.3	1,488.8
5301 Inter-Agency Receipts	Admin - DOA Leases (2778)	Statewide agency Lease Administration cost	192.2	192.2
5301 Inter-Agency Receipts	Admin - Lease Administration (2304)	Statewide agency Lease Administration cost	0.0	30.5
5301 Inter-Agency Receipts	Commerce - Department-wide	Statewide agency Lease Administration cost	30.2	30.2
5301 Inter-Agency Receipts	Correct - Department-wide	Statewide agency Lease Administration cost	59.3	59.3
5301 Inter-Agency Receipts	Courts - Department-wide	Statewide agency Lease Administration cost	1.7	1.7
5301 Inter-Agency Receipts	E&ED - Department-wide	Statewide agency Lease Administration cost	40.0	40.0
5301 Inter-Agency Receipts	EnvCon - Department-wide	Statewide agency Lease Administration cost	92.1	92.0
5301 Inter-Agency Receipts	FishGm - Department-wide	Statewide agency Lease Administration cost	154.2	154.2
5301 Inter-Agency Receipts	Gov - Department-wide	Statewide agency Lease Administration cost	18.6	18.6
5301 Inter-Agency Receipts	H&SS - Department-wide	Statewide agency Lease Administration cost	389.0	389.0
5301 Inter-Agency Receipts	Labor - Department-wide	Statewide agency Lease Administration cost	180.5	180.5
5301 Inter-Agency Receipts	Law - Department-wide	Statewide agency Lease Administration cost	103.7	103.7
5301 Inter-Agency Receipts	Legis - Department-wide	Statewide agency Lease Administration cost	139.8	2.9
5301 Inter-Agency Receipts	M&VA - Department-wide	Statewide agency Lease Administration cost	21.6	21.6
5301 Inter-Agency Receipts	NatRes - Department-wide	Statewide agency Lease Administration cost	44.8	44.8
5301 Inter-Agency Receipts	PubSaf - Department-wide	Statewide agency Lease Administration cost	64.6	64.6
5301 Inter-Agency Receipts	Rev - Department-wide	Statewide agency Lease Administration cost	5.7	5.7
5301 Inter-Agency Receipts	Trans - Department-wide	Statewide agency Lease	57.3	57.3

Revenue Detail (1681)
Department of Administration

Component: Lease Administration (2304)

Revenue Type (OMB Fund Code)	Component	Comment	FY2018 Actuals	FY2019 Management Plan
Revenue Source		Administration cost		

Inter-Agency Services (1682)
Department of Administration

Component: Lease Administration (2304)

				FY2018 Actuals	FY2019 Management Plan
Component Totals				129.2	159.3
With Department of Administration				129.2	159.3
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) computer services	10.0	11.8	
3018	Inter-Agency Information Technology Telecommunications	Admin - Alaska Division of IT (3141) Enterprise Productivity Rate (EPR) telecommunications and telephone line services	14.7	15.0	
3021	Inter-Agency Mail	Admin - Print Services (2333) Centralized mail services chargeback	0.4	1.0	
3022	Inter-Agency Human Resources	Admin - Personnel (56) Human Resources services chargeback	5.4	6.0	
3023	Inter-Agency Building Leases	Admin - Facilities (2429) Rent for state-owned facilities and lease payments	71.1	82.0	
3026	Inter-Agency Insurance	Admin - Risk Management (71) Workers compensation and liability claims reimbursement	0.2	1.0	
3027	Inter-Agency Financial	Admin - Finance (59) State payroll and accounting system chargeback	2.2	2.5	
3038	Inter-Agency Management/Consulting	Admin - Accounting (3134) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	1.1	12.0	
3038	Inter-Agency Management/Consulting	Admin - Administrative Services (46) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.4	10.0	
3038	Inter-Agency Management/Consulting	Admin - Alaska Division of IT (3141) Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	8.7	10.0	
3038	Inter-Agency Management/Consulting	Admin - Office of the Commissioner (45) Internal department cost allocation chargeback, desktop and information	6.1	7.0	

Inter-Agency Services (1682)
Department of Administration

Component: Lease Administration (2304)

Object Class		Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3038	Inter-Agency Management/Consulting	Admin - Purchasing (60)	technology support, accounting and procurement services Internal department cost allocation chargeback, desktop and information technology support, accounting and procurement services	0.9	1.0