

State of Alaska FY2020 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 2018

- Began to develop process to improve online claim verifications and process payments for implementation in 2019.
- Transferred \$16.5 million into the state general fund for FY2018 collections in excess of refunds. Since the inception of the program in 1986, a total of \$149 million has been transferred to the state general fund from the Unclaimed Property Trust account.
- During the past five years, approximately \$31.1 million dollars has been returned to current or former Alaska owners and businesses.
- During the past five years, \$59.5 million has been transferred to the general fund.
- Relocated unclaimed property vault to save money and provide greater proximity for staff.

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.
- Address aging claims support systems.
- 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 that are held in trust totaled \$115 million as of 6/30/2018.

Significant Changes in Results to be Delivered in FY2020

No changes in results delivered.

Statutory and Regulatory Authority

AS 34.45 Alaska's Uniform Unclaimed Property Act

Contact Information
<p>Contact: Brad Ewing, Director, Administrative Services Phone: (907) 465-2312 E-mail: Brad.Ewing@alaska.gov</p>

Unclaimed Property Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2019</u> <u>Management</u> <u>Plan</u>	<u>FY2020</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	198,330
Part-time	0	0	COLA	3,927
Nonpermanent	0	0	Premium Pay	3,279
			Annual Benefits	125,729
			<i>Less 1.87% Vacancy Factor</i>	(6,197)
			Lump Sum Premium Pay	432
Totals	3	3	Total Personal Services	325,500

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Unclaimed Property Agent	0	0	1	0	1
Unclaimed Property Manager	0	0	1	0	1
Totals	0	0	3	0	3

Component Detail All Funds
Department of Revenue

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

Non-Formula Component

	FY2018 Actuals	FY2019 Conference Committee	FY2019 Authorized	FY2019 Management Plan	FY2020 Governor	FY2019 Management Plan vs FY2020 Governor	
71000 Personal Services	278.6	325.1	325.1	318.4	325.5	7.1	2.2%
72000 Travel	0.0	7.6	7.6	7.6	7.6	0.0	0.0%
73000 Services	168.0	183.4	183.4	190.1	190.1	0.0	0.0%
74000 Commodities	5.2	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	451.8	523.8	523.8	523.8	530.9	7.1	1.4%
Fund Sources:							
1005 GF/Prgm (DGF)	451.8	523.8	523.8	523.8	530.9	7.1	1.4%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	451.8	523.8	523.8	523.8	530.9	7.1	1.4%
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	3	3	3	3	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 FY2019 Conference Committee To FY2019 Authorized *****												
FY2019 Conference Committee	ConfCom	523.8	325.1	7.6	183.4	7.7	0.0	0.0	0.0	3	0	0
1005 GF/Prgm		523.8										
Subtotal		523.8	325.1	7.6	183.4	7.7	0.0	0.0	0.0	3	0	0
***** Changes From FY2019 Authorized To FY2019 Management Plan *****												
Align Authority to Reallocate for Spending Plan	LIT	0.0	-6.7	0.0	6.7	0.0	0.0	0.0	0.0	0	0	0
Transfer authority to align FY2019 authorization with the anticipated budget needs.												
Subtotal		523.8	318.4	7.6	190.1	7.7	0.0	0.0	0.0	3	0	0
***** Changes From FY2019 Management Plan To FY2020 Governor *****												
Reverse Supervisory Unit 15 Hour Furlough Reduction	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										
FY2020 Salary Adjustments - GGU, CEA, TEAME	SalAdj	6.3	6.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		6.3										
FY2020 Salary Adjustments - GGU, CEA, TEAME: \$6.3												
FY2020 GGU HI from \$1432 to \$1530: \$2.4												
FY2020 GGU 3% COLA: \$3.9												
Reverse Alaska State Employees Association (GGU) 15 Hour Furlough	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										
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		530.9	325.5	7.6	190.1	7.7	0.0	0.0	0.0	3	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2020 Governor (15610)
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 I	FT	A	GP	Juneau	205	12B / C	12.0		42,636	1,855	3,279	34,414	82,184	0
04-3202	Unclaimed Property Agent	FT	A	GP	Juneau	205	15B / C	12.0		51,279	2,072	0	36,274	89,625	0
04-3232	Unclaimed Property Manager	FT	A	SS	Juneau	99	18P / Q	12.0		104,415	0	0	55,041	159,456	0
													Total Salary Costs:	198,330	
													Total COLA:	3,927	
													Total Premium Pay::	3,279	
													Total Benefits:	125,729	
													Total Pre-Vacancy:	331,265	
													Minus Vacancy Adjustment of 1.87%:	(6,197)	
													Total Post-Vacancy:	325,068	
													Plus Lump Sum Premium Pay:	432	
													Personal Services Line 100:	325,500	
Total Component Months:		36.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1005 General Fund/Program Receipts	331,265	325,068	100.00%
Total PCN Funding:	331,265	325,068	100.00%

Lump Sum Funding Sources:	Amount	Percent
1005 General Fund/Program 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: Unclaimed Property (2938)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
2000	Travel		0.0	7.6
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
2000 Travel Detail Totals			0.0	7.6
2000	In-State Employee Travel	Employee instate travel - airfare, lodging, surface transportation, reimbursable travel costs, and meal & incidentals	0.0	7.6

Line Item Detail (1676)
Department of Revenue
Services

Component: Unclaimed Property (2938)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
3000	Services		168.0	190.1
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			168.1	190.1
3000	Education Services	Training, conferences, memberships, and employee tuition	2.3	5.0
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	63.7	59.0
3004	Telecommunications	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	0.1	0.1
3006	Delivery Services	Delivery and courier services	0.5	0.0
3008	Utilities	Disposal of records and confidential material	0.6	0.8
3009	Structure/Infrastructure/Land	Repairs/maintenance of structures or infrastructure	23.8	1.0
3010	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment	2.8	3.0
3011	Other Services	Professional management and consulting services; printing and copying services; and State Travel Office fees	0.0	2.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide ETS chargeback for computer services (including EPR and MICS charges for mainframe usage)	3.2	3.6
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide ETS chargeback for telecommunications EPR, phone	5.6	6.5

Line Item Detail (1676)
Department of Revenue
Services

Component: Unclaimed Property (2938)

Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			168.1	190.1
		lines and service requests		
3021	Inter-Agency Mail	Admin - Department-wide Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	4.1	6.7
3022	Inter-Agency Human Resources	Admin - Department-wide Human resource and payroll services provided by the Division of Personnel	2.7	3.0
3023	Inter-Agency Building Leases	Admin - Department-wide Cost of space in state-owned facilities	18.0	27.0
3026	Inter-Agency Insurance	Admin - Department-wide Risk Management	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide Division of Finance IRIS and AKPAY	9.4	6.5
3036	Inter-Agency Safety	Admin - Department-wide Parking enforcement at State Office Building located in Juneau	0.0	0.3
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)	25.3	58.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)	5.9	7.5

Line Item Detail (1676)
Department of Revenue
Commodities

Component: Unclaimed Property (2938)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
4000	Commodities		5.2	7.7
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
4000 Commodities Detail Totals			5.2	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	5.2	7.7

Revenue Detail (1681)
Department of Revenue

Component: Unclaimed Property (2938)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2018 Actuals	FY2019 Management Plan
5005 GF/Prgm (1005 GF/Prgm)			451.9	523.8
5120 Program Receipts - Other Revenue		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	451.9	523.8

Inter-Agency Services (1682)
Department of Revenue

Component: Unclaimed Property (2938)

				FY2018 Actuals	FY2019 Management Plan
Component Totals				74.3	119.2
With Department of Administration				43.1	53.7
With Department of Revenue				31.2	65.5
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	ETS chargeback for computer services (including EPR and MICS charges for mainframe usage)	3.2	3.6
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	ETS chargeback for telecommunications EPR, phone lines and service requests	5.6	6.5
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	4.1	6.7
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	2.7	3.0
3023	Inter-Agency Building Leases	Admin - Department-wide	Cost of space in state-owned facilities	18.0	27.0
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance IRIS and AKPAY	9.4	6.5
3036	Inter-Agency Safety	Admin - Department-wide	Parking enforcement at State Office Building located in Juneau	0.0	0.3
3038	Inter-Agency Management/Consulting	Rev - Administrative Services (125)		25.3	58.0
3038	Inter-Agency Management/Consulting	Rev - Commissioner's Office (123)		5.9	7.5