

State of Alaska FY2020 Governor's Operating Budget

Department of Transportation/Public Facilities Internal Review Component Budget Summary

Component: Internal Review

Contribution to Department's Mission

Provide professional audit assistance to department management that assures compliance with Federal Highway Administration (FHWA) and Federal Aviation Administration (FAA) requirements and to provide independent assessments of department operations.

Core Services

- Reviews operations and identifies control weaknesses, system improvements, compliance, and recommends improvement in the use of resources (efficiency, economy, and effectiveness).
- Audits pre-award and final (post performance) activity of firms under contract with the department to assist in establishing rates and assuring that only agreed upon rates and charges have been applied.
- Audits utility companies, concessionaires at state airports, grantees, and contractor claims involving federal aid to assure agreed upon rates were used, proper fees collected and that contractor claims were supportable.
- Audits major operational areas of the department on a special request basis and assists in special program reviews conducted by the FHWA and the FAA.
- Assists the Division of Legislative Audit in the required Annual Single Audit of State of Alaska, which includes the Department of Transportation and Public Facilities' (DOT&PF) operations.

Major Component Accomplishments in 2018

- Completed 86 consultant engineering overhead rate audits, 15 utility company rate audits, 15 cost allocation plan reviews, and two special reviews to assure rates and other charges under contracts with the department are supportable and meet federal requirements.

Key Component Challenges

- Increasing employee proficiency in the new statewide accounting and procurement system, Integrated Resource Information System (IRIS).

Significant Changes in Results to be Delivered in FY2020

- Results Based Alignment will be the primary tool used to quantify outcomes (not activities), drive decision-making, and determine program and service priorities within DOT&PF.
- Continuing to learn and use the finance, procurement, and human resource management modules in IRIS.
- Increased scheduled audits of departmental functions using a risk based approach with management team input.

Statutory and Regulatory Authority

AS 44.17.010, 020, 040 (Department authority to establish organization and staffing)

AS 36.30.420 (Right to audit records)

AS 35.05.050 (Cooperation with the federal government for construction of public works)

Alaska Procurement Code and the Department Professional Services Agreement (PSA) Manual Memorandum of Agreement between Alaska DOT&PF and the Federal Highway Administration

CFR Title 23 Part 645 (Accounting standards for utility companies)

CFR Title 48 Part 31 (Contract Cost Principles) 2 CFR 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards)

Contact Information

Contact: Sunny Haight, Division Operations Manager
Phone: (907) 465-8440
E-mail: sunny.haight@alaska.gov

Internal Review 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	5	5	Annual Salaries	462,199
Part-time	0	0	COLA	13,433
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	262,806
			<i>Less 1.63% Vacancy Factor</i>	(12,038)
			Lump Sum Premium Pay	0
Totals	5	5	Total Personal Services	726,400

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant II	1	0	0	0	1
Audit & Review Analyst II	3	0	0	0	3
Audit & Review Analyst III	1	0	0	0	1
Totals	5	0	0	0	5

Component Detail All Funds
Department of Transportation/Public Facilities

Component: Internal Review (2356)
RDU: Administration and Support (333)

Non-Formula Component

	FY2018 Actuals	FY2019 Conference Committee	FY2019 Authorized	FY2019 Management Plan	FY2020 Governor	FY2019 Management Plan vs FY2020 Governor	
71000 Personal Services	639.3	669.4	669.4	706.6	726.4	19.8	2.8%
72000 Travel	0.1	3.4	3.4	3.4	3.4	0.0	0.0%
73000 Services	78.4	119.1	119.1	81.9	81.9	0.0	0.0%
74000 Commodities	1.1	12.1	12.1	12.1	12.1	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	718.9	804.0	804.0	804.0	823.8	19.8	2.5%
Fund Sources:							
1027 Int Airprt (Other)	75.0	105.8	105.8	105.8	108.1	2.3	2.2%
1061 CIP Rcpts (Other)	643.9	698.2	698.2	698.2	715.7	17.5	2.5%
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	718.9	804.0	804.0	804.0	823.8	19.8	2.5%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	5	5	5	5	5	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 Transportation/Public Facilities

Component: Internal Review (2356)
RDU: Administration and Support (333)

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	804.0	669.4	3.4	119.1	12.1	0.0	0.0	0.0	5	0	0
1027 Int Airprt		105.8										
1061 CIP Rcpts		698.2										
Subtotal		804.0	669.4	3.4	119.1	12.1	0.0	0.0	0.0	5	0	0
***** Changes From FY2019 Authorized To FY2019 Management Plan *****												
Align Authority to Comply with Vacancy Factor Guidelines												
	LIT	0.0	37.2	0.0	-37.2	0.0	0.0	0.0	0.0	0	0	0
Transfer from services to the personal services line to comply with vacancy factor guidelines.												
Staff turnover led to hiring an incumbent at a higher step placement than the previous employee. The transfer allows the component to maintain a near zero percent vacancy factor.												
Authority is available from the services line due a reduction in the federal compliance audit reimbursable services agreement with the Division of Legislative Audit.												
Subtotal		804.0	706.6	3.4	81.9	12.1	0.0	0.0	0.0	5	0	0
***** Changes From FY2019 Management Plan To FY2020 Governor *****												
Reverse Supervisory Unit Furlough Contract Terms												
	SalAdj	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		0.1										
1061 CIP Rcpts		0.6										
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.												
FY2020 Salary Adjustments - GGU, CEA, TEAME												
	SalAdj	18.1	18.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		2.1										
1061 CIP Rcpts		16.0										
FY2020 Salary Adjustments - GGU, CEA, TEAME: \$18.1												
FY2020 GGU HI from \$1432 to \$1530: \$4.7												
FY2020 GGU 3% COLA: \$13.4												

Change Record Detail - Multiple Scenarios with Descriptions
Department of Transportation/Public Facilities

Component: Internal Review (2356)
RDU: Administration and Support (333)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Reverse Alaska State Employees Association (GGU) 15 Hour Furlough												
1027 Int Airprt	SalAdj	0.1	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		0.9										
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		823.8	726.4	3.4	81.9	12.1	0.0	0.0	0.0	5	0	0

**Personal Services Expenditure Detail
Department of Transportation/Public Facilities**

Scenario: FY2020 Governor (15610)
Component: Internal Review (2356)
RDU: Administration and Support (333)

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
25-0035	Audit & Review Analyst II	FT	A	GP	Anchorage	200	21G	12.0		85,836	3,523	0	50,087	139,446	0
25-0036	Audit & Review Analyst III	FT	A	SS	Anchorage	200	23P	12.0		134,891	0	0	68,362	203,253	0
25-0038	Administrative Assistant II	FT	A	GP	Anchorage	200	14G	12.0		53,292	2,187	0	38,107	93,586	0
25-0039	Audit & Review Analyst II	FT	A	GP	Anchorage	200	21K / L	12.0		92,840	3,810	0	52,665	149,315	0
25-0041	Audit & Review Analyst II	FT	A	GP	Anchorage	200	21L	12.0		95,340	3,913	0	53,585	152,838	0
Total													Total Salary Costs:	462,199	
Positions													Total COLA:	13,433	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	262,806	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	738,438	
													Minus Vacancy Adjustment of 1.63%:	(12,038)	
													Total Post-Vacancy:	726,400	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	726,400	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1027 International Airport Revenue Fund	84,362	82,986	11.42%
1039 U/A Indirect Cost Recovery	654,076	643,414	88.58%
Total PCN Funding:	738,438	726,400	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 Transportation/Public Facilities
Travel

Component: Internal Review (2356)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
2000	Travel		0.1	3.4
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
2000 Travel Detail Totals			0.1	3.4
2000	In-State Employee Travel	(Dept) In-state employee travel.	0.1	2.4
2002	Out of State Employee Travel	Out of state employee travel.	0.0	1.0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: Internal Review (2356)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
3000	Services		78.4	81.9
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			78.4	81.9
3000	Education Services	Training, conferences, memberships and employee tuition.	10.2	1.0
3001	Financial Services	Print, copy, and graphics services.	0.0	0.2
3003	Information Technology	All information technology (IT) contractual costs such as software licensing, software maintenance, IT training, IT consulting, and IT equipment leases. Includes Microsoft Enterprise Agreement.	1.2	1.0
3004	Telecommunications	Long distance, internet, data, network usage and cellular phone charges.	2.1	1.5
3006	Delivery Services	Postage, courier or freight charges.	0.3	0.3
3008	Utilities	Water, sewer and disposal charges.	0.2	0.1
3010	Equipment/Machinery	Repairs/Maintenance of office furniture & equipment.	0.5	0.5
3011	Other Services	Security system monitoring.	0.1	0.1
3011	Other Services	Processing fees charged by the State Travel Office.	0.0	0.3
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Computer services provided by the Department of Administration, Enterprise Technology Services, such as central server, data storage, printing, network services, open connect, and task order system.	2.5	3.0
3018	Inter-Agency Information Technology	Admin - Department-wide	4.6	4.0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: Internal Review (2356)

Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3000 Services Detail Totals			78.4	81.9
Telecommunications				
3021 Inter-Agency Mail	Admin - Department-wide	Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.0	0.5
3025 Inter-Agency Auditing	Admin - Department-wide	Federal Compliance Audit reimbursable services agreement.	54.9	67.9
3027 Inter-Agency Financial	Admin - Department-wide	Chargeback fees for AKPAY/IRIS/ALDER.	1.7	1.0
3037 State Equipment Fleet	Trans - State Equipment Fleet (2791)	Transportation-fleet vehicle for Anchorage office.	0.1	0.5

Line Item Detail (1676)
Department of Transportation/Public Facilities
Commodities

Component: Internal Review (2356)

Line Number	Line Name		FY2018 Actuals	FY2019 Management Plan
4000	Commodities		1.1	12.1
Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
4000 Commodities Detail Totals			1.1	12.1
4000	Business	General office supplies and commodities.	1.1	11.2
4002	Household/Institutional	Materials, office equipment and furnishings.	0.0	0.9

Revenue Detail (1681)
Department of Transportation/Public Facilities

Component: Internal Review (2356)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2018 Actuals	FY2019 Management Plan
5061 CIP Rcpts (1061 CIP Rcpts)			643.9	698.2
5351 Capital Improvement Project Inter-Agency		Recovery of indirect costs from the capital budget via the department's Indirect Cost Allocation Plan (ICAP).	643.9	698.2

Inter-Agency Services (1682)
Department of Transportation/Public Facilities

Component: Internal Review (2356)

	FY2018 Actuals	FY2019 Management Plan
Component Totals	63.8	76.9
With Department of Administration	63.7	76.4
With Department of Transportation/Public Facilities	0.1	0.5

Object Class	Servicing Agency	Explanation	FY2018 Actuals	FY2019 Management Plan
3017 Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Computer services provided by the Department of Administration, Enterprise Technology Services, such as central server, data storage, printing, network services, open connect, and task order system.	2.5	3.0
3018 Inter-Agency Information Technology Telecommunications	Admin - Department-wide		4.6	4.0
3021 Inter-Agency Mail	Admin - Department-wide	Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.0	0.5
3025 Inter-Agency Auditing	Admin - Department-wide	Federal Compliance Audit reimbursable services agreement.	54.9	67.9
3027 Inter-Agency Financial	Admin - Department-wide	Chargeback fees for AKPAY/IRIS/ALDER.	1.7	1.0
3037 State Equipment Fleet	Trans - State Equipment Fleet (2791)	Transportation-fleet vehicle for Anchorage office.	0.1	0.5