

State of Alaska
FY2021 Governor's Operating Budget

**Department of Commerce, Community, and Economic
Development**
Economic Development
RDU/Component Budget Summary

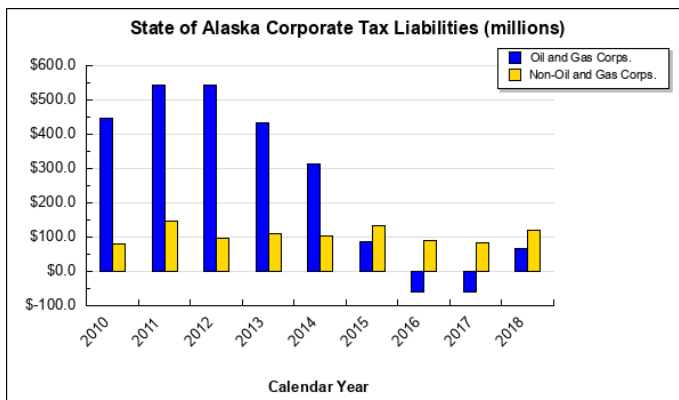
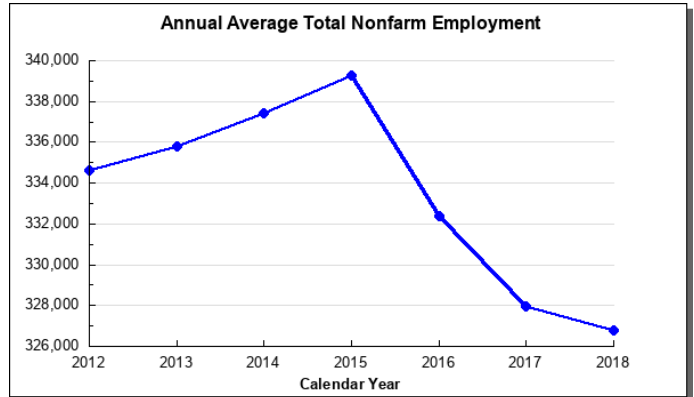
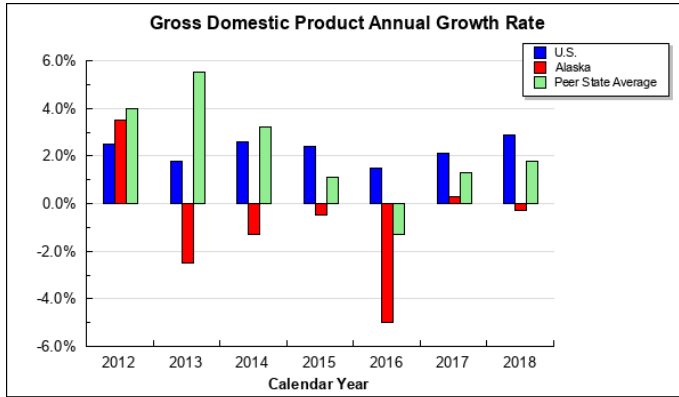
RDU/Component: Economic Development

Contribution to Department's Mission

Promote economic development opportunities.

Results

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



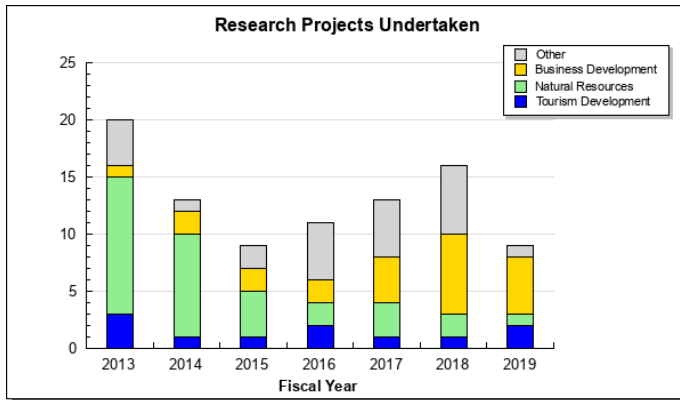
Core Services

- Research
- Statewide Economic Development Strategy Implementation

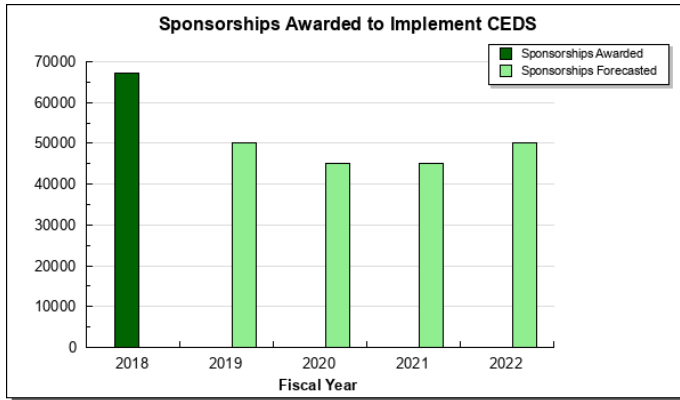
Measures by Core Service

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

1. Research



2. Statewide Economic Development Strategy Implementation



Major Component Accomplishments in 2019

Business Development

- The division’s Comprehensive Economic Development Strategy (CEDS) was embraced in its first year by government, industry partners, economic development organizations, and community partners around the state. During FY2019 the one-year update was completed, including a revised resiliency framework and Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis.
- The Alaska Regional Development Organizations (ARDOR) program was reauthorized in FY2017; however, the ARDORs no longer receive funding from the State of Alaska. The division continues to maintain strong relationships with ARDOR representatives, offers support and technical assistance, and produces the annual ARDOR report.
- Conducted Made in Alaska workshop for permit holders to exchange information and collect applications from new businesses.
- The Made in Alaska program assisted over 1,000 businesses. Permit holders represent 83 communities throughout Alaska from Barrow to Ketchikan.
- Contracted the University of Alaska Center for Economic Development to complete five reports on emerging industries in Alaska. The first of these, Ship and Boat Building, was released in late 2017. The Renewable Energy report was released in April 2018 followed by the Aviation Report in June and Outdoor Recreation in 2019.
- Supported an exhibit at the Association of Mineral Exploration’s “Roundup” conference in Vancouver, British Columbia in partnership with other state agencies.
- Produced a quarterly economic indicator report on behalf of the Alaska Industrial Development and Export Authority (AIDEA). This quarterly report highlights numerous economic indicators from shipping tonnage to fuel

prices in Alaska. The report was shared publicly on the division’s website after use by the AIDEA Board of Directors.

- Coordinated two public meetings for the Alaska Minerals Commission. The division also assisted in compiling information for the January 2019 Annual Report.
- Participated in the Juneau Economic Development Council’s annual Innovation Summit in February 2019.
- Presented at Spruce Root’s Path to Prosperity small business financial workshop.
- Supported the 1 Million Cups Anchorage program, which hosts a weekly entrepreneur pitch event.
- Supported Opportunity Zones under the federal Tax Cuts and Jobs Act of 2017.

Completed Reports and Publications

- Annual Report of the Alaska Minerals Commission
- FY2018 Alaska Regional Development Organization Report
- Four Quarterly Economic Indicator reports were completed on behalf of the Alaska Industrial Development and Export Authority Board of Directors
- Emerging Sector Series: Outdoor Recreation
- Alaska’s Economic Strategy Year 1 Update

Key Component Challenges

The division has been tasked with carrying out the Governor’s “Open for Business” strategy. The division will provide strategic and financial analysis for existing and new business growth opportunities utilizing its core expertise and experience with research and statewide economic development strategy implementation. This will require the division’s resources to be devoted to locating and developing opportunities to expand and diversify Alaska’s economy by finding ways to support and incentivize new and existing business growth. Staff will need to rapidly become subject matter experts on the key industry sectors of Oil & Gas, Mining, Fisheries, Mariculture, Aviation, Transportation, Tourism, Military, Agriculture, Communications, manufacturing and Research & Development.

Significant Changes in Results to be Delivered in FY2021

No significant changes are anticipated.

Statutory and Regulatory Authority

AS 44.33 Department of Commerce, Community, and Economic Development
AS 44.33.740 Rural Development

Contact Information
<p>Contact: Jim Andersen, Division Operations Manager Phone: (907) 465-2510 E-mail: jim.andersen@alaska.gov</p>

Economic Development Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2020</u> <u>Management</u> <u>Plan</u>	<u>FY2021</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	448,870
Part-time	0	0	Premium Pay	0
Nonpermanent	3	3	Annual Benefits	256,243
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	6	6	Total Personal Services	705,113

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Business Development Officer	1	0	0	0	1
Development Administrator	1	0	0	0	1
Development Associate	2	0	0	0	2
Development Manager	1	0	0	0	1
Division Director - Px	1	0	0	0	1
Totals	6	0	0	0	6

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Economic Development (2743)
RDU: Economic Development (598)

Non-Formula Component

	FY2019 Actuals	FY2020 Conference Committee	FY2020 Authorized	FY2020 Management Plan	FY2021 Governor	FY2020 Management Plan vs FY2021 Governor	
71000 Personal Services	752.9	400.0	400.0	400.0	0.0	-400.0	-100.0%
72000 Travel	23.4	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	321.4	146.6	146.6	146.6	0.0	-146.6	-100.0%
74000 Commodities	5.5	0.0	0.0	0.0	0.0	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	1,103.2	546.6	546.6	546.6	0.0	-546.6	-100.0%
Fund Sources:							
1004 Gen Fund (UGF)	769.6	546.6	546.6	546.6	0.0	-546.6	-100.0%
1007 I/A Rcpts (Other)	12.7	0.0	0.0	0.0	0.0	0.0	0.0%
1108 Stat Desig (Other)	32.1	0.0	0.0	0.0	0.0	0.0	0.0%
1200 VehRntlTax (DGF)	288.8	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	769.6	546.6	546.6	546.6	0.0	-546.6	-100.0%
Designated General (DGF)	288.8	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	44.8	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	5	2	2	3	3	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	3	3	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Economic Development (2743)

RDU: Economic Development (598)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2020 Conference Committee To FY2020 Authorized *****												
FY2020 Conference Committee	ConfCom	546.6	400.0	0.0	146.6	0.0	0.0	0.0	0.0	2	0	0
1004 Gen Fund		546.6										
Subtotal		546.6	400.0	0.0	146.6	0.0	0.0	0.0	0.0	2	0	0
***** Changes From FY2020 Authorized To FY2020 Management Plan *****												
Transfer Division Director (08-124X) from Investments to Align Workload Distribution	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
Transfer Division Director (08-124X) from Investments to Economic Development to align workload distribution. The Direction oversees both Investments and Economic Development, with the majority of time attributed to Economic Development.												
Add Alaska Development Team Positions (08-T172, 08-T173 and 08-T174)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	3
Add three non-permanent Alaska Development Team (ADT) positions to grow Alaska's economy and support both established and emerging industries. The ADT will actively attract and partner with businesses to assist in site selection, the identification of needed resources, networking with local planning authorities, and building partnerships to address community concerns.												
The following positions are added: Non-permanent Development Associate (08-T172), range 18, located in Anchorage Non-permanent Development Associate (08-T173), range 18, located in Anchorage Non-permanent Development Administrator (08-T174), range 17, located in Anchorage												
Subtotal		546.6	400.0	0.0	146.6	0.0	0.0	0.0	0.0	3	0	3
***** Changes From FY2020 Management Plan To FY2021 Governor *****												
Eliminate Economic Development Funding to be Replaced by Alaska Development Team Appropriation	Dec	-546.6	-400.0	0.0	-146.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-546.6										
Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3	0	3

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Travel

Component: Economic Development (2743)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000	Travel		23.4	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
2000 Travel Detail Totals			23.4	0.0	0.0
2000	In-State Employee Travel	In-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	14.7	0.0	0.0
2001	In-State Non-Employee Travel	In-State Transportation - Transportation costs for travel relating to meetings and boards for non-employees.	0.6	0.0	0.0
2002	Out of State Employee Travel	Out-of-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	9.2	0.0	0.0
2006	Other Travel Costs	Miscellaneous travel-related expenses.	-1.1	0.0	0.0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Economic Development (2743)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000	Services		321.4	146.6	0.0
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			321.4	146.6	0.0
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses.	8.4	0.0	0.0
3003	Information Technology	Information Technology - Training, consulting, equipment and software leases, licensing and maintenance.	11.1	12.0	0.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	4.2	5.0	0.0
3006	Delivery Services	Freight, courier services, and postage.	1.3	2.0	0.0
3007	Advertising and Promotions	Advertising, promotions and legal notices.	0.1	0.6	0.0
3008	Utilities	Electricity, heating fuel, water, sewage and disposal services.	0.0	0.1	0.0
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	0.2	0.1	0.0
3010	Equipment/Machinery	Machinery, furniture and equipment purchase, repairs, maintenance, rentals, and leases.	0.0	1.0	0.0
3011	Other Services	Other services, including printer/copy machine services, contracting services, marketing collateral materials, and State Travel Office	44.7	45.0	0.0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Economic Development (2743)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
3000 Services Detail Totals			321.4	146.6	0.0
		fees.			
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Enterprise Technology Services - Computer services (EPR).	5.9	6.0	0.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Information Technology services for telecommunications (e.g. video conference, internet access, messaging, virtual private network).	3.6	5.0	0.0
3021	Inter-Agency Mail	Admin - Department-wide Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	1.1	2.0	0.0
3022	Inter-Agency Human Resources	Admin - Department-wide Division of Personnel and Labor Relations - Human resource and personnel services.	3.3	4.0	0.0
3023	Inter-Agency Building Leases	Admin - Department-wide State-owned facility space rent.	21.4	0.0	0.0
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Juneau State Office Building.	0.0	3.5	0.0
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Atwood Building.	0.0	6.8	0.0
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Linny Pacillo Parking Garage.	0.0	1.9	0.0
3024	Inter-Agency Legal	Law - Department-wide Regulations review and legal services.	1.3	2.3	0.0
3026	Inter-Agency Insurance	Admin - Department-wide Division of Risk Management - Risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.	0.1	0.1	0.0
3027	Inter-Agency Financial	Admin - Department-wide Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting (ALDER) systems.	0.9	0.9	0.0

Line Item Detail (1676)
Department of Commerce, Community, and Economic Development
Services

Component: Economic Development (2743)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor	
3000 Services Detail Totals			321.4	146.6	0.0	
3037	State Equipment Fleet	Trans - Department-wide	State equipment fleet services.	0.1	0.1	0.0
3038	Inter-Agency Management/Consulting	Admin - Department-wide	Division of Motor Vehicles - Visitor center assistance in Tok.	213.7	20.7	0.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services support. Costs in FY2018 were lower than should be anticipated in the future as a result of temporary shifts in Administrative Services' programming resources to other divisions.	0.0	19.2	0.0
3038	Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027)	Commissioner's Office support.	0.0	8.3	0.0

Line Item Detail (1676)

**Department of Commerce, Community, and Economic Development
Commodities**

Component: Economic Development (2743)

Line Number	Line Name		FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
4000	Commodities		5.5	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
		4000 Commodities Detail Totals	5.5	0.0	0.0
4000	Business	Supplies for office, library, training, and instructional needs, including small equipment, tools and subscriptions.	5.5	0.0	0.0

Revenue Detail (1681)

Department of Commerce, Community, and Economic Development

Component: Economic Development (2743)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
5007 I/A Rcpts (1007 I/A Rcpts)			12.7	0.0	0.0
5301 Inter-Agency Receipts	Commerce - Administrative Services (1028)	Inter-Agency Receipts.	12.7	0.0	0.0
5108 Stat Desig (1108 Stat Desig)			35.3	0.0	0.0
5200 Statutory Dsgntd Prgrm Rcpts Pblc Prctcn - 3rd Party Clctns		China Trade Mission collections from participants.	1.5	0.0	0.0
5201 Statutory Dsgntd Prgrm Rcpts Pblc Prctcn - Permits and Fees		Made in Alaska program.	33.8	0.0	0.0
6200 VehRntITax (1200 VehRntITax)			288.8	0.0	0.0
6248 Vehicle Rental Tax Receipts		Vehicle Rental Tax Receipts.	288.8	0.0	0.0

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Economic Development (2743)

				FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
Component Totals				251.4	80.8	0.0
With Department of Administration				250.0	38.7	0.0
With Department of Commerce, Community, and Economic Development				0.0	39.7	0.0
With Department of Law				1.3	2.3	0.0
With Department of Transportation/Public Facilities				0.1	0.1	0.0
Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Enterprise Technology Services - Computer services (EPR).	5.9	6.0	0.0	
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Information Technology services for telecommunications (e.g. video conference, internet access, messaging, virtual private network).	3.6	5.0	0.0	
3021	Inter-Agency Mail	Admin - Department-wide Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	1.1	2.0	0.0	
3022	Inter-Agency Human Resources	Admin - Department-wide Division of Personnel and Labor Relations - Human resource and personnel services.	3.3	4.0	0.0	
3023	Inter-Agency Building Leases	Admin - Department-wide State-owned facility space rent.	21.4	0.0	0.0	
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Juneau State Office Building.	0.0	3.5	0.0	
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Atwood Building.	0.0	6.8	0.0	
3023	Inter-Agency Building Leases	Commerce - DCCED State Facilities Rent (2472) State-owned facility space rent: Linny Pacillo Parking Garage.	0.0	1.9	0.0	
3024	Inter-Agency Legal	Law - Department-wide Regulations review and legal services.	1.3	2.3	0.0	
3026	Inter-Agency Insurance	Admin - Department-wide Division of Risk Management - Risk	0.1	0.1	0.0	

Inter-Agency Services (1682)

Department of Commerce, Community, and Economic Development

Component: Economic Development (2743)

Object Class	Servicing Agency	Explanation	FY2019 Actuals	FY2020 Management Plan	FY2021 Governor
		management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.			
3027	Inter-Agency Financial	Admin - Department-wide			
		Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting (ALDER) systems.	0.9	0.9	0.0
3037	State Equipment Fleet	Trans - Department-wide			
		State equipment fleet services.	0.1	0.1	0.0
3038	Inter-Agency Management/Consulting	Admin - Department-wide			
		Division of Motor Vehicles - Visitor center assistance in Tok.	213.7	20.7	0.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)			
		Administrative Services support. Costs in FY2018 were lower than should be anticipated in the future as a result of temporary shifts in Administrative Services' programming resources to other divisions.	0.0	19.2	0.0
3038	Inter-Agency Management/Consulting	Commerce - Commissioner's Office (1027)			
		Commissioner's Office support.	0.0	8.3	0.0

Personal Services Expenditure Detail
Department of Commerce, Community, and Economic Development

Scenario: FY2021 Governor (16414)
Component: Economic Development (2743)
RDU: Economic Development (598)

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
08-124X	Division Director - Px	FT	A	XE	Anchorage	N00	27F	6.0	**	62,410	0	0	30,681	93,091	0
08-1274	Business Development Officer	FT	A	XE	Anchorage	N00	23E / F	12.0		98,460	0	0	52,350	150,810	0
08-T007	Development Manager	FT	A	XE	Anchorage	N00	24C / D	12.0		99,060	0	0	52,555	151,615	0
08-T172	Development Associate	NP	A	XE	Anchorage	N00	18B / C	12.0		64,404	0	0	40,706	105,110	0
08-T173	Development Associate	NP	A	XE	Anchorage	N00	18B / C	12.0		64,404	0	0	40,706	105,110	0
08-T174	Development Administrator	NP	A	XE	Anchorage	N00	17B / C	12.0		60,132	0	0	39,245	99,377	0
													Total Salary Costs:	448,870	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	256,243	
													Total Pre-Vacancy:	705,113	
													Minus Vacancy Adjustment of 0.00%:	(0)	
													Total Post-Vacancy:	705,113	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	705,113	
		Total	New	Deleted											
		Positions													
Full Time Positions:		3	0	0											
Part Time Positions:		0	0	0											
Non Permanent Positions:		3	0	0											
Positions in Component:		6	0	0											
Total Component Months:		66.0													

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1209 Alaska Capstone Avionics Revolving Loan Fund	705,113	705,113	100.00%
Total PCN Funding:	705,113	705,113	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.

State of Alaska
Department of Commerce, Community and Economic Development
Economic Development – Alaska Development Team
FY2021 Governor’s Organization Chart

