

State of Alaska FY2023 Governor's Operating Budget

Department of Revenue Commissioner's Office Component Budget Summary

Component: Commissioner's Office**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Management oversight of division programs
- Coordination, development and promotion of programs for collection and investment of public funds
- Provide controls and enforcement for the collection, investment and payment of funds (Permanent Fund Dividend, Child Support Services, Tax and Treasury Divisions)

Major Component Accomplishments in 2021

Please see department accomplishments.

Key Component Challenges

- The Department of Revenue is continuing to stand up its new risk management program. As cybersecurity events become more common nationwide and as hackers become more sophisticated, it remains the Department's goal to prevent these events before they happen and ensure Alaskan's data as well as the financial assets of the State have the proper safeguards.
- The Department of Revenue is undertaking a major initiative to establish key performance Indicators (KPIs) at the Department, Division, and individual employee level. This process is a major undertaking but at the end it will culminate in the establishment of SMART goals for each employee to ensure that the entire department is productive in this telework environment and aligned with the department's strategic vision.
- It is anticipated that the balance of the Constitutional Budget Reserve (CBR) fund will be less than \$1.0 billion by the end of FY2021. Given that this has been the main account used for cash-flow management in recent years, the Department will be challenged to identify other sources of short-borrowing to meet appropriations given the mis-match between the rate of revenue collections and the rate of spending.
- Providing key decision makers with the information necessary to adopt a fiscal plan to ensure that the State of Alaska has the financial resources necessary to provide constitutionally required public services in an era of volatile oil prices and declining production.
- Estimating oil and gas revenues in light of the highly volatile oil and gas market coupled with uncertainties in the U.S. and global economies.
- Managing the State's \$42 billion assets, including the General Fund and Other Non-segregated Investments (GeFONSI), the Constitutional Budget Reserve Fund and pension funds is more challenging in an environment of increased market volatility, after several years of relatively placid markets, as market participants increasingly react to the U.S. economy including the rising risks of recession and concern that an uncertain economic event may occur.
- Using technology improvements to process approximately 640,000 Permanent Fund Dividend applications annually and within a limited budget.

Significant Changes in Results to be Delivered in FY2023

Please see department changes in results.

Statutory and Regulatory Authority

AS 09.50	Code of Civil Procedure - Actions Where State a Party
AS 10.25.570	Electric and Telephone Cooperative Act
AS 16.10.265	Purchase of Fish from Permit Holders
AS.18.26	Alaska Medical Facility Authority
AS 18.56	Alaska Housing Finance Corporation
AS 25.25	Uniform Interstate Family Support Act
AS 25.27	Child Support Service Agency
AS 34.45	Unclaimed Property
AS 37.05	Fiscal Procedures Act
AS 37.07	Executive Budget Act
AS 37.10	Public Funds
AS 37.10.220	Duties of the Alaska Retirement Management Board
AS 37.13	Alaska Permanent Fund and Corporation
AS 37.14	Special [Mental Health Trust] Funds
AS 37.15	State Bonding Act
AS 38.05.036	Audit of Royalty and Net Profit Payments and Costs
AS 40.25.110	Public Records
AS 43	Revenue and Taxation
AS 44.25	Department of Revenue
AS 44.83.386	Alaska Energy Authority - Investment of Fund
AS 44.85	Alaska Municipal Bond Bank Authority
AS 45.98.050	Historical District Loan Act - Sale or Transfer of Mortgages and Notes
15 AAC	Revenue

Contact Information

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Commissioner's Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2022</u> <u>Management</u> <u>Plan</u>	<u>FY2023</u> <u>Governor</u>		
Full-time	4	4	Annual Salaries	561,044
Part-time	0	0	Premium Pay	0
Nonpermanent	0	1	Annual Benefits	256,133
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	4	5	Total Personal Services	817,177

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Chief Risk Off	1	0	0	0	1
Commissioner	1	0	0	0	1
Deputy Commissioner	1	0	0	0	1
Executive Secretary 2	1	0	0	0	1
Sp Asst Commr 2	0	0	1	0	1
Totals	4	0	1	0	5

Component Detail All Funds
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Non-Formula Component

	FY2021 Actuals	FY2022 Conference Committee	FY2022 Authorized	FY2022 Management Plan	FY2023 Governor	FY2022 Management Plan vs FY2023 Governor	
71000 Personal Services	787.0	1,001.0	1,001.0	811.1	817.2	6.1	0.8%
72000 Travel	19.1	38.5	38.5	38.5	38.5	0.0	0.0%
73000 Services	570.9	81.1	81.1	271.0	220.4	-50.6	-18.7%
74000 Commodities	4.6	28.9	28.9	28.9	28.9	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	1,381.6	1,149.5	1,149.5	1,149.5	1,105.0	-44.5	-3.9%
Fund Sources:							
1004 Gen Fund (UGF)	257.5	644.4	644.4	644.4	627.6	-16.8	-2.6%
1007 I/A Rcpts (Other)	801.4	173.1	173.1	173.1	166.4	-6.7	-3.9%
1133 CSSD Reimb (Fed)	322.7	332.0	332.0	332.0	311.0	-21.0	-6.3%
Unrestricted General (UGF)	257.5	644.4	644.4	644.4	627.6	-16.8	-2.6%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	801.4	173.1	173.1	173.1	166.4	-6.7	-3.9%
Federal Funds	322.7	332.0	332.0	332.0	311.0	-21.0	-6.3%
Positions:							
Permanent Full Time	4	4	4	4	4	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	1	1	100.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2022 Conference Committee To FY2022 Authorized *****												
FY2022 Conference Committee												
	ConfCom	1,149.5	1,001.0	38.5	81.1	28.9	0.0	0.0	0.0	4	0	0
1004 Gen Fund		644.4										
1007 I/A Rcpts		173.1										
1133 CSSD		332.0										
Reimb												
Subtotal		1,149.5	1,001.0	38.5	81.1	28.9	0.0	0.0	0.0	4	0	0
***** Changes From FY2022 Authorized To FY2022 Management Plan *****												
Align Authority with Anticipated Expenditures												
	LIT	0.0	-189.9	0.0	189.9	0.0	0.0	0.0	0.0	0	0	0
Transfer authority from personal services to services for anticipated risk management consultant costs. The remaining personal services authority is sufficient to cover anticipated expenditures.												
Subtotal		1,149.5	811.1	38.5	271.0	28.9	0.0	0.0	0.0	4	0	0
***** Changes From FY2022 Management Plan To FY2023 Governor *****												
FY2023 Executive Health Insurance, SBS, and Risk Management Rate Changes												
	SalAdj	5.6	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		3.2										
1007 I/A Rcpts		0.8										
1133 CSSD		1.6										
Reimb												
FY2023 Change Partially Exempt & Exempt Executive (EE) - Health Insurance from \$1,555 to \$1,685; SBS and Risk Management Rates: \$5.6												
FY2023 PERS Actuarial Rate Adjustment to 24.79% Ch9 SLA2021 (SB55)												
	SalAdj	-28.1	-28.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-15.8										
1007 I/A Rcpts		-4.2										
1133 CSSD		-8.1										
Reimb												
Includes: FY2023 Adjustment for PERS ARM Board Approved Rate of 24.79% (from 30.11%): \$-28.1												
Transition a Special Assistant to Executive Secretary												
	Dec	-22.0	-22.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		-7.5										

Change Record Detail - Multiple Scenarios with Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP	
										PFT	PPT		
1133 CSSD Reimb		-14.5											
<p>The Commissioner's Office has lowered operating costs by transitioning a Special Assistant to the Commissioner to an Executive Secretary.</p>													
Add Departmentwide Chief Risk Officer (04-T107)													
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
<p>The Department of Revenue has established a Chief Risk Officer (04-T107) in continuation of the Department's overall risk management strategy. This position was funded during the FY2022 budget cycle and is now established.</p>													
Realign PERS Rate Adjustment by Fund Source Ch9 SLA2021 (SB55)													
FndChg		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-4.2											
1007 I/A Rcpts		4.2											
<p>Fund source adjustments were made to this component in the SB55 fiscal note (Ch 9 SLA 2021) to accommodate the application of the actuarial PERS rate in FY2022. This transaction realigns fund sources to reduce the UGF subsidy assigned in the fiscal note.</p>													
Align Authority with Anticipated Expenditures													
LIT		0.0	50.6	0.0	-50.6	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>Transfer authority from services to personal services for the addition of the Chief Risk Manager position. The remaining services authority is sufficient to cover anticipated expenditures.</p>													
Totals		1,105.0	817.2	38.5	220.4	28.9	0.0	0.0	0.0	0.0	4	0	1

Line Item Detail (1676)
Department of Revenue
Travel

Component: Commissioner's Office (123)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
2000	Travel		19.1	38.5	38.5
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
2000 Travel Detail Totals			19.1	38.5	38.5
2000	In-State Employee Travel	Airfare, lodging, surface transportation, reimbursable travel costs, meals and incidentals	19.1	38.5	38.5

Line Item Detail (1676)
Department of Revenue
Services

Component: Commissioner's Office (123)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3000	Services		570.9	271.0	220.4
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3000 Services Detail Totals			570.9	271.0	220.4
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses	0.0	0.3	0.3
3001	Financial Services	Accounting, auditing, and management/consulting services	402.0	119.1	68.5
3002	Legal and Judicial Services	Transcription services	3.1	1.0	1.0
3003	Information Technology	IT training, consulting, software licensing, software maintenance, and IT equipment leases	0.0	3.9	3.9
3004	Telecommunications	Local, long distance, cellular, television, data/network telecommunications equipment charges	4.7	3.8	3.8
3005	Health Services	Ergonomic assessments	0.0	0.3	0.3
3006	Delivery Services	Freight, courier services, and postage	0.0	0.1	0.1
3008	Utilities	Records and confidential material disposal	0.1	0.0	0.0
3009	Structure/Infrastructure/Land	Infrastructure maintenance and repairs, rentals, and leases	0.6	0.4	0.4
3010	Equipment/Machinery	Office furniture and equipment repairs, maintenance, rentals and leases	3.7	5.0	5.0
3011	Other Services	Professional management and consulting services; printing and copying services	0.4	0.9	0.9

Line Item Detail (1676)
Department of Revenue
Services

Component: Commissioner's Office (123)

Object Class		Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3000 Services Detail Totals				570.9	271.0	220.4
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Office of Information Technology (OIT) core services	14.7	14.0	14.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Office of Information Technology (OIT) telecommunications services	5.1	4.2	4.2
3020	Inter-Agency Building Maintenance	Trans - Department-wide	Building maintenance performed by the Division of Facilities Services	0.0	2.0	2.0
3021	Inter-Agency Mail	Admin - Department-wide	Central mailroom services including pickup and delivery of mail, postage, and mailing of state warrants	1.1	1.3	1.3
3022	Inter-Agency Human Resources	Admin - Department-wide	Human resource and payroll services provided by the Division of Personnel	2.3	2.3	2.3
3023	Inter-Agency Building Leases	Trans - Department-wide	Cost of space in state-owned facilities and private leases	73.5	73.5	73.5
3024	Inter-Agency Legal	Law - Department-wide	Regulations review, other legal opinions and review provided by the Department of Law	8.7	8.7	8.7
3025	Inter-Agency Auditing	Admin - Department-wide	Costs associated with compliance audit services and statewide single audit	20.7	0.0	0.0
3026	Inter-Agency Insurance	Admin - Department-wide	Risk Management	0.1	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance chargeback for IRIS FIN, HRM, and ALDER	0.6	0.6	0.6
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide	ADA compliance	0.1	0.1	0.1
3030	Inter-Agency Hearing/Mediation	Admin - Department-wide	Hearing services provided by the Office of Administrative Hearings (OAH)	29.4	29.4	29.4

Line Item Detail (1676)
Department of Revenue
Commodities

Component: Commissioner's Office (123)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
4000	Commodities		4.6	28.9	28.9
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
		4000 Commodities Detail Totals	4.6	28.9	28.9
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	4.6	28.9	28.9

Revenue Detail (1681)
Department of Revenue

Component: Commissioner's Office (123)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
5007 I/A Rcpts (1007 I/A Rcpts)			804.6	173.1	166.4
5301 Inter-Agency Receipts	Commerce - Department-wide	Travel reimbursement for Alaska Industrial Development and Export Authority (AIDEA) board participation.	2.7	2.7	2.7
5301 Inter-Agency Receipts	Gov - Department-wide	Gaming study	392.0	0.0	0.0
5301 Inter-Agency Receipts	Rev - AHFC Operations (110)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	3.9	2.9
5301 Inter-Agency Receipts	Rev - AMBBA Operations (108)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	0.7	0.7
5301 Inter-Agency Receipts	Rev - APFC Operations (109)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	3.9	2.9
5301 Inter-Agency Receipts	Rev - Criminal Investigations Unit (2993)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	5.9	4.9
5301 Inter-Agency Receipts	Rev - Long Term Care Ombudsman Office (2749)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	4.4	3.4
5301 Inter-Agency Receipts	Rev - Mental Health Trust Operations (1423)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	12.5	11.5
5301 Inter-Agency Receipts	Rev - Permanent Fund Dividend Division (981)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	76.2	46.9	46.9
5301 Inter-Agency Receipts	Rev - Tax Division (2476)	Support services provided by the Commissioner's Office are billed	10.0	71.1	71.1

Revenue Detail (1681)
Department of Revenue

Component: Commissioner's Office (123)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
5301 Inter-Agency Receipts	Rev - Treasury Division (121)	through the department's internal administrative cost allocation plan. Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	323.7	18.2	17.5
5301 Inter-Agency Receipts	Rev - Unclaimed Property (2938)	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	0.0	2.9	1.9
5133 CSSD Reimb (1133 CSSD Reimb)			322.7	332.0	311.0
5081 CSSD Admin Cost Reimb (Indirect) Federal Grants/Contracts		Indirect cost recovery receipts are received from the federal Child Support Enforcement Program and are allocated to agencies that incur overhead costs in support of CSSD.	322.7	332.0	311.0

Inter-Agency Services (1682)
Department of Revenue

Component: Commissioner's Office (123)

				FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
Component Totals				156.3	136.2	136.2
With Department of Administration				74.1	52.0	52.0
With Department of Transportation/Public Facilities				73.5	75.5	75.5
With Department of Law				8.7	8.7	8.7
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Office of Information Technology (OIT) core services	14.7	14.0	14.0	
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Office of Information Technology (OIT) telecommunications services	5.1	4.2	4.2	
3020	Inter-Agency Building Maintenance	Trans - Department-wide Building maintenance performed by the Division of Facilities Services	0.0	2.0	2.0	
3021	Inter-Agency Mail	Admin - Department-wide Central mailroom services including pickup and delivery of mail, postage, and mailing of state warrants	1.1	1.3	1.3	
3022	Inter-Agency Human Resources	Admin - Department-wide Human resource and payroll services provided by the Division of Personnel	2.3	2.3	2.3	
3023	Inter-Agency Building Leases	Trans - Department-wide Cost of space in state-owned facilities and private leases	73.5	73.5	73.5	
3024	Inter-Agency Legal	Law - Department-wide Regulations review, other legal opinions and review provided by the Department of Law	8.7	8.7	8.7	
3025	Inter-Agency Auditing	Admin - Department-wide Costs associated with compliance audit services and statewide single audit	20.7	0.0	0.0	
3026	Inter-Agency Insurance	Admin - Department-wide Risk Management	0.1	0.1	0.1	
3027	Inter-Agency Financial	Admin - Department-wide Division of Finance chargeback for IRIS FIN, HRM, and ALDER	0.6	0.6	0.6	
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide ADA compliance	0.1	0.1	0.1	

Inter-Agency Services (1682)
Department of Revenue

Component: Commissioner's Office (123)

Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
3030 Inter-Agency Hearing/Mediation	Admin - Department-wide	Hearing services provided by the Office of Administrative Hearings (OAH)	29.4	29.4	29.4

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2023 Governor (18673)
Component: Commissioner's Office (123)
RDU: Administration and Support (50)

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
04-0001	Commissioner	FT	A	XE	Anchorage	N00	0	12.0		141,161	0	0	72,312	213,473	119,545
04-0003	Sp Asst Commr 2	FT	A	XE	Juneau	N05	23F	12.0		104,637	0	0	58,838	163,475	91,546
04-0034	Executive Secretary 2	FT	A	XE	Anchorage	N00	14K	12.0		57,798	0	0	41,559	99,357	55,640
04-5001	Deputy Commissioner	FT	A	XE	Anchorage	N00	28K	12.0		142,448	0	0	72,786	215,234	120,531
04-T107	Chief Risk Off	NP	A	XE	Anchorage	N00	23A	12.0		115,000	0	0	10,638	125,638	70,357
Total													Total Salary Costs:	561,044	
Positions													Total COLA:	0	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	256,133	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	817,177	
													Minus Vacancy Adjustment of 0.00%:	(0)	
													Total Post-Vacancy:	817,177	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	817,177	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	457,619	457,619	56.00%
1007 Interagency Receipts	122,577	122,577	15.00%
1133 CSSD Administrative Cost Reimbursement	236,981	236,981	29.00%
Total PCN Funding:	817,177	817,177	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.

Department of Revenue
Commissioner's Office (123)
RDU: Administration and Support (50)
FY2023 Governor's Budget
Position Totals: 4 PFT, 1 NP

