

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Tax Division (2476)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	7,145.6	5,997.0	189.3	906.8	47.6	4.9	0.0	0.0	85	1	0
1004 Gen Fund		5,274.7										
1005 GF/Prgm		512.2										
1007 I/A Rcpts		177.7										
1061 CIP Rcpts		13.7										
1105 PFund Rcpt		67.3										
1175 BLic&Corp		1,100.0										
ADN 04-5-1002 Veto reduction in travel funding												
	Veto	-11.2	0.0	-11.2	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-11.2										
Subtotal		7,134.4	5,997.0	178.1	906.8	47.6	4.9	0.0	0.0	85	1	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		7,134.4	5,997.0	178.1	906.8	47.6	4.9	0.0	0.0	85	1	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Tobacco Tax Enforcement												
	Inc	778.9	487.7	0.0	291.2	0.0	0.0	0.0	0.0	6	0	0
1004 Gen Fund		778.9										

Tobacco Tax Enforcement

End Result: Optimal administration of current tax and gaming programs.

The department requests annualized funding of \$778.9 for tobacco tax enforcement. The funding will be used to support additional Tax Division enforcement and audit staff and associated costs, as well as contractual costs of \$206.4 with the Department of Public Safety.

During the FY2004 Special Legislative Session, at the request of Governor Murkowski, the legislature passed a bill (SB1001) that will increase the cigarette tax rate from \$1.00 per pack of 20 cigarettes to \$1.60 per pack effective January 1, 2005; with subsequent increases. The final increase and tax amount will be \$2.00 per pack on July 1, 2007.

Based on past experience in Alaska and in other states, the department is concerned that if it does not have an effective cigarette tax stamp enforcement program, cigarette bootlegging will flourish in Alaska. When the State of Michigan raised its tax rate, revenues actually decreased due to the lack of enforcement.

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										PFT	PPT	NP

When the State of Hawaii enacted cigarette tax stamp legislation it hired 11 new enforcement officers. After one year of active enforcement, Hawaii's cigarette tax revenue increased nearly 50% from the previous year.

Corporate Audit Program Revitalization

	Inc	998.6	562.1	9.0	391.5	36.0	0.0	0.0	0.0	9	0	0
1004 Gen Fund		998.6										

Outcome: Increased Tax Revenues over next five years (and beyond)

Strategy: Investment in Tax Division to produce additional tax revenues from out of state corporations

Target: An additional \$5 million a year in tax revenues by year 5 of the investment

Measure: Incremental revenues from enforcement activities

Corporate Income tax has born the brunt of shifting resources to higher priorities. This is the first year of a five year plan to correct this imbalance.

Corporate audit effort has fallen 75% over 10 years as a result of budget pressures, resource diversion, and the inability to compete for experienced professionals. FY2005 audit effort will be at an all time low.

This investment will allow the Tax Division to:

Hire and train auditors.

Shift recruitment effort from the ineffective "hire knowledge" strategy to a "hire talent and train" strategy. The Tax Division can better compete for inexperienced but talented employees provided an effective training program exists. The Tax Division will contract with training experts in the field of federal and state taxation to develop a training program and materials that enable us to grow productive auditors internally from the labor pool in which we are more competitive.

The State's salary and benefit package has become uncompetitive for revenue auditors who have the experience and knowledge to perform corporate income tax audits. As a result, the division's efforts to recruit experienced corporate auditors have been unsuccessful. The Tax Division does not possess the capability to train inexperienced auditors. Auditors are diverted to research and legislative responsibilities. As a result, full time equivalent resources dedicated to audits of corporate income tax, the most impacted tax type, has declined to less than four FTEs. The Tax Division can no longer stay current with audits of Alaska's major oil and gas corporate income taxpayers. In addition, the Division needs to bolster its audit work in the fisheries and oil and gas production tax arenas.

Engage experts to identify and target strategies and opportunities targeting non-Alaskan corporations.

The division would contract with multi-state and international tax experts to measure audit risk, identify audit targets, and recover lost revenue from abusive tax shelters through a combination of enforcement and amnesty programs targeting multi-state (non-Alaskan) corporations.

Actively coordinate with other state and federal agencies to identify and correct non-filers, abusive tax shelters, and common revenue recovery opportunities.

Leverage audit resources with Tax Technicians by re-establishing the compliance program to identify and correct non-filers and conduct targeted revenue

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										PFT	PPT	

producing projects using federal and state information exchanges and data mining technology.

Fill positions in the Oil and Gas Production tax and fisheries tax enforcement currently supported by audit staff. The Tax Division needs to invest efforts now in the Governor's development initiatives; in particular a project to bring Alaska's North Slope stranded gas to market. Hiring two additional economists will allow more analysis of appropriate tax structures, incentives and reforms to encourage natural resource development. Much of this work is now being performed by senior audit staff, and hiring additional economists will help in the effort to bolster audit hours.

CIP Receipts for Motor Fuel Tax Auditor RSA

	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		-76.3										
1061 CIP Rcpts		76.3										

The Tax Division enters into an annual reimbursable services agreement with DOTPF to provide auditors for the motor fuel tax program, which is funded through capital receipts. This increment provides for a fund source change from interagency receipts to CIP receipts so that anticipated receipts from this RSA are correctly recorded in the Tax Division budget.

FY 05 Bargaining Unit Contract Terms: GGU

	SalAdj	43.6	43.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		35.2										
1005 GF/Prgm		3.1										
1007 I/A Rcpts		0.5										
1105 PFund Rcpt		0.2										
1175 BLic&Corp		4.6										

Costs associated with the bargaining unit contract terms applicable to this component.

FY06 Cost Increases for Bargaining Units and Non-Covered Employees

	SalAdj	161.1	161.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		129.5										
1005 GF/Prgm		13.7										
1007 I/A Rcpts		2.1										
1105 PFund Rcpt		1.4										
1175 BLic&Corp		14.4										

Health insurance and wage increases applicable to this component.

Adjustments for Personal Services Working Reserve Rates and SBS

	SalAdj	1.4	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		0.1										
1175 BLic&Corp		1.3										

This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:

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Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Leave cash-in rates vary by department Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06 Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06 SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Delete PCN 04-8018	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Subtotal		9,118.0	7,252.9	187.1	1,589.5	83.6	4.9	0.0	0.0	99	1	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
CIP Receipts for Motor Fuel Tax Auditor RSA												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		-20.0										
1061 CIP Rcpts		20.0										
Totals		9,118.0	7,252.9	187.1	1,589.5	83.6	4.9	0.0	0.0	99	1	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Treasury Division (121)
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 FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	3,889.5	3,047.8	23.6	785.5	17.5	15.1	0.0	0.0	35	0	0
1004 Gen Fund		1,133.9										
1005 GF/Prgm		101.4										
1007 I/A Rcpts		2,015.5										
1027 Int Airprt		67.8										
1046 Stdnt Loan		48.8										
1066 Pub School		187.7										
1098 ChildTrErn		34.7										
1142 RHIF/MM		64.0										
1143 RHIF/LTC		70.6										
1169 PCE Endow		165.1										
ADN 04-5-1004 Mine Reclamation Trust Ch137 SLA2004 (HB486) (Ch158 SLA2004 Sec2 P39 L21)												
	FisNot	21.0	6.0	0.0	15.0	0.0	0.0	0.0	0.0	0	0	0
1192 Mine Trust		21.0										
To record fiscal note funding for investment management of the Mine Reclamation Trust Fund.												
ADN 04-5-1005 Unclaimed Property Reporting Time Ch90 SLA2004 (SB231) (Ch158 SLA2004 Sec2 P41 L5)												
	FisNot	60.0	50.0	0.0	10.0	0.0	0.0	0.0	0.0	0	0	1
1005 GF/Prgm		60.0										
To record fiscal note funding for Chapter 90, SLA 2004 (SB 231), decreasing time to report unclaimed property.												
ADN 04-5-1006 Decrease fiscal note for Unclaimed Property Reporting Time Ch90 SLA2004 (SB231)												
	Veto	-30.0	-20.0	0.0	-10.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		-30.0										
Fiscal note funding for Chapter 90, SLA 2004 (SB 231) was partially vetoed.												
ADN 04-5-1007 CBRF Investment Management Sec61(f) Ch159 SLA2004 P116 L29 (SB283)												
	OthApr	125.0	0.0	0.0	125.0	0.0	0.0	0.0	0.0	0	0	0
1001 CBR Fund		125.0										
To record a language section appropriation of \$125.0 from the Constitutional Budget Reserve Fund to the Treasury Division for investment management fees for the budget reserve fund.												
Subtotal		4,065.5	3,083.8	23.6	925.5	17.5	15.1	0.0	0.0	35	0	1
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Treasury Division (121)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Subtotal		4,065.5	3,083.8	23.6	925.5	17.5	15.1	0.0	0.0	35	0	1
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
FY 05 Bargaining Unit Contract Terms: GGU												
	SalAdj	10.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1.5										
1005 GF/Prgm		0.3										
1007 I/A Rcpts		6.6										
1027 Int Airprt		0.2										
1046 Stdnt Loan		0.2										
1066 Pub School		0.5										
1098 ChildTrErn		0.1										
1142 RHIF/MM		0.2										
1143 RHIF/LTC		0.1										
1169 PCE Endow		0.3										
Costs associated with the bargaining unit contract terms applicable to this component.												
Monitor investment compliance												
	Inc	112.6	97.6	0.0	15.0	0.0	0.0	0.0	0.0	1	0	0
1004 Gen Fund		43.0										
1007 I/A Rcpts		69.6										
Alaska State Pension Investment Board (ASPIB) commissioned a Fiduciary Audit in FY2002. One of the recommendations was that a compliance group be developed under the Comptroller. The auditors listed a minimum level of compliance that needed to be started. They also listed an optimal list of duties that should be developed over time and would take more than one staff person to implement and maintain. Treasury added the first position in FY2003 and has a baseline program going. We are seeking to add the second recommended position to complete the program.												
In addition, the current Bloomberg Trading System includes a compliance module that the division is not able to fully utilize. This increment of \$15.0 would allow the division to purchase an add-on enhancement to the current trading system that will allow us to load data each night from the custodian (with accurate pricing) back to the trading system so that the compliance module can accurately test our internal portfolios for compliance with investment guidelines.												
Mission and Measures: Integral to the achievement of our mission to manage the state's funds and improve risk adjusted returns is our ability to adequately monitor the compliance of our managers with established board investment guidelines. The early detection of violations or errors, through a well-staffed compliance function with adequate tools, should minimize the risk of these violations or errors having a negative impact on our returns.												
Development and maintenance costs for Unclaimed Property system												
	Inc	75.0	0.0	0.0	75.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		75.0										

Treasury currently uses the WAGERS system to track and pay claims by owners of unclaimed property. The system was purchased and installed in FY2000 with the agreement that maintenance would not be paid until Treasury signed off that the product was satisfactorily working. The annual maintenance costs are \$20.0

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										PFT	PPT	NP
<p>and Treasury needs to begin to pay these as the program works well. Also included in this increment is the cost to add a module to allow owners to file their claims directly on the Internet. This will greatly reduce data entry time of the current staff and allow them to work on developing an educational program for Alaska businesses to increase compliance and reporting of property to the State.</p> <p>Mission and Measures: Integral to our mission to manage the state's unclaimed property funds and to unite Alaskan citizens with their lost property is our ability to:</p> <p>1) make the claim and disbursement process easy and fast for citizens, and 2) ensure all holders understand and comply with their responsibility to report and deliver unclaimed property to the state.</p>												
Increased investment management costs due to increased market values												
	Inc	127.6	0.0	0.0	127.6	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		2.1										
1046 Stdnt Loan		38.2										
1066 Pub School		14.7										
1094 MHT Admin		15.0										
1142 RHIF/MM		11.0										
1143 RHIF/LTC		21.2										
1169 PCE Endow		25.4										
<p>Management fees are a percentage of the market value under management. Assets under management have all grown either due to market returns or to additional funds given to Treasury to manage. For purposes of estimating our budget needs we take the actual assets at the beginning of the budgeting process and project that they will grow at median rates of return. The median return assumptions we use are provided by an external consultant.</p> <p>Mission and Measures: Integral to the achievement of our mission to manage the state's funds and improve risk adjusted returns is our ability to adequately contract for management of those assets to qualified investment managers and staff.</p>												
Move investment officers' salaries closer to market												
	Inc	80.0	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		20.0										
1007 I/A Rcpts		60.0										
<p>The Alaska State Pension Investment Board adopted the Alaska Permanent Fund Corporation's salary schedule at their June 2003 meeting for like positions at Treasury. The \$60.0 in interagency receipts represents approximately 33% of the amount needed to fully implement the salary plan. The \$20.0 in GF represents increases in other investment officer positions that do not fill pension fund duties (cash and debt management staff).</p> <p>Mission and Measures: Integral to the achievement of our mission to manage the state's pension funds and improve risk adjusted returns is our ability to adequately attract and retain qualified investment professionals. Current salaries are below both local (APFC levels) and national standards and put the funds at risk of recurring turnover in addition to longer-than-normal lengths of vacancies.</p>												
2nd Year Fiscal Note Mine Reclamation Trust Ch137 SLA2004 (HB486) (Ch158 SLA2004 Sec2 P39 L21)												
	Dec	-9.0	6.0	0.0	-15.0	0.0	0.0	0.0	0.0	0	0	0
1192 Mine Trust		-9.0										

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										PFT	PPT	
To record a reduction in funding for the second year of the fiscal note for investment management of the Mine Reclamation Trust Fund.												
2nd Year Fiscal Note Unclaimed Property Reporting Time Ch90 SLA2004 (SB231) (Ch158 SLA2004 Sec2 P41 L5)												
1005 GF/Prgm	Dec	-30.0	-30.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1
To record a reduction in funding for the second year of the fiscal note for Chapter 90, SLA 2004 (SB 231), decreasing time to report unclaimed property.												
CBRF Investment Management Fee												
1001 CBR Fund	Inc	222.9	0.0	0.0	222.9	0.0	0.0	0.0	0.0	0	0	0
The sum of \$125,000.00 is appropriated from the budget reserve fund to the Department of Revenue, Treasury Division, for the fiscal year ending June 30, 2006, for the investment management fees for the budget reserve fund.												
Reverse CBRF Investment Management Sec61(f) Ch159 SLA2004 P116 L29 (SB283)												
1001 CBR Fund	OTI	-125.0	0.0	0.0	-125.0	0.0	0.0	0.0	0.0	0	0	0
To record a language section appropriation of \$125.0 from the Constitutional Budget Reserve Fund to the Treasury Division for investment management fees for the budget reserve fund.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
	SalAdj	50.6	50.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		7.1										
1005 GF/Prgm		1.6										
1007 I/A Rcpts		33.7										
1027 Int Airprt		1.1										
1046 Stdnt Loan		0.8										
1066 Pub School		2.6										
1098 ChildTrErn		0.5										
1142 RHIF/MM		1.0										
1143 RHIF/LTC		0.6										
1169 PCE Endow		1.6										
Health insurance and wage increases applicable to this component.												
Adjustments for Personal Services Working Reserve Rates and SBS												
	SalAdj	1.6	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1027 Int Airprt		0.2										
1046 Stdnt Loan		0.2										
1066 Pub School		0.5										
1098 ChildTrErn		0.1										

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Component: Treasury Division (121)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
1142 RHIF/MM		0.2										
1143 RHIF/LTC		0.1										
1169 PCE Endow		0.3										

This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:

Leave cash-in rates vary by department
Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06
Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06
SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.

Subtotal		4,581.8	3,299.6	23.6	1,226.0	17.5	15.1	0.0	0.0	36	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
CBRF Investment Management Fee												
Dec		-55.9	0.0	0.0	-55.9	0.0	0.0	0.0	0.0	0	0	0
1001 CBR Fund		-55.9										
Totals		4,525.9	3,299.6	23.6	1,170.1	17.5	15.1	0.0	0.0	36	0	0

The original estimate for the amount needed for investment management fees for the Constitutional Budget Reserve Fund has been adjusted from 222.9 to 167.0, a reduction of \$55.9.

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Alaska State Pension Investment Board (1961)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	3,599.5	0.0	157.9	3,321.6	50.0	70.0	0.0	0.0	0	0	0
1017 Ben Sys		99.0										
1029 P/E Retire		2,272.0										
1034 Teach Ret		1,126.3										
1042 Jud Retire		25.0										
1045 Nat Guard		77.2										
Subtotal		3,599.5	0.0	157.9	3,321.6	50.0	70.0	0.0	0.0	0	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1027 Adjustment for account code changes												
	LIT	0.0	0.0	-30.0	30.0	0.0	0.0	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure. Honoraria for board and commission members is now being accounted for as a service rather than travel. This line item transfer aligns the budget with current accounting practices.												
Subtotal		3,599.5	0.0	127.9	3,351.6	50.0	70.0	0.0	0.0	0	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Monitor investment compliance												
	Inc	104.6	0.0	0.0	104.6	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire		67.4										
1034 Teach Ret		36.0										
1042 Jud Retire		0.6										
1045 Nat Guard		0.6										

Alaska State Pension Investment Board (ASPIB) commissioned a Fiduciary Audit in FY2002. One of the recommendations was that a compliance group be developed under the Comptroller. The auditors listed a minimum level of compliance that needed to be started. They also listed an optimal list of duties that should be developed over time and would take more than one staff person to implement and maintain. Treasury added the first position in FY2003 and has a baseline program going. We are seeking to add the second recommended position to complete the program.

In addition, the current Bloomberg Trading System includes a compliance module that the division is not able to fully utilize. This increment of \$35.0 would allow the division to purchase an add-on enhancement to the current trading system that will allow us to load data each night from the custodian (with accurate pricing) back to the trading system so that the compliance module can accurately test our internal portfolios for compliance with investment guidelines.

Mission and Measures: Integral to the achievement of our mission to manage the state's pension funds and improve risk adjusted returns is our ability to adequately monitor the compliance of our managers with established board investment guidelines. The early detection of violations or errors, through a well-staffed compliance function with adequate tools, should minimize the risk of these violations or errors having a negative impact on our returns.

Move investment officers' salaries closer to market

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Alaska State Pension Investment Board (1961)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Inc	60.0	0.0	0.0	60.0	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire		38.4										
1034 Teach Ret		20.4										
1042 Jud Retire		1.0										
1045 Nat Guard		0.2										

The Alaska State Pension Investment Board adopted the Alaska Permanent Fund Corporation's salary schedule at their June 2003 meeting for like positions at Treasury.

Mission and Measures: Integral to the achievement of our mission to manage the state's pension funds and improve risk adjusted returns is our ability to adequately attract and retain qualified investment professionals. Current salaries are below both local (APFC levels) and national standards and put the funds at risk of recurring turnover in addition to longer-than-normal lengths of vacancies.

Increase in legal and other investment contractual fees

	Inc	380.3	0.0	0.0	380.3	0.0	0.0	0.0	0.0	0	0	0
1017 Ben Sys		100.0										
1029 P/E Retire		175.7										
1034 Teach Ret		94.6										
1042 Jud Retire		5.0										
1045 Nat Guard		5.0										

To reflect increased legal costs associated with increased activity in pertaining to class actions and other corporate governance issues; and, increased contract fees for external performance management, manager selection consultants and other interdepartmental contractual costs.

This increment also includes \$100.0 for the SBS and Deferred Compensation plans for performance measurement by an external consultant and for manager searches. The number of options available to participants has increased which has resulted in increased costs for performance measurement services. In addition, this increment will provide sufficient funds to allow the board to perform searches for new options when the need arises.

Missions and Measures: Integral to the achievement of our mission to manage the state's pension funds and improve risk adjusted returns is our ability to adequately contract for:

- 1) legal services to react to issues of failures in corporate governance that have or might result in losses to those funds, and
- 2) services to independently verify our returns, and
- 3) services to help the board select the most qualified managers to improve the performance of the funds.

Subtotal		4,144.4	0.0	127.9	3,896.5	50.0	70.0	0.0	0.0	0	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		4,144.4	0.0	127.9	3,896.5	50.0	70.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Permanent Fund Dividend Division (981)
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 FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	5,594.3	3,533.5	25.5	1,971.1	64.2	0.0	0.0	0.0	62	19	0
1007 I/A Rcpts		35.0										
1050 PFD Fund		5,559.3										
ADN 04-5-1008 Hearing Officer Transfer SB203 SLA2004 (Ch158 SLA2004 Sec2 P40 L30)												
	FisNot	-52.4	0.0	0.0	-52.4	0.0	0.0	0.0	0.0	0	0	0
1050 PFD Fund		-52.4										
To record the fiscal note for SB 203, Transfer of Hearing Office from Department of Revenue to Department of Administration. This fiscal note reflects the portion of hearing officer services funded by the PFD Fund for the period of January 1 through June 30, 2005.												
ADN 04-5-1009 PFD for University Fees Ch43 SLA2004 (SB393) (Ch158, SLA2004, Sec2, P42, L18)												
	FisNot	15.0	0.0	0.0	15.0	0.0	0.0	0.0	0.0	0	0	0
1050 PFD Fund		15.0										
To record fiscal note funding for Chapter 43, SLA 2004 (SB 393), garnishing Permanent Fund Dividends for University of Alaska fees. This one-time funding covers the cost of programming the PFD garnishment system, warrant, and direct deposit programs to accommodate this change.												
Subtotal		5,556.9	3,533.5	25.5	1,933.7	64.2	0.0	0.0	0.0	62	19	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1022 Workload adjustments to shift low-complexity work to seasonal positions												
	LIT	0.0	111.9	0.0	-111.9	0.0	0.0	0.0	0.0	0	10	0
Changes from FY2005 Governor's request are aimed at achieving the division's priority goal of paying all eligible applicants by the end of October. Changes include 10 new seasonal positions and classification changes for other permanent full time positions.												
The new seasonal positions will be used to add a 30-hour night shift to both the mail room and data entry during the dividend filing period. Addition of these Range 8 positions should produce the following results: 1) all lowest complexity seasonal work done by Range 8 employees; 2) earlier completion of application processing; 3) assignment of two technical positions to fraud; and 4) reduction in floor space and equipment needed for seasonal staff.												
The classification changes resulted from the workload adjustments made throughout the division with assignment of higher level work to some positions to facilitate the division's goal of paying all eligible applicants by the end of October each year, and from our strategy to hire low level data processing staff and flexing them up as they become more skilled.												
Funds are available from contractual because we have eliminated mailing of a second letter to applicants requesting missing information and we are reducing the print and mail cost of the application booklet by streamlining the booklet and by distributing fewer booklets and more individual forms.												
Subtotal		5,556.9	3,645.4	25.5	1,821.8	64.2	0.0	0.0	0.0	62	29	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Permanent Fund Dividend Division (981)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Increased cost of mainframe services for PFD processing												
	Inc	200.0	0.0	0.0	200.0	0.0	0.0	0.0	0.0	0	0	0
1050 PFD Fund		200.0										
<p>The Permanent Fund Dividend Division requests a FY2006 operating budget increment for \$200.0 in the contractual line item.</p> <p>The Permanent Fund Dividend Division's Enterprise Technology Services (ETS) billings for mainframe services are expected to increase \$130.7 for FY2005, with additional increases in FY2006 for a total of \$215.3.</p> <p>To achieve the PFD Division's mission and to accomplish the PFD Performance Management Target to pay all eligible applicants timely, the division must maximize the use of computer technology. State mainframe services are essential to processing the 625,000 annual applications and almost two million associated documents. Mainframe functions include:</p> <ul style="list-style-type: none"> • PFD application information data base used throughout the process to determine eligibility. • Initial analysis of applications. • Automatic generation and printing of specific letters to applicants requesting additional information, if necessary. • Generation of the dividend direct deposits and checks. • Mainframe interface with other state, federal and local agencies, for example, Vital Statistics, Division of Motor Vehicles, Child Support Enforcement Division, Department of Law, Corrections, Public Safety, used in eligibility determination and fraud investigations. • Processing of garnishments and assignments of dividends. • PFD historical records storage. <p>In addition to the computer services cost increase, contractual costs for leased copiers and space have or will also increase, and personal services are up about \$112.0 in FY2005.</p> <p>In spite of these increases, PFD is committed to a Performance Target to reduce the overall per unit cost of application processing. The amount of mainframe printing and the number of mailings have been reduced by eliminating redundancies and by increasing web-based services to the public. The division expects to implement Optical Character Recognition for the 2006 dividend cycle to reduce manual data entry costs.</p> <p>Cost saving initiatives, both already implemented and proposed, will cover some of these increases, but in order to maintain the current service level to the public, the PFD Division will need an additional \$200.0 in FY2006.</p>												
Declining support from APFC for printing application booklet												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		-15.0										
1050 PFD Fund		15.0										
<p>A fund change is requested to replace interagency receipts previously received through an RSA with the Permanent Fund Corporation (APFC). The APFC is no longer a participant in publishing the Permanent Fund Dividend Application Booklet.</p>												
2nd Year Fiscal Note Hearing Officer Transfer SB203 SLA2004 (Ch158 SLA2004 Sec2 P40 L30)												
	Dec	-52.4	0.0	0.0	-52.4	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Permanent Fund Dividend Division (981)
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	
1050 PFD Fund		-52.4										
To record the second year of fiscal note for SB 203, Transfer of Hearing Office from Department of Revenue to Department of Administration. The fiscal note reduced PFD funding for hearing officer services for six months in FY2005, and reduced the remaining funding in FY2006.												
2nd Year Fiscal Note PFD for University Fees Ch43 SLA2004 (SB393) (Ch158, SLA2004, Sec2, P42, L18)												
1050 PFD Fund	Dec	-15.0	0.0	0.0	-15.0	0.0	0.0	0.0	0.0	0	0	0
To eliminate fiscal note funding for Chapter 43, SLA 2004 (SB 393), garnishing Permanent Fund Dividends for University of Alaska fees. This one-time funding covered the cost of programming the PFD garnishment system, warrant, and direct deposit programs to accommodate this change.												
FY 05 Bargaining Unit Contract Terms: GGU												
1050 PFD Fund	SalAdj	42.6	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Costs associated with the bargaining unit contract terms applicable to this component.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
1050 PFD Fund	SalAdj	123.0	123.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Health insurance and wage increases applicable to this component.												
Adjustments for Personal Services Working Reserve Rates and SBS												
1050 PFD Fund	SalAdj	10.4	10.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:												
Leave cash-in rates vary by department												
Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06												
Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06												
SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Subtotal		5,865.5	3,821.4	25.5	1,954.4	64.2	0.0	0.0	0.0	62	29	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		5,865.5	3,821.4	25.5	1,954.4	64.2	0.0	0.0	0.0	62	29	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: State Pension Custody and Management Fees (2311)
RDU: Taxation and Treasury (510)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	26,413.6	0.0	0.0	26,413.6	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire		17,172.8										
1034 Teach Ret		8,890.9										
1042 Jud Retire		253.4										
1045 Nat Guard		96.5										
Subtotal		26,413.6	0.0	0.0	26,413.6	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		26,413.6	0.0	0.0	26,413.6	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Increased investment management costs due to increased market values.												
	Inc	5,500.0	0.0	0.0	5,500.0	0.0	0.0	0.0	0.0	0	0	0
1029 P/E Retire		3,520.0										
1034 Teach Ret		1,870.0										
1042 Jud Retire		75.0										
1045 Nat Guard		35.0										
Subtotal		31,913.6	0.0	0.0	31,913.6	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		31,913.6	0.0	0.0	31,913.6	0.0	0.0	0.0	0.0	0	0	0

Management fees are a percentage of the market value under management. In FY2003 and FY2005 ASPIB submitted a total of \$7.3 million in decrements in this line item due to market values falling. In the last year market values have grown due to a recovering market. For purposes of estimating our budget needs we take the actual assets at the beginning of the budgeting process and project that they will grow at median rates of return and then apply actual contract terms. The median return assumptions we use are provided by an external consultant.

Mission and Measures: Integral to the achievement of our mission to manage the state's pension funds and improve risk adjusted returns is our ability to adequately contract for management of those assets to qualified investment managers.

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Child Support Services Division (111)
RDU: Child Support Services (41)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee - sec 15 CH 158 sla 04 p. 60 I. 14												
1156 Rcpt Svcs	ConfCom	766.4	0.0	0.0	43.0	0.0	0.0	0.0	723.4	0	0	0
Conference Committee												
1002 Fed Rcpts	ConfCom	12,991.4	12,987.1	80.0	6,197.2	166.1	60.8	0.0	0.0	233	0	0
1016 Fed Incent		1,625.2										
1133 CSSD		0.3										
Reimb												
1156 Rcpt Svcs		4,874.3										
Transfer Sec 15 Program Receipt Funding from Miscellaneous to Contractual												
LIT		0.0	0.0	0.0	723.4	0.0	0.0	0.0	-723.4	0	0	0
To transfer funding from miscellaneous to contractual services.												
Subtotal		20,257.6	12,987.1	80.0	6,963.6	166.1	60.8	0.0	0.0	233	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		20,257.6	12,987.1	80.0	6,963.6	166.1	60.8	0.0	0.0	233	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
FY 05 Bargaining Unit Contract Terms: GGU												
SalAdj		126.7	126.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		83.2										
1016 Fed Incent		7.6										
1156 Rcpt Svcs		35.9										
Costs associated with the bargaining unit contract terms applicable to this component.												
Correct FY05 salary adjustment from unrealizable funding source												
FndChg		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1133 CSSD		-0.3										
Reimb												
1156 Rcpt Svcs		0.3										

As a correction to a change record from FY2005, this funding is used as state match and therefore, to avoid the possibility of over-matching federal funds, should not be included directly in CSSD's budget.

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Child Support Services Division (111)
RDU: Child Support Services (41)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Increased cost of mainframe services for Child Support system												
	Inc	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		165.0										
1156 Rcpt Svcs		85.0										
<p>This increment is required to meet anticipated increases in mainframe processing charges. CSSD is required by federal law to operate an automated child support enforcement system. The system contains an electronic case file in which all case automated and manual case activities are performed and recorded. Without access to computers and the processing of case information, caseworkers cannot do their job as part of the division's mission to collect and distribute child support.</p> <p>A reduction in data processing services could result in CSSD not being able to meet budget performance measures, such as current collections, cases with arrears collections and reducing cases with no collections for one year.</p> <p>Several of the budget measures are also federal incentive measures. The inability to meet federal incentive measures would result in the loss of federal incentive revenue which can be used as match. A more critical aspect is the lack of data processing support could result in failure of the federal data reliability audit, which would result in the entire loss of one or more incentives. The loss of any one incentive would mean a loss of at least \$300,000 dollars in federal funding that could then not be used by the state to match an additional \$600,000 in federal funds. Therefore, the total loss to the state would be \$900,000.</p> <p>The CSSD budget is 64% personal services. Any reduction to pay for these increased costs would come from this area and would likely have the same effect on results.</p>												
Increased efficiency allows PCN 04-7154 to be deleted												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
<p>Due to changes in the division's organization and the increased efficiency it has brought, this program coordinator position is being deleted. The division has been working hard to streamline and cut costs while continuing to provide the highest level of service. The position is currently vacant.</p>												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
	SalAdj	392.8	392.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		259.2										
1156 Rcpt Svcs		133.6										
<p>Health insurance and wage increases applicable to this component.</p>												
Adjustments for Personal Services Working Reserve Rates and SBS												
	SalAdj	25.5	25.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		23.4										
1016 Fed Incent		2.1										

This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:

Leave cash-in rates vary by department
Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06
Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Child Support Services Division (111)
RDU: Child Support Services (41)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Reduce State match for Federal receipts												
	OTI	-723.4	0.0	0.0	-723.4	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs		-723.4										
Subtotal		20,329.2	13,532.1	80.0	6,490.2	166.1	60.8	0.0	0.0	232	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Change in funding due to transfer of hearing officers to DOA												
	Inc	261.1	0.0	0.0	261.1	0.0	0.0	0.0	0.0	0	0	0
1156 Rcpt Svcs		261.1										
<p>The Child Support Services Division (CSSD) requests funds to pay for the contractual cost of using services provided by hearing officers in the Department of Administration.</p> <p>Prior to January 1, 2005, the Department of Revenue (DOR) employed its own hearing officers who provided services to CSSD and other divisions. CSSD paid for these services through the department's indirect cost rate plan, which recovered a percentage of indirect costs from CSSD's federal program.</p> <p>With the passage of SB 203 (CH 163 SLA 2004) the DOR hearing officer positions were transferred to the Department of Administration to form a consolidated Office of Administrative Hearings. Although the fiscal note for SB 203 transferred budget authority for CSSD Admin Receipts, DOA is not able to collect indirect cost receipts from CSSD's federal program. The department has been advised that hearing officer services obtained from DOA are now a direct cost for the Child Support Services Division, and are no longer eligible for federal financial participation due to a statutory name change from hearing officer to administrative law judge. As a result, DOA is requesting a fund source change from CSSD Admin receipts to inter-agency receipts; and CSSD is requesting an increment for receipt supported services.</p> <p>This funding is needed to provide formal hearing appeals as required by Alaska statute. The Child Support Services Division would be required to pay hearing officer costs of \$261.1. Since CSSD would be required to use funding that is now used to match federal funds, the division would lose \$767.9 (261.1 state funds and \$506.8 federal funds). The division would have increased expenditures of the \$261.1 in its FY2006 spending plan with reduced funding of \$767.9. The cumulative impact to the child support program would be a reduction of \$1,029.0. The division would be forced to reduce expenditures by this amount. The bulk of this reduction would be in personal services. CSSD would leave 20 caseworker positions vacant for the entire year.</p> <p>A reduction of 20 positions would result in a decrease in collections of approximately 7%. That would mean a decrease of \$6.8 million. Custodial parents and children would lose approximately \$5.8 million and welfare reimbursements would be reduced \$1,050.0 of which the state would lose approximately \$490.0 and the federal government would lose \$560.0.</p> <p>In addition, incentive funding from the federal government could decrease since CSSD would not be able to maintain its current level of performance in the required areas. Also, failure to meet other federal child support requirements could jeopardize the federal block grant to Division of Public Assistance for Temporary Assistance for Needy Families (TANF).</p>												
Totals		20,590.3	13,532.1	80.0	6,751.3	166.1	60.8	0.0	0.0	232	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Child Support Services Division (111)
RDU: Child Support Services (41)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP

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 FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	1,860.1	852.3	39.8	947.6	19.4	1.0	0.0	0.0	10	0	0
1004 Gen Fund		230.9										
1007 I/A Rcpts		342.2										
1108 Stat Desig		750.0										
1133 CSSD		537.0										
Reimb												
ADN 04-5-1010 Hearing Officer Transfer SB203 SLA2004 (Ch 158 SLA2004 Sec2 P40 L30)												
	FisNot	-203.6	-198.1	-1.8	-2.9	-0.8	0.0	0.0	0.0	-5	0	0
1004 Gen Fund		-22.9										
1007 I/A Rcpts		-52.4										
1133 CSSD		-128.3										
Reimb												
To record the fiscal note for SB 203, Transfer of Hearing Officers from Department of Revenue to Department of Administration. This fiscal note reflects the transfer of five positions and accompanying funding for the period of January 1 through June 30, 2005. (The \$52.4 reduction in interagency receipt funding is to reflect the loss of PFD funds received by the Commissioner's Office for hearing officer services; DOA is receiving PFD funding in the amount of \$52.4 as part of their fiscal note.)												
Positions being transferred are:												
04-0014 Senior Revenue Hearing Examiner II												
04-0015 Law Office Assistant												
04-0012 Revenue Hearing Examiner I												
04-0025 Revenue Hearing Examiner I												
04-1033 Paralegal I												
ADN 04-5-1011 North Slope Natural Gas Sec26(e) Ch159 SLA2004 P83 L23 (SB283)												
	OthApr	1,700.0	0.0	0.0	1,700.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		900.0										
1105 PFund Rcpt		300.0										
1108 Stat Desig		500.0										
To record a language section appropriation for work related to bringing North Slope natural gas to market.												
ADN 04-5-1012 North Slope Natural Gas Carry-forward Sec26(d) Ch159 SLA2004 P83 L16 (SB283)												
	OthApr	3,400.0	0.0	0.0	3,400.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,800.0										
1105 PFund Rcpt		600.0										
1108 Stat Desig		1,000.0										

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		
										PFT	PPT	NP
To record the carry forward from FY2004 of unexpended authorization for the North Slope Natural Gas project (Chapter 159, SLA 2004, Sec26(d), Page 83, Line 16). This appropriation terminates 6/30/2009.												
ADN 04-5-1013 North Slope Natural Gas Carry-forward Ch14 SLA2004 P1 L4 (SB241)	OthApr	1,494.6	0.0	0.0	1,494.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,494.6										

To record the carry forward from FY2004 of unexpended authorization for the North Slope Natural Gas project (Chapter 14, SLA 2004, Page 1, Line 4). To date, \$155.4 has been expended and an additional \$235.2 has been obligated. This appropriation terminates 6/30/2005.

Subtotal		8,251.1	654.2	38.0	7,539.3	18.6	1.0	0.0	0.0	5	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1023 Adjustment for account code changes	LIT	0.0	0.0	0.0	0.0	1.0	-1.0	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure. Small equipment purchases for less than \$5,000 are now being accounted for as commodities rather than capital purchases. This line item transfer aligns the budget with current accounting practices.												

Subtotal		8,251.1	654.2	38.0	7,539.3	19.6	0.0	0.0	0.0	5	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
FY 05 Bargaining Unit Contract Terms: GGU	SalAdj	1.4	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.2										
1007 I/A Rcpts		0.5										
1133 CSSD		0.7										
Reimb												

Costs associated with the bargaining unit contract terms applicable to this component.

2nd Year Fiscal Note for Hearing Officer Transfer SB203 SLA2004 (Ch 158 SLA2004 Sec2 P40 L30)	Dec	-203.4	-198.1	-1.7	-2.9	-0.7	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-22.7										
1007 I/A Rcpts		-52.4										
1133 CSSD		-128.3										
Reimb												

To record the second year of fiscal note for SB 203, Transfer of Hearing Officers from Department of Revenue to Department of Administration, which reflects a reduction in funding for the DOR Commissioner's Office.

Delete ADN 04-5-1011 North Slope Natural Gas Sec26(e) Ch159 SLA2004 P83 L23 (SB283)

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		
										PFT	PPT	NP
	OTI	-1,700.0	0.0	0.0	-1,700.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-900.0										
1105 PFund Rcpt		-300.0										
1108 Stat Desig		-500.0										
To delete a one-time language section appropriation for work related to bringing North Slope natural gas to market.												
Delete ADN 04-5-1012 North Slope Natural Gas Carry-forward Sec26(d) Ch159 SLA2004 P83 L16 (SB283)												
	OTI	-3,400.0	0.0	0.0	-3,400.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-1,800.0										
1105 PFund Rcpt		-600.0										
1108 Stat Desig		-1,000.0										
To reverse the carry forward from FY2004 of unexpended authorization for the North Slope Natural Gas project (Chapter 159, SLA 2004, Sec26(d), Page 83, Line 16). This appropriation terminates 6/30/2009.												
Delete ADN 04-5-1013 North Slope Natural Gas Carry-forward Ch14 SLA2004 P1 L4 (SB241)												
	OTI	-1,494.6	0.0	0.0	-1,494.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-1,494.6										
To delete the carry forward from FY2004 of unexpended authorization for the North Slope Natural Gas project (Chapter 14, SLA 2004, Page 1, Line 4). To date, \$155.4 has been expended and an additional \$235.2 has been obligated. This appropriation terminates 6/30/2005.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
	SalAdj	8.6	8.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		5.3										
1007 I/A Rcpts		3.3										
Health insurance and wage increases applicable to this component.												
Subtotal		1,463.1	466.1	36.3	941.8	18.9	0.0	0.0	0.0	5	0	0
*****		***** Changes From FY2006 Governor To FY2006 Governor Amended *****										
Totals		1,463.1	466.1	36.3	941.8	18.9	0.0	0.0	0.0	5	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Administrative Services (125)
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 FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	1,259.2	798.0	7.5	436.7	17.0	0.0	0.0	0.0	11	0	0
1004 Gen Fund		111.4										
1007 I/A Rcpts		488.0										
1133 CSSD Reimb		659.8										
ADN 04-5-1029 FY2005 Lease Funding Transferred to DOR												
	Atrin	15.3	0.0	0.0	15.3	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		15.3										
<p>Pursuant to Section 1, Chapter 158 (HB375), SLA 2004, page 4, line 26-29, with the exceptions noted below, all general funds in the Leases and Lease Administration components are being transferred from the Department of Administration to tenant departments. The exceptions include the lease payment for the Anchorage Jail, the subport parking lot, and space left vacant by the HR Integration initiative. The purpose of this transfer is to provide state agencies with more flexibility, responsibility and control over their lease costs.</p> <p>The transferred general funds are estimated to be sufficient to cover the majority of projected FY 05 general funds lease costs. The Department of Administration will continue to work to reduce lease costs, but if the department is unsuccessful, the tenant department is responsible for payment of the full lease costs.</p>												
ADN 04-5-1030 FY2005 Lease Administration Funding Transferred to DOR												
	Atrin	7.8	0.0	0.0	7.8	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		7.8										
<p>Pursuant to Section 1, Chapter 158 (HB375), SLA 2004, page 4, line 26-29, with the exceptions noted below, all general funds in the Leases and Lease Administration components are being transferred from the Department of Administration to tenant departments. The exceptions include the lease payment for the Anchorage Jail, the subport parking lot, and space left vacant by the HR Integration initiative. The purpose of this transfer is to provide state agencies with more flexibility, responsibility and control over their lease costs.</p> <p>The transferred general funds are estimated to be sufficient to cover the majority of projected FY 05 general funds lease costs. The Department of Administration will continue to work to reduce lease costs, but if the department is unsuccessful, the tenant department is responsible for payment of the full lease costs.</p>												
Subtotal		1,282.3	798.0	7.5	459.8	17.0	0.0	0.0	0.0	11	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		1,282.3	798.0	7.5	459.8	17.0	0.0	0.0	0.0	11	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												

FY 05 Bargaining Unit Contract Terms: GGU

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Administrative Services (125)
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	
	SalAdj	4.1	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.5										
1007 I/A Rcpts		1.5										
1133 CSSD Reimb		2.1										
Costs associated with the bargaining unit contract terms applicable to this component.												
Reorganization to accommodate changes in workload												
	LIT	0.0	55.0	0.0	-55.0	0.0	0.0	0.0	0.0	0	1	0
The Administrative Services Division is reorganizing staff and duties in order to accommodate workload changes. A new accounting technician position is being added (PCN 04-#001), and one full-time clerical position (04-1009) is changed to part-time. The net effect is to add another part-time position to the division.												
Recent changes in the Department of Revenue have increased the workload of its administrative staff. The inception of the Alaska Natural Gas Development Authority (ANGDA) and the work that is being done to commercialize the vast natural gas on the North Slope (gas pipeline) has significantly impacted the division. ANGDA has had minimal staffing to accomplish its mission. Much of its administrative support has fallen to the department's centralized administrative services division. The workload has increased with 50+ new professional services contracts for ANGDA and the Stranded Gas Act. The financial and contract management associated with these additional contracts have been absorbed within the existing workload but to the detriment of time spent on the department's other professional services contracts. The net costs of another part-time position will be funded with general fund and inter-agency receipts through the division's cost allocation plan.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
	SalAdj	22.3	22.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		14.3										
1007 I/A Rcpts		8.0										
Health insurance and wage increases applicable to this component.												
Human Resources consolidation increased costs												
	Inc	14.9	14.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		14.9										
Additional funds are necessary to fund increased costs in the Division of Personnel for the allocation of consolidated human resources services. This increment covers this department's share of the increased costs and change in rate allocation methodology.												
Subtotal		1,323.6	894.3	7.5	404.8	17.0	0.0	0.0	0.0	11	1	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		1,323.6	894.3	7.5	404.8	17.0	0.0	0.0	0.0	11	1	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: State Facilities Rent (2462)
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 FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1004 Gen Fund	ConfCom	223.0	0.0	0.0	223.0	0.0	0.0	0.0	0.0	0	0	0
		223.0										
Subtotal		223.0	0.0	0.0	223.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		223.0	0.0	0.0	223.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Subtotal		223.0	0.0	0.0	223.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		223.0	0.0	0.0	223.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: ANGDA Operations (2708)
RDU: Alaska Natural Gas Development Authority (495)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1004 Gen Fund	ConfCom	256.6	162.6	35.0	55.0	1.5	2.5	0.0	0.0	1	1	0
Subtotal		256.6	162.6	35.0	55.0	1.5	2.5	0.0	0.0	1	1	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1024 Adjustment for account code changes												
	LIT	0.0	0.0	0.0	0.0	2.5	-2.5	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure. Small equipment purchases for less than \$5,000 are now being accounted for as commodities rather than capital purchases. This line item transfer aligns the budget with current accounting practices.												
Subtotal		256.6	162.6	35.0	55.0	4.0	0.0	0.0	0.0	1	1	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Change project position to administrative support												
	LIT	0.0	13.1	0.0	-13.1	0.0	0.0	0.0	0.0	1	-1	0
The Alaska Natural Gas Development Authority is changing one part-time project position to a full-time administrative position in order to provide the Authority with a broader range of support.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
1004 Gen Fund	SalAdj	1.4	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Health insurance and wage increases applicable to this component.												
Subtotal		258.0	177.1	35.0	41.9	4.0	0.0	0.0	0.0	2	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		258.0	177.1	35.0	41.9	4.0	0.0	0.0	0.0	2	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Mental Health Trust Operations (1423)
RDU: Alaska Mental Health Trust Authority (47)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	1,423.4	864.4	125.2	386.0	22.1	25.7	0.0	0.0	9	0	3
1092 MHTAAR		155.9										
1094 MHT Admin		1,267.5										
ADN 04-5-1014 Alcohol Grant Program Review Carry-forward												
	OthApr	41.5	0.0	0.0	41.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		41.5										
To record the carry forward from FY2004 of unexpended authorization for the Mental Health Trust Alcohol Grant Program Review (Chapter 1, SSSLA 2002, Sec.81(d)(3), Page 133, Line 26). This appropriation terminates 6/30/2005.												
Subtotal												
		1,464.9	864.4	125.2	427.5	22.1	25.7	0.0	0.0	9	0	3
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1019 Delete graduate interns and add program assistant												
	LIT	0.0	48.5	0.0	-48.5	0.0	0.0	0.0	0.0	1	0	-2
The Mental Health Trust requests approval to replace two range 12 non-permanent graduate interns (PCNs 04-Z001 and 04-9409) with one permanent exempt Trust Program Special Assistant, range 19, position.												
The goals of the Trust Authority are not effectively met by the limits of the graduate intern job class, the yearly turnover, and the training that is required for this type of position. A permanent program special assistant will better meet the needs of the Trust Authority.												
This change will result in additional funding required for personal services.												
ADN 04-5-1025 Adjustment for account code changes												
	LIT	0.0	0.0	-9.3	9.3	25.7	-25.7	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure. Small equipment purchases for less than \$5,000 are now being accounted for as commodities rather than capital outlay. Honoraria for board and commission members is being accounted for as a service rather than as travel. This line item transfer aligns the budget with current accounting practices.												
Subtotal												
		1,464.9	912.9	115.9	388.3	47.8	0.0	0.0	0.0	10	0	1
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
FY2006 Adjustment to Reflect Trustee Authorized Funding												
	Inc	110.1	14.7	-18.2	113.6	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		40.0										
1094 MHT Admin		70.1										

This adjustment reflects additional funding authorized by the Alaska Mental Health Board of Trustees at the September 2004 and November 2004 board

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Mental Health Trust Operations (1423)
RDU: Alaska Mental Health Trust Authority (47)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
meetings and makes the adjustments for proposed spending.												
Alcohol Grant Program Termination												
	Dec	-41.5	0.0	0.0	-41.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-41.5										
The Alcohol Grant Program was approved in FY2003 through FY2005, termination date of 6/30/2005; Chapter 1, SSSLA 2002, Sec 81(d)(3), Page 133, Line 26. This change reflects the funding termination of this project.												
Incorporate Disability Justice Initiative into Mental Health Trust												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1092 MHTAAR		-155.9										
1094 MHT Admin		155.9										
In FY2004, funding for the Disability Justice Initiative was provided through a Reimbursable Service Agreement (RSA) between the Alaska Mental Health Trust Authority (the Trust) and Health & Social Services; for FY2005 the Trust funded this project from MHTAAR. The position and duties related to the project have now been incorporated into the Trust and funding for FY2006 is approved by the Trustees within the Mental Health Trust Administrative budget. This change record reflects the change in funding sources.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
	SalAdj	10.5	10.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1094 MHT Admin		10.5										
Health insurance and wage increases applicable to this component.												
Adjustments for Personal Services Working Reserve Rates and SBS												
	SalAdj	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1094 MHT Admin		3.0										
This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum: Leave cash-in rates vary by department Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06 Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06 SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Subtotal		1,547.0	941.1	97.7	460.4	47.8	0.0	0.0	0.0	10	0	1
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		1,547.0	941.1	97.7	460.4	47.8	0.0	0.0	0.0	10	0	1

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Long Term Care Ombudsman Office (2749)
RDU: Alaska Mental Health Trust Authority (47)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1007 I/A Rcpts	ConfCom	405.6	307.0	20.0	60.0	8.4	10.2	0.0	0.0	4	0	0
Subtotal		405.6	307.0	20.0	60.0	8.4	10.2	0.0	0.0	4	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
ADN 04-5-1026 Adjustment for account code changes												
	LIT	0.0	0.0	0.0	0.0	10.2	-10.2	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure. Small equipment purchases for less than \$5,000 are now being accounted for as commodities rather than capital outlay. This line item transfer aligns the budget with current accounting practices.												
Subtotal		405.6	307.0	20.0	60.0	18.6	0.0	0.0	0.0	4	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Adjustment to reflect available federal funding for Ombudsman												
1007 I/A Rcpts	Inc	63.9	-27.9	15.0	76.8	0.0	0.0	0.0	0.0	0	0	0
This increment brings the Long-term Care Ombudsman's budget into alignment with the level of federal funding that is available through the Health & Social Services, Senior & Disability Services RSA. Line item adjustments reflect organizational changes and anticipated spending.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
1007 I/A Rcpts	SalAdj	3.7	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Health insurance and wage increases applicable to this component.												
Subtotal		473.2	282.8	35.0	136.8	18.6	0.0	0.0	0.0	4	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		473.2	282.8	35.0	136.8	18.6	0.0	0.0	0.0	4	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: AMBBA Operations (108)
RDU: Alaska Municipal Bond Bank Authority (44)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1104 MBB Rcpts	ConfCom	677.7	71.4	10.1	592.4	3.8	0.0	0.0	0.0	1	0	0
		677.7										
Subtotal		677.7	71.4	10.1	592.4	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		677.7	71.4	10.1	592.4	3.8	0.0	0.0	0.0	1	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
To charge Bond Bank for accounting and other overhead charges												
1104 MBB Rcpts	Inc	35.0	0.0	0.0	35.0	0.0	0.0	0.0	0.0	0	0	0
		35.0										
End Result: Municipalities will lower their cost of financing.												
The legislature transferred staffing responsibilities for the Bond Bank to the Department of Revenue in 1998. Since that time the level of bonding activity has increased significantly requiring greater management and accounting resources from Treasury Division. In addition, the Treasury Division can no longer absorb all of the intra- and interdepartmental allocations and needs to begin to share these charges among the other funds and entities it staffs.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
1104 MBB Rcpts	SalAdj	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.6										
Health insurance and wage increases applicable to this component.												
Adjustments for Personal Services Working Reserve Rates and SBS												
1104 MBB Rcpts	SalAdj	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.2										
This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:												
Leave cash-in rates vary by department												
Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06												
Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06												
SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Subtotal		713.5	72.2	10.1	627.4	3.8	0.0	0.0	0.0	1	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: AMBBA Operations (108)
RDU: Alaska Municipal Bond Bank Authority (44)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
	Totals	713.5	72.2	10.1	627.4	3.8	0.0	0.0	0.0	1	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: AHFC Operations (110)
RDU: Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	40,644.3	25,705.2	775.8	11,286.0	1,812.7	234.6	830.0	0.0	323	35	14
1002 Fed Rcpts		21,819.5										
1007 I/A Rcpts		800.0										
1061 CIP Rcpts		1,718.1										
1103 AHFC Rcpts		16,306.7										
Subtotal		40,644.3	25,705.2	775.8	11,286.0	1,812.7	234.6	830.0	0.0	323	35	14
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		40,644.3	25,705.2	775.8	11,286.0	1,812.7	234.6	830.0	0.0	323	35	14
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Realignment of resources to match anticipated expenditures												
	LIT	0.0	310.0	-33.8	-241.9	-34.3	0.0	0.0	0.0	0	0	0
This request moves funding between categories to fund anticipated increases due to merit increases.												
Reductions in line items to cover these increases are taken from decreases in Travel, other Contractual, and Supplies line items using both Federal and Corporate receipts.												
Personal Services is increased to cover anticipated merit increases of \$310.0. These costs were offset by reductions in travel and training -\$33.8, office supplies -\$34.3, consulting contracts -\$99.6, advertising expense of -\$8.3, minor repairs and maintenance of -\$118.2, and office/booth leases of -\$15.8.												
Adjustment to cover increases in fixed costs												
	Inc	507.7	34.0	0.0	81.3	392.4	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		11.1										
1103 AHFC Rcpts		496.6										
Personal Services - \$22.9 to cover merit increases for the Servicing Department employees that have no other line item categories to reduce, \$11.1 to cover merit increases for employees funded with CIP receipts that have no other line item categories to reduce.												
Contractual -- \$25.0 for increases in Telecommunications contracts, 51.3 for IBM maintenance and service contracts, \$5.0 to implement information systems security system.												
Supplies -- \$72.4 to replace aging printers, 20.0 for software relating to information systems security system, 300.0 to implement pilot program for the Spend Management Program.												

Adjustments to Personal Services Rates

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: AHFC Operations (110)
RDU: Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	SalAdj	90.3	90.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		44.5										
1061 CIP Rcpts		8.2										
1103 AHFC Rcpts		37.6										

This transaction reflects only the non-general fund portion of the cost increases associated with several FY06 personal services rate changes:
 -the Terminal Leave rate
 -the Unemployment Insurance rate
 -the Leave Cash-In and Risk Management rates, which are based on each department's actual experience, have changed as well.

FY06 Cost Increases for Bargaining Units and Non-Covered Employees

	SalAdj	307.5	307.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		169.2										
1061 CIP Rcpts		17.8										
1103 AHFC Rcpts		120.5										

Health insurance and wage increases applicable to this component.

Adjustments for Personal Services Working Reserve Rates and SBS

	SalAdj	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.4										
1061 CIP Rcpts		0.1										
1103 AHFC Rcpts		1.5										

This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:

Leave cash-in rates vary by department
 Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06
 Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06
 SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.

Subtotal		41,551.8	26,449.0	742.0	11,125.4	2,170.8	234.6	830.0	0.0	323	35	14
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		41,551.8	26,449.0	742.0	11,125.4	2,170.8	234.6	830.0	0.0	323	35	14

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Anchorage State Office Building (2272)
RDU: Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1103 AHFC Rcpts	ConfCom	800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0
		800.0										
Subtotal		800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Subtotal		800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: APFC Operations (109)
RDU: Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
1105 PFund Rcpt	ConfCom	7,009.6	3,300.2	256.9	3,251.2	42.3	159.0	0.0	0.0	32	0	2
		7,009.6										
Subtotal		7,009.6	3,300.2	256.9	3,251.2	42.3	159.0	0.0	0.0	32	0	2
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Adjustment for account code changes												
	LIT	0.0	0.0	-38.0	23.1	78.9	-64.0	0.0	0.0	0	0	0
The Department of Administration, Division of Finance has updated the statewide accounting code structure in FY2005. Small equipment purchases for less than \$5,000 are now being accounted for as commodities rather than capital outlay. Honoraria for board members is being accounted for in the contractual services line rather than travel. Subscriptions are being accounted for as commodities rather than contractual services.												
Subtotal		7,009.6	3,300.2	218.9	3,274.3	121.2	95.0	0.0	0.0	32	0	2
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Personal Services Increment												
1105 PFund Rcpt	Inc	160.0	160.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		160.0										
Personal services increment to fund adjustments made to the Executive Director's and certain investment officer's salaries to keep them competitive with the market. Also funds merit increases for staff.												
Adjustment to reflect spending plan												
1105 PFund Rcpt	Inc	263.1	0.0	53.7	217.4	-8.0	0.0	0.0	0.0	0	0	0
		263.1										
Travel -- (\$53.7) increment to allow for more staff due diligence travel to external asset managers, bank custodian, and Fund properties. This increment will also support staff specialized training and travel for educating the public on Fund issues.												
Contractual -- (\$217.4) increment. APFC anticipates additional professional services costs associated with a new real estate policy resulting in increase acquisition activity. The increment also is for increased expenditure on educating and informing the public on Fund issues and for additional pass-through charges for central state services.												
Commodities -- (\$-8.0) decrement to reflect FY2006 spending plan.												
FY06 Cost Increases for Bargaining Units and Non-Covered Employees												
1105 PFund Rcpt	SalAdj	28.9	28.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		28.9										

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: APFC Operations (109)
RDU: Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Health insurance and wage increases applicable to this component.												
Adjustments for Personal Services Working Reserve Rates and SBS												
	SalAdj	10.1	10.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		10.1										
This reflects the cost changes due to the new FY 06 personal services working reserve rates and new SBS wage base maximum:												
Leave cash-in rates vary by department												
Terminal leave rate changed from 1.30% in FY 05 to 1.89% for FY 06												
Unemployment rate changed from 0.73% in FY 05 to 0.86% for FY 06												
SBS wage base maximum increased from \$89,200 or \$5,468/year in FY 05 to \$91,100 and \$5,584, respectively, for FY 06.												
Subtotal		7,471.7	3,499.2	272.6	3,491.7	113.2	95.0	0.0	0.0	32	0	2
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Totals		7,471.7	3,499.2	272.6	3,491.7	113.2	95.0	0.0	0.0	32	0	2

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: APFC Custody and Management Fees (2310)
RDU: Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2005 Conference Committee To FY2005 Authorized *****												
Conference Committee												
	ConfCom	41,430.0	0.0	0.0	41,430.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		41,430.0										
Subtotal		41,430.0	0.0	0.0	41,430.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Authorized To FY2005 Management Plan *****												
Subtotal		41,430.0	0.0	0.0	41,430.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2005 Management Plan To FY2006 Governor *****												
Increased Manager Fees												
	Inc	1,500.0	0.0	0.0	1,500.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		1,500.0										
Manager fees are based on the value of assets under management. As the Fund grows the manager fees increase. This increment is based on a median case growth assumption provided by our consultant.												
Subtotal		42,930.0	0.0	0.0	42,930.0	0.0	0.0	0.0	0.0	0	0	0
***** Changes From FY2006 Governor To FY2006 Governor Amended *****												
Increase in Investment Management Fees												
	Inc	6,500.0	0.0	0.0	6,500.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		6,500.0										
Manager fees are calculated based on the market value of assets under management. The FY2006 budget projection for this RDU was prepared utilizing median return assumptions provided by our external consultant. The first 6-months return for FY2005 has exceeded our budgetary return assumptions which will carry forward and create an understatement in our estimate of the beginning FY2006 market value. Additionally, the Corporation has funded higher cost asset classes from asset classes with lower fee structures which also contributes to this request for an additional appropriation.												
Mission and Measures: Integral to the achievement of our mission to maximize the value of the Permanent Fund within return objectives.												
Totals		49,430.0	0.0	0.0	49,430.0	0.0	0.0	0.0	0.0	0	0	0