

**AP/AL:** Appropriation      **Project Type:** Information Systems  
**Category:** General Government  
**Location:** Statewide      **Contact:** Grey Mitchell  
**House District:** Statewide (HD 1-40)      **Contact Phone:** (907)465-4855  
**Estimated Project Dates:** 07/01/2008 - 06/30/2009

**Brief Summary and Statement of Need:**

Chapter 111, SLA 2003 (CSHB 155), required the Department to have a secure on-line system available for filing certified payrolls by 7/1/04. Initial funding for the project was provided in FY2007 and as the project evolved additional programming needs developed to improve the system. Use of the system is voluntary and contractors may be less inclined to use the system without these improvements. The enhancement will improve user satisfaction by allowing for electronic fee payment and filing of Notices of Work and Completion and is expected to increase the number of contractors who will use the system. This system assists the department's mission to advance opportunities for employment by resident hire enforcement.

<b>Funding:</b>	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Total
Gen Fund	\$160,700						\$160,700
<b>Total:</b>	\$160,700	\$0	\$0	\$0	\$0	\$0	\$160,700

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	160,700	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>160,700</b>	<b>0</b>

**Additional Information / Prior Funding History:**

The project to develop the base system received \$228.0 of General Fund in FY2007.

**Project Description/Justification:**

Information Technology Capital Project Review Form FY2009

1. Has this project been previously approved?

This is an enhancement of a capital project approved in FY2007.

2. What is the purpose of the project?

Contractors working on public construction projects in Alaska are required to file biweekly payroll reports with the Division of Labor Standards and Safety. The primary purpose of this filing requirement is to ensure compliance with Alaska's resident hire and prevailing wage laws. This project will enhance the Certified Payroll system to enable contractors to file Notices of Work and

Completion and pay fees on-line via a secure connection, this will increase efficiency and reduce costs for contractors working on public construction projects. These improvements will save the department time as well.

Project cost:	Capital:			Annual O&M costs or savings
	Prior Years	FY 2007	FY 2008	
General Funds		228,000	160,700	
General Fund Match				
General Fund Program Receipts				
I/A Receipts (dept. and fund source)				
Other Funds (name and fund number)				
Federal Funds				
Total		228,000	160,700	

3. Is this a new systems development project? No.

Upgrade or enhancement to existing department capabilities? Yes.

4. Specifically, what hardware, software, consulting services, or other items will be purchased with this expenditure? (Include a line item breakdown.)

Program development will include contractual expenditures for: Planning \$4,820; Requirements Definition \$43,440; System Design \$23,070; Programming \$34,000; Testing \$16,720; and Deployment \$38,650.

5. How will service to the public measurably improve if this project is funded?

The system will improve customer service to Alaska contractors through increased accessibility outside traditional business hours and by providing a more cost effective and efficient alternative filing method.

6. Does project affect the way in which other public agencies will conduct their business?

In addition to the primary purpose of this project, the Department's Field Tax Office in the Employment Security Division will have the ability to identify specific employers and wages paid to individual employees for tax verification and calculation purposes. The Research and Analysis section in the Administrative Services Division will be able to capture wage, gender and location statistics on public construction projects for data analysis and reporting. And these divisions will also realize a higher quality of data collected due to on-line validation. The Child Support

Enforcement Division in the Department of Revenue will also more easily access the electronic certified payroll data for enforcement efforts.

7. What are the potential out-year cost implications if this project is approved?

There are no significant operating cost implications if this project is approved.

8. What will happen if the project is not approved?

If it is not approved, contractors may not want to use the on-line certified payroll filing system which negates the purpose of the system and would impose additional workload on existing staff to effectively monitor and report on Resident Hire and Apprentice Utilization. Existing staff may not be able to absorb the increase or would do so to the detriment of other duties.