

**Department of Natural Resources**

**Component:** Commissioner's Office (423)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	1,221.1	1,047.4	123.2	33.8	16.7	0.0	0.0	0.0	9	0	0
1004 Gen Fund		1,117.0										
1007 I/A Rcpts		104.1										
<b>Subtotal</b>		<b>1,221.1</b>	<b>1,047.4</b>	<b>123.2</b>	<b>33.8</b>	<b>16.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>1,221.1</b>	<b>1,047.4</b>	<b>123.2</b>	<b>33.8</b>	<b>16.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Marketing of Statewide Resource Development Initiatives and Support for Existing Staff levels</b>												
	Inc	150.0	100.0	0.0	50.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		150.0										
Support the ramp-up of an aggressive marketing and outreach campaign to support resource development initiatives statewide, and to engage with federal partners to improve access issues for Alaskans plus funding to maintain existing staff levels will support resource development initiatives across the state.												
Examples of the increased activities to support resource development initiatives and engage with federal partners include:												
- Sponsor more conferences, networking events, road shows and seminars to showcase our resource potential such as the Strategic and Critical Minerals conference DNR organized and sponsored in Fairbanks in September 2011.												
- Purchase worldwide advertising to encourage investment in oil and gas exploration in publications such as the "Oil and Gas Investor".												
- Produce high-quality promotional materials, such as brochures, posters and display banners to support our marketing efforts featuring resource development.												
- Support regular trips to Washington DC to testify before congress and to meet with congressmen and senior Obama administration officials to discuss Alaska resource development and access issues - these trips are made at the request of the Governor.												
- Support regular trips to Houston, Calgary and other locations to meet with energy companies to attract investment in Alaska.												
With the significant efforts underway to market Alaska's natural resources the office is now fully staffed, and requires additional general fund to cover the salary costs. This request, in addition to a second change record reallocating some vacancy savings from other components will fully fund this office.												
<b>Inter-agency Receipts to to Cover Personal Services Shortfall</b>												
	Inc	30.1	30.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		30.1										

**Department of Natural Resources**

**Component:** Commissioner's Office (423)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Inter-agency receipts from the Public Information Office will be utilized towards funding for the Communications Coordinator position.												
<b>Transfer in Savings from Agency-wide Position Deletions</b>												
	Trin	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		100.0										

In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.

The department deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.

Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:

- Commissioner's Office \$100.0
- Administrative Services \$125.0
- Information Resource Management \$269.2
- Citizens' Advisory Commission on Federal Areas \$13.0
- Parks Management & Access \$80.0
- Gas Pipeline Project Office (\$223.4)
- Petroleum Systems Integrity Office (\$281.2)
- Forest Management & Development (\$82.6)

**FY2013 Salary Increases**

	SalAdj	18.8	18.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		16.7										
1007 I/A Rcpts		2.1										

FY2013 Salary Increases: \$18.8

**FY2013 Health Insurance Increases**

	SalAdj	7.4	7.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		6.5										
1007 I/A Rcpts		0.9										

FY2013 Health Insurance Increases: \$7.4

**Department of Natural Resources**

**Component:** Commissioner's Office (423)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Totals	1,527.4	1,303.7	123.2	83.8	16.7	0.0	0.0	0.0	9	0	0

**Department of Natural Resources**

**Component:** Administrative Services (424)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	2,750.3	2,565.4	11.4	142.6	30.9	0.0	0.0	0.0	29	0	0
1004 Gen Fund		1,587.7										
1007 I/A Rcpts		900.3										
1153 State Land		262.3										
<b>Subtotal</b>		<b>2,750.3</b>	<b>2,565.4</b>	<b>11.4</b>	<b>142.6</b>	<b>30.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>29</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>2,750.3</b>	<b>2,565.4</b>	<b>11.4</b>	<b>142.6</b>	<b>30.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>29</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer in Savings from Agency-wide Position Deletions</b>												
	Trin	125.0	125.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		125.0										

In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.

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Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:

- Commissioner's Office \$100.0
- Administrative Services \$125.0
- Information Resource Management \$269.2
- Citizens' Advisory Commission on Federal Areas \$13.0
- Parks Management & Access \$80.0
- Gas Pipeline Project Office (\$223.4)
- Petroleum Systems Integrity Office (\$281.2)
- Forest Management & Development (\$82.6)

**Align Authority to Adjust to Anticipated Spending Plan**

**Department of Natural Resources**

**Component:** Administrative Services (424)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	LIT	0.0	0.0	5.6	-5.6	0.0	0.0	0.0	0.0	0	0	0
Adjust travel and contractual services authorization to align with projected expenditures and historical spending patterns.												
<b>FY2013 Salary Increases</b>												
	SalAdj	75.2	75.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		42.9										
1007 I/A Rcpts		24.8										
1153 State Land		7.5										
FY2013 Salary Increases: \$75.2												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	27.0	27.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		15.4										
1007 I/A Rcpts		8.9										
1153 State Land		2.7										
FY2013 Health Insurance Increases: \$27.0												
<b>Totals</b>		<b>2,977.5</b>	<b>2,792.6</b>	<b>17.0</b>	<b>137.0</b>	<b>30.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>29</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Information Resource Management (427)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	4,462.0	3,974.0	8.2	366.9	112.9	0.0	0.0	0.0	37	0	8
1004 Gen Fund		2,652.7										
1007 I/A Rcpts		621.8										
1055 IA/OIL HAZ		29.4										
1061 CIP Rcpts		949.1										
1108 Stat Desig		5.1										
1153 State Land		203.9										
<b>Subtotal</b>		<b>4,462.0</b>	<b>3,974.0</b>	<b>8.2</b>	<b>366.9</b>	<b>112.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>37</b>	<b>0</b>	<b>8</b>

***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5032 Transfer funds from Interdepartmental Chargebacks to Information Resource Management for software licenses</b>												
	Trin	56.5	0.0	0.0	56.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		56.5										

Authority is transferred for software licensing and maintenance from the Interdepartmental Chargeback component to the Information Resources Management component, where the licensing and maintenance are managed.

Expenditure Account Detail:

- 73152 - IT Consulting = 5.0
- 73154 - Software Licensing = 26.0
- 73155 - Software Maintenance = 25.5

<b>Subtotal</b>		<b>4,518.5</b>	<b>3,974.0</b>	<b>8.2</b>	<b>423.4</b>	<b>112.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>37</b>	<b>0</b>	<b>8</b>
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***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer in Savings from Agency-wide Position Deletions</b>												
	Trin	269.2	269.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		269.2										

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**Department of Natural Resources**

**Component:** Information Resource Management (427)  
**RDU:** Administration and Support (600)

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

departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:

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- Administrative Services \$125.0
- Information Resource Management \$269.2
- Citizens' Advisory Commission on Federal Areas \$13.0
- Parks Management & Access \$80.0
- Gas Pipeline Project Office (\$223.4)
- Petroleum Systems Integrity Office (\$281.2)
- Forest Management & Development (\$82.6)

**Inter-Agency/Oil & Hazardous Waste Funding Change**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1055 IA/OIL HAZ		-30.1										
1061 CIP Rcpts		30.1										

This request replaces Inter-Agency/Oil & Hazardous Waste receipts with capital improvement project receipts to align with anticipated project expenditures. There are no projects from Inter-Agency/Oil & Hazardous Waste funding projected in FY2013.

**FY2013 Salary Increases**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	SalAdj	71.8	71.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		45.8										
1007 I/A Rcpts		8.2										
1055 IA/OIL HAZ		0.5										
1061 CIP Rcpts		15.0										
1108 Stat Desig		0.1										
1153 State Land		2.2										

FY2013 Salary Increases: \$71.8

**FY2013 Health Insurance Increases**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	SalAdj	37.1	37.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		22.9										
1007 I/A Rcpts		3.8										
1055 IA/OIL HAZ		0.2										
1061 CIP Rcpts		9.1										
1153 State Land		1.1										

FY2013 Health Insurance Increases: \$37.1

**Department of Natural Resources**

**Component:** Information Resource Management (427)

**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Totals	4,896.6	4,352.1	8.2	423.4	112.9	0.0	0.0	0.0	37	0	8

**Department of Natural Resources**

**Component:** State Pipeline Coordinator's Office (1191)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
ConfCom		7,789.2	2,741.8	240.2	4,698.1	109.1	0.0	0.0	0.0	25	0	6
1002 Fed Rcpts		276.7										
1005 GF/Prgm		478.9										
1007 I/A Rcpts		153.9										
1108 Stat Desig		6,879.7										
<b>Subtotal</b>		<b>7,789.2</b>	<b>2,741.8</b>	<b>240.2</b>	<b>4,698.1</b>	<b>109.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>25</b>	<b>0</b>	<b>6</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5031, Adjust line items to support operational costs of an engineer in Fairbanks</b>												
LIT		0.0	-12.0	0.0	12.0	0.0	0.0	0.0	0.0	0	0	0
<p>The State Pipeline Coordinator's Office (SPCO) hired a technical engineer to oversee pipeline systems on the north slope of the State. It was expedient to base this engineer out of Fairbanks rather than the SPCO Anchorage office given that all of his work is north of that area. This line item transfer moves excess authorization from personal services to contractual to support the operational expenses, such as telecommunications, various equipment and service costs associated with placing a staff member in Fairbanks. There is currently no lease costs involved with this office set-up due to the fact that the engineer is located within a Bureau of Land Management (BLM) office in Fairbanks. The BLM is joint services partner of SPCO.</p>												
<p>After adjusting staffing to reflect workload, personal services authorization exceeds the anticipated level needed for the year, allowing for this transfer.</p>												
<b>Subtotal</b>		<b>7,789.2</b>	<b>2,729.8</b>	<b>240.2</b>	<b>4,710.1</b>	<b>109.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>25</b>	<b>0</b>	<b>6</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long-Term Vacant Positions</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
<p>Position(s) that have been vacant for a year are being deleted.                      This transaction is for: 10-0159 (FT)</p>												
<b>Align Authority to Adjust to Anticipated Spending Plan</b>												
LIT		0.0	-12.8	0.0	12.8	0.0	0.0	0.0	0.0	0	0	0
<p>Adjust personal services and services authorization to align with projected expenditures.</p>												
<b>FY2013 Salary Increases</b>												
SalAdj		47.1	47.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		4.1										
1007 I/A Rcpts		0.8										
1108 Stat Desig		42.2										

FY2013 Salary Increases: \$47.1

**Department of Natural Resources**

**Component:** State Pipeline Coordinator's Office (1191)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	23.4	23.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		1.9										
1007 I/A Rcpts		0.4										
1108 Stat Desig		21.1										
FY2013 Health Insurance Increases: \$23.4												
<b>Totals</b>		<b>7,859.7</b>	<b>2,787.5</b>	<b>240.2</b>	<b>4,722.9</b>	<b>109.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>24</b>	<b>0</b>	<b>6</b>

**Department of Natural Resources**

**Component:** Gas Pipeline Project Office (2947)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	3,185.8	1,430.4	255.1	1,459.6	40.7	0.0	0.0	0.0	9	0	0
1004 Gen Fund		3,185.8										
<b>ADN 10-2-5000 Gasline Right-of-Way and Application Multi-year approp Sec12 CH14 SLA2009 HB113 P18 L6 lapse 06/30/12</b>												
	CarryFwd	1,284.4	62.3	0.0	1,222.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,284.4										
Original Appropriation \$3,900.0 (\$2,925.0 GF and \$975.0 Perm Fund). AR 37992. Sec24(p) CH159 SLA2004 SB283 lapse 06/30/09												
The appropriation was reappropriated to the Gas Pipeline Implementation Office in SLA2009 to extend the lapse date. AR 37998. New lapse date: 04/19/2009 - 6/30/2012												
<b>Subtotal</b>		<b>4,470.2</b>	<b>1,492.7</b>	<b>255.1</b>	<b>2,681.7</b>	<b>40.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5048 Transfer Personal Services to Services for Gasline Right of Way Work</b>												
	LIT	0.0	-62.3	0.0	62.3	0.0	0.0	0.0	0.0	0	0	0
The remaining work for the Gasline Right of Way project will be done by contract rather than DNR personnel.												
<b>Subtotal</b>		<b>4,470.2</b>	<b>1,430.4</b>	<b>255.1</b>	<b>2,744.0</b>	<b>40.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Gas Pipeline Project Office Contractors and Consultants</b>												
	IncM	1,150.0	0.0	0.0	1,150.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,150.0										
This restores funds that have been one time items and will be used to cover costs associated with fulfilling the state's responsibilities as per the terms of the license agreement with TransCanada Alaska. Maintaining the state's current level of technical understanding and project support is essential to success. These funds would be used to retain outside experts and consultants for continued gas pipeline analysis including acquisition of baseline data, pipeline engineering (practices and analysis) and design, gas treatment plant design, engineering, and operation, cost overruns, enforcement, remedies, and off-ramps for the licensee and state as well as technical licensee reimbursements audit support. Consultants will also provide expertise regarding federal project support including federal loan guarantees and the effects of environmental regulation.												
<b>Gas Pipeline Project Office Staff and Operations</b>												
	IncM	1,290.0	829.7	219.1	231.2	10.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,290.0										
This request restores funding that was previously a one time item, needed to maintain the current staff level and operational costs to adequately support and facilitate the permitting process for the Alaska natural gas pipeline under AS 43.90. Without the current staff level, monitoring of compliance under the Alaska												

**Department of Natural Resources**

**Component:** Gas Pipeline Project Office (2947)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Gasline Inducement Act license as well as facilitation of the complex permitting process will not be possible.												
Travel funds are needed for project coordination, permitting and license monitoring, and to meet monthly with Alaska Pipeline Project representatives in both Calgary, Alberta, Canada, and Houston, Texas. Additionally, close coordination with federal and Canadian agencies will require travel to be successful. Without these funds, we will not be able to meet this demand and the progress of the project will suffer.												
Services funds are needed to cover the costs of leasing office space and inter-agency billings for IT, telecommunications, and mail/courier support. Without these funds, an office cannot be maintained which will leave the staff unable to perform their duties.												
<b>Transfer out Savings from Agency-wide Position Deletions</b>												
	Trout	-223.4	-223.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-223.4										
In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.												
The department deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.												
Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.												
General fund was reallocated as follows: Commissioner's Office \$100.0 Administrative Services \$125.0 Information Resource Management \$269.2 Citizens' Advisory Commission on Federal Areas \$13.0 Parks Management & Access \$80.0 Gas Pipeline Project Office (\$223.4) Petroleum Systems Integrity Office (\$281.2) Forest Management & Development (\$82.6)												
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-Z055 (FT), 10-?185 (FT)												
<b>Reverse AGIA Contractors/Consultants</b>												
	OTI	-1,150.0	0.0	0.0	-1,150.0	0.0	0.0	0.0	0.0	0	0	0

**Department of Natural Resources**

**Component:** Gas Pipeline Project Office (2947)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions			
										PFT	PPT	NP	
1004 Gen Fund		-1,150.0											
This reverses one-time funding in the FY2012 Operating Budget.													
<b>Reverse AGIA Coordinator's Office Staff and Capacity</b>													
	OTI	-1,290.0	-840.5	-208.3	-231.2	-10.0	0.0	0.0	0.0	0	0	0	
1004 Gen Fund		-1,290.0											
This reverses one-time funding in the FY2012 Operating Budget.													
<b>Reverse Gasline Right-of-Way and Application Multi-year approp Sec12 CH14 SLA2009 HB113 P18 L6 lapse 06/30/12</b>													
	OTI	-1,284.4	-62.3	0.0	-1,222.1	0.0	0.0	0.0	0.0	0	0	0	
1004 Gen Fund		-1,284.4											
Original Appropriation \$3,900.0 (\$2,925.0 GF and \$975.0 Perm Fund). AR 37992. Sec24(p) CH159 SLA2004 SB283 lapse 06/30/09													
The appropriation was reappropriated to the Gas Pipeline Implementation Office in SLA2009 to extend the lapse date. AR 37998. New lapse date: 04/19/2009 - 6/30/2012													
<b>FY2013 Salary Increases</b>													
	SalAdj	21.6	21.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	
1004 Gen Fund		21.6											
FY2013 Salary Increases: \$21.6													
<b>FY2013 Health Insurance Increases</b>													
	SalAdj	6.8	6.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	
1004 Gen Fund		6.8											
FY2013 Health Insurance Increases: \$6.8													
<b>Totals</b>		<b>2,990.8</b>	<b>1,162.3</b>	<b>265.9</b>	<b>1,521.9</b>	<b>40.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7</b>	<b>0</b>	<b>0</b>	

**Department of Natural Resources**

**Component:** Interdepartmental Chargebacks (2998)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	1,836.1	0.0	0.0	1,836.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,458.3										
1007 I/A Rcpts		377.7										
1061 CIP Rcpts		0.1										
<b>ETS/HR Chargeback Transfer from Department of Administration</b>												
	Atrin	60.2	0.0	0.0	60.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		60.2										
<p>Pursuant to Section 1, Chapter 3, FSSLA 2011, page 2, lines 22 - 25, \$1,328,200 is distributed to state departments and agencies in order to pay service costs charged by the Department of Administration in FY2012, primarily for Personnel and Enterprise Technology Services.</p> <p>The amounts transferred to state agencies are as follows:            Administration (non-ETS): 94.4            Administration (internal): 291.2            Commerce: 30.3            Corrections: 70.2            Education: 25.6            Environmental Conservation: 32.5            Fish and Game: 82.6            Office of the Governor: 6.1            Health and Social Services: 210.4            Labor: 74.1            Law: 33.6            Military and Veterans Affairs: 15.9            Natural Resources: 60.2            Public Safety: 59.6            Revenue: 50.7            Transportation: 178.6            Legislature: 11.9            Court System: .3</p>												
<b>Subtotal</b>		<b>1,896.3</b>	<b>0.0</b>	<b>0.0</b>	<b>1,896.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5032 Transfer funds from Interdepartmental Chargebacks to Information Resource Management for software licenses</b>												
	Trout	-56.5	0.0	0.0	-56.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-56.5										

Authority is transferred for software licensing and maintenance from the Interdepartmental Chargeback component to the Information Resources Management

**Department of Natural Resources**

**Component:** Interdepartmental Chargebacks (2998)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
component, where the licensing and maintenance are managed.												
Expenditure Account Detail: 73152 - IT Consulting = 5.0 73154 - Software Licensing = 26.0 73155 - Software Maintenance = 25.5												
	<b>Subtotal</b>	<b>1,839.8</b>	<b>0.0</b>	<b>0.0</b>	<b>1,839.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Unnecessary Authorization</b>												
	Dec	-0.1	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		-0.1										
This is a technical adjustment to eliminate unnecessary authorization.												
	<b>Totals</b>	<b>1,839.7</b>	<b>0.0</b>	<b>0.0</b>	<b>1,839.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Facilities (2999)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	3,102.0	0.0	0.0	3,102.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2,802.0										
1007 I/A Rcpts		300.0										
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	Atrin	7.0	0.0	0.0	7.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		7.0										
Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.												
The amounts transferred to state agencies are as follows: Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.												
<b>Subtotal</b>		<b>3,109.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,109.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>3,109.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,109.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	OTI	-7.0	0.0	0.0	-7.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-7.0										
Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.												
The amounts transferred to state agencies are as follows: Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.												
<b>Totals</b>		<b>3,102.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,102.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Citizen's Advisory Commission on Federal Areas (2225)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
1004 Gen Fund	ConfCom	263.3	199.8	31.6	27.9	4.0	0.0	0.0	0.0	1	1	0
		263.3										
<b>Subtotal</b>		<b>263.3</b>	<b>199.8</b>	<b>31.6</b>	<b>27.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>1</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5030, Increase funding to change PCN 10-0434 from 9.2 months to 10.5 months</b>												
	LIT	0.0	9.0	0.0	-9.0	0.0	0.0	0.0	0.0	0	0	0
The Commission requests that the Natural Resource Specialist II position, PCN 10-0434, currently funded at 9.2 months, be increased to 10.5 months due to increased work load. Authority is available due to more teleconference meetings.												
<b>Subtotal</b>		<b>263.3</b>	<b>208.8</b>	<b>31.6</b>	<b>18.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>1</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer in Savings from Agency-wide Position Deletions</b>												
1004 Gen Fund	Trin	13.0	13.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.

The department deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.

Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:

- Commissioner's Office \$100.0
- Administrative Services \$125.0
- Information Resource Management \$269.2
- Citizens' Advisory Commission on Federal Areas \$13.0
- Parks Management & Access \$80.0
- Gas Pipeline Project Office (\$223.4)
- Petroleum Systems Integrity Office (\$281.2)

**Department of Natural Resources**

**Component:** Citizen's Advisory Commission on Federal Areas (2225)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Forest Management & Development (\$82.6)												
<b>FY2013 Salary Increases</b>												
	SalAdj	3.8	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		3.8										
FY2013 Salary Increases: \$3.8												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1.8										
FY2013 Health Insurance Increases: \$1.8												
<b>Totals</b>		<b>281.9</b>	<b>227.4</b>	<b>31.6</b>	<b>18.9</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>1</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Office of Project Management & Permitting (2733)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
ConfCom		4,223.9	1,532.1	68.3	2,603.1	20.4	0.0	0.0	0.0	12	0	1
1002 Fed Rcpts		254.9										
1004 Gen Fund		241.1										
1007 I/A Rcpts		126.2										
1055 IA/OIL HAZ		12.2										
1061 CIP Rcpts		37.3										
1108 Stat Desig		2,991.5										
1153 State Land		560.7										
<b>Subtotal</b>		<b>4,223.9</b>	<b>1,532.1</b>	<b>68.3</b>	<b>2,603.1</b>	<b>20.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12</b>	<b>0</b>	<b>1</b>

\*\*\*\*\* Changes From FY2012 Authorized To FY2012 Management Plan \*\*\*\*\*

**ADN 10-2-5010, Positions ( PCN 10-T026 and 10-3507) for Coastal Impact Assistance Program (CIAP) administration**

PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
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The existing Project Coordinator and Grants Administrator positions for the Coastal Impact Assistance Program (CIAP) were moved to Office of Project Management & Permitting when the Division of Coastal and Ocean Management was terminated on June 30, 2011.

**ADN 10-2-5005, Transfer Federal Authority from the EVOS Trustee Council component for restoration work**

Trin		10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0	0	0
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1002 Fed Rcpts 10.0

Federal authority previously budgeted in the EVOS Trustees Council Project component is transferred to the Office of Project Management and Permitting component to facilitate continued efforts to clean up and restore habitat damaged by the Selendang Ayu ship wreck.

**ADN 10-2-5040, Reclassify PCN 10-3507 to Grants Administrator III, Range 19**

PosRecl		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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The Grants Administrator I Position for the Coastal Impact Assistance Program (CIAP) was created in 2010. The position was originally reporting to the Administrative Officer I with oversight by the Division's Grants Administrator II (GA II) position. As the CIAP evolved and developed into a more challenging and complex program, it became apparent that a more skilled and technically proficient skill set was needed to handle the grant management responsibilities and objectives of the CIAP. On the Federal side, the CIAP is currently administered by the Bureau of Ocean, Energy, Regulation and Enforcement (BOEMRE) and on October 1, 2011 the CIAP will be transferred to the US Fish and Wildlife Service (USFWS).

The request for the reclass of PCN 10-3507 was generated by the following factors:

- Reassessment of the degree of difficulty of required work and the increased responsibilities of the position
- Increased independent action required of the position
- Greater technical knowledge and skill required of the position
- Elimination of the Division of Coastal and Ocean Management resulting in the elimination of PCN 10-3513 Grants Administrator II and PCN 10-3095 Administrative Officer I. Work is no longer reviewed by either PCN for accuracy or content.
- Increased responsibilities anticipated by the transfer of CIAP from BOMERE to USFWS. Including:

**Department of Natural Resources**

**Component:** Office of Project Management & Permitting (2733)  
**RDU:** Administration and Support (600)

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

- Assist in the development, revision and implementation of new rules and procedures affecting the transition.
- Additional functions to include entering data into a federal review system.
- Assist in the creation and production of an informational newsletter
- Assist in the creation and production of information for website updates and additional printed materials.

The CIAP program is unique to Alaska and requires the incumbent to find solutions to problems or issues for which no existing solutions exist.

<b>Subtotal</b>	<b>4,233.9</b>	<b>1,532.1</b>	<b>68.3</b>	<b>2,613.1</b>	<b>20.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>14</b>	<b>0</b>	<b>1</b>
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\*\*\*\*\* **Changes From FY2012 Management Plan To FY2013 Governor** \*\*\*\*\*

**Authorization to Accommodate Existing Projects**

IncM	2,000.0	0.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig	2,000.0										

The Office of Project Management and Permitting (OPMP) has a growing number of new and existing projects being coordinated through the office. OPMP received approval of an RPL request from Legislative Budget and Audit to increase SDPR authority in the amount of \$950.0 in FY2012 due to a growing inventory of projects under coordination. This increment will allow OPMP to coordinate additional permitting activities of large development projects and fund the contract for Health Impact Assessments required on a number of these projects into FY2013. Funding of those projects are reimbursed by the project applicants and operators of large projects.

**Tongass Coordination (25% of Large Project Coordinator)**

Inc	37.5	33.5	1.0	3.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	37.5										

The Juneau-based Office of Project Management and Permitting (OPMP) Large Project Coordinator serves as the lead for the state's Tongass Management Team, which reviews and comments upon large project proposals (e.g., Timber Sales) and land management issues for the Tongass National Forest. This position coordinates the engagement of the interagency representatives to that team. Because OPMP's Large Project Coordinators are typically funded by private sector applicants, a separate source of state funding is required to cover this function, which is anticipated to take 25% of this position's time.

**Project Coordinator for Susitna Hydro (IA) and Federal Resource Policy (UGF)**

Inc	150.0	120.0	1.0	28.9	0.1	0.0	0.0	0.0	1	0	0
1004 Gen Fund	75.0										
1007 I/A Rcpts	75.0										

The Alaska Energy Authority (AEA) is seeking Office of Project Management and Permitting's (OPMP) menu of services to coordinate the permitting process of the Susitna-Watana Hydroelectric Project. The proposed project includes a 700-foot high hydroelectric dam, power generators, and several possible access and transmission line corridors. The position is another Large Project Coordinator within OPMP, that will be responsible for the coordination of the various State agencies involved in the permitting process for the Susitna-Watana Hydroelectric Project. Since this position will be devoted to the Susitna-Watana Hydroelectric Project, the majority of its funding will be through an RSA with AEA.

**Coastal Impact Assistance Program (CIAP) Administration**

**Department of Natural Resources**

**Component:** Office of Project Management & Permitting (2733)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	IncM	210.0	210.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		210.0										

Two existing positions, PCN 10-T026 and PCN 10-3507, were under the Division of Coastal and Ocean Management to provide administration of the federally-funded CIAP. The positions and CIP funding were deleted in the FY2012 budget with the loss of the division, and the two positions were transferred to the Office of Project Management & Permitting and added to the FY2012 Management Plan - this transaction provides the CIP receipts for operations.

**Land Disposal Income Fund (LDIF) Unsustainable for Future Operating Costs**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		571.0										
1153 State Land		-571.0										

Projections show that the LDIF will not be able to sustain the amount of budget appropriations against it beyond FY2012. An analysis of the sources and uses of funds show the complete unsustainability of the fund beyond FY2012 due to uncollectible land sale contracts and levels of use of the funds. The Department is taking steps to mitigate this depletion such as delaying capital projects that use the LDIF, using other fund sources and replacing LDIF with general funds.

The department recommends removing the LDIF appropriations and replacing them with general fund, leaving LDIF appropriations only in the Division of Mining, Land and water, Agriculture, Administrative Services, Information Resource Management, and the Public Information Center. This would ensure the sustainability of the fund for at least another year or two, depending on future sales and contracts. These appropriations are doing general funded work and are eligible for the fund switch.

**FY2013 Salary Increases**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	SalAdj	24.0	24.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		1.7										
1004 Gen Fund		0.6										
1007 I/A Rcpts		1.2										
1055 IA/OIL HAZ		0.2										
1061 CIP Rcpts		2.8										
1108 Stat Desig		10.5										
1153 State Land		7.0										

FY2013 Salary Increases: \$24.0

**FY2013 Health Insurance Increases**

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
	SalAdj	11.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.8										
1004 Gen Fund		0.2										
1007 I/A Rcpts		0.5										
1055 IA/OIL HAZ		0.1										
1061 CIP Rcpts		2.1										
1108 Stat Desig		4.0										
1153 State Land		3.3										

**Department of Natural Resources**

**Component:** Office of Project Management & Permitting (2733)

**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
FY2013 Health Insurance Increases: \$11.0												
	<b>Totals</b>	<b>6,666.4</b>	<b>1,930.6</b>	<b>70.3</b>	<b>4,645.0</b>	<b>20.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>15</b>	<b>0</b>	<b>1</b>

**Department of Natural Resources**

**Component:** Recorder's Office/Uniform Commercial Code (802)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	4,901.1	3,880.4	14.4	877.3	119.0	10.0	0.0	0.0	48	6	2
1005 GF/Prgm		4,789.1										
1061 CIP Rcpts		112.0										
<b>Subtotal</b>		<b>4,901.1</b>	<b>3,880.4</b>	<b>14.4</b>	<b>877.3</b>	<b>119.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>48</b>	<b>6</b>	<b>2</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>4,901.1</b>	<b>3,880.4</b>	<b>14.4</b>	<b>877.3</b>	<b>119.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>48</b>	<b>6</b>	<b>2</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	-1	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-0372 (PT), 10-0088 (FT)												
<b>FY2013 Salary Increases</b>												
	SalAdj	74.2	74.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		72.9										
1061 CIP Rcpts		1.3										
FY2013 Salary Increases: \$74.2												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	50.4	50.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		49.0										
1061 CIP Rcpts		1.4										
FY2013 Health Insurance Increases: \$50.4												
<b>Totals</b>		<b>5,025.7</b>	<b>4,005.0</b>	<b>14.4</b>	<b>877.3</b>	<b>119.0</b>	<b>10.0</b>	<b>0.0</b>	<b>0.0</b>	<b>47</b>	<b>5</b>	<b>2</b>

**Department of Natural Resources**

**Component:** Conservation & Development Board (2633)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
1004 Gen Fund	ConfCom	114.7	0.0	13.7	99.8	1.2	0.0	0.0	0.0	0	0	0
		114.7										
<b>Subtotal</b>		<b>114.7</b>	<b>0.0</b>	<b>13.7</b>	<b>99.8</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5033, Adjust authorization to support the management of the Conservation and Development Board</b>												
	LIT	0.0	39.5	0.0	-39.5	0.0	0.0	0.0	0.0	0	0	0
This line item transfer moves authorization from services to personal services to allow for direct charging of payroll for hours of work associated with support of the Natural Resource Conservation and Development Board (NRCDB). This component does not have a dedicated position; support is provided by other positions as time allows. During this Management Plan, a split of the Gas Pipeline Coordinators Office- Project Assistant position was done to allow for 4 months of staff time to support the NRCDB, with 8 months posted in GPI and 4 months posted in NRCDB. The funding used to support this position was through an RSA.												
<b>Subtotal</b>		<b>114.7</b>	<b>39.5</b>	<b>13.7</b>	<b>60.3</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>FY2013 Salary Increases</b>												
1004 Gen Fund	SalAdj	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.7										
FY2013 Salary Increases: \$0.7												
<b>FY2013 Health Insurance Increases</b>												
1004 Gen Fund	SalAdj	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		0.3										
FY2013 Health Insurance Increases: \$0.3												
<b>Totals</b>		<b>115.7</b>	<b>40.5</b>	<b>13.7</b>	<b>60.3</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Public Information Center (2441)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	539.7	482.1	5.0	26.4	26.2	0.0	0.0	0.0	6	0	0
1005 GF/Prgm		20.0										
1007 I/A Rcpts		444.9										
1153 State Land		74.8										
<b>Subtotal</b>		<b>539.7</b>	<b>482.1</b>	<b>5.0</b>	<b>26.4</b>	<b>26.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>539.7</b>	<b>482.1</b>	<b>5.0</b>	<b>26.4</b>	<b>26.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long Term Vacant Position</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-1063 (FT)												
<b>Align Authority to Support an RSA to the Commissioner's Office</b>												
	LIT	0.0	-108.4	0.0	108.4	0.0	0.0	0.0	0.0	0	0	0
As a result of deleting vacant position 10-1063, excess personal services authorization (interagency receipts) is moved to the services line. This authorization will be utilized to fund an RSA with the Commissioner's Office in support of the Communications Coordinator position.												
<b>FY2013 Salary Increases</b>												
	SalAdj	8.0	8.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		7.4										
1153 State Land		0.6										
FY2013 Salary Increases: \$8.0												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	5.9	5.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		5.4										
1153 State Land		0.5										
FY2013 Health Insurance Increases: \$5.9												
<b>Totals</b>		<b>553.6</b>	<b>387.6</b>	<b>5.0</b>	<b>134.8</b>	<b>26.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** EVOS Trustee Council Projects (1199)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	444.5	54.9	5.0	379.6	5.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		10.0										
1018 EVOSS		434.5										
<b>Subtotal</b>		<b>444.5</b>	<b>54.9</b>	<b>5.0</b>	<b>379.6</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5005, Transfer Federal Authority to Office of Project Management and Permitting for Restoration Work</b>												
	Trout	-10.0	0.0	0.0	-10.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-10.0										
<b>Subtotal</b>		<b>434.5</b>	<b>54.9</b>	<b>5.0</b>	<b>369.6</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>FY2013 Salary Increases</b>												
	SalAdj	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1018 EVOSS		1.0										
FY2013 Salary Increases: \$1.0												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1018 EVOSS		0.4										
FY2013 Health Insurance Increases: \$0.4												
<b>Totals</b>		<b>435.9</b>	<b>56.3</b>	<b>5.0</b>	<b>369.6</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Mental Health Trust Lands Administration (1635)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	3,279.4	2,429.0	91.0	719.2	40.2	0.0	0.0	0.0	13	0	5
1092 MHTAAR		3,279.4										
<b>Subtotal</b>		<b>3,279.4</b>	<b>2,429.0</b>	<b>91.0</b>	<b>719.2</b>	<b>40.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>13</b>	<b>0</b>	<b>5</b>

***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5011 Adjust PCN's to permanent full-time positions from long term non-perm status.</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3	0	-3

The Trust Land Office (TLO) is requesting that three long-term non-perm positions be changed from long-term non-perm to full-time permanent.

PCN 10-T023 Trust Resource Manager: This position has fulfilled a critical role in creating revenue opportunities in oil and gas, coal, and locatable minerals development. Revenue derived from mineral leases has been in the millions and will continue to grow. The current employee will be vacating the position in February 2012.

PCN 10-T024 Trust Resource Manager: This position has been the real estate expert within the TLO. There is no backup staff for this function. This position is has been tasked with complex real estate development projects such as the "U-Med" district (University/Providence Hospital). This position is responsible for income stream revenue (real estate leases) and principal revenue (land sales). The incumbent will likely be vacating the position in the next year.

PCN 10-T027 Trust Resource Manager: This position will be a senior employee responsible for land management in the entire Southeast region. This vacant position will be recruited as soon as possible, following the change in status to full-time permanent.

These three PCNs are senior management positions and are critical to the success of the Trust Land Office in the areas of Mining, Energy and Oil and Gas; Real Estate and Land Development and Management respectively. Keeping these three positions staffed with highly qualified individuals is critical to the overall success of the TLO mission. Changing these positions to full-time, permanent positions will allow the TLO to recruit individuals with the experience needed to continue to increase revenues earned for the Trust. Keeping these positions non-permanent or allowing them to lapse is not prudent as the TLO would not be adequately staffed to generate millions of dollars in potential revenue.

<b>Subtotal</b>		<b>3,279.4</b>	<b>2,429.0</b>	<b>91.0</b>	<b>719.2</b>	<b>40.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16</b>	<b>0</b>	<b>2</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>MH Trust: Cont - Trust Land Office Admin Budget</b>												
	IncM	3,540.7	2,478.7	91.0	935.0	36.0	0.0	0.0	0.0	0	0	0
1092 MHTAAR		3,540.7										

The FY2013 Operating Budget will continue funding the annual operation costs for the Trust Land Office (TLO). The TLO was established by statute to manage the lands and other non-cash assets of the Alaska Mental Health Trust Authority. Our mission is two-fold: (1) to protect and enhance the value of Alaska Mental Health Trust lands; and (2) to maximize revenues from Trust lands over time. Operation costs include personal services and travel expenses for staff, contractual expenses such as professional services, contracts for janitorial and snow removal, ongoing costs for utilities, postage, advertising, etc., and supplies such as office equipment and general office supplies. The TLO is advised by the Trust Authority Resource Management Committee.

**Department of Natural Resources**

**Component:** Mental Health Trust Lands Administration (1635)  
**RDU:** Administration and Support (600)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
The operating budget provides the core funding for the Trust Land Office.												
<b>Align Authority to Adjust to Anticipated Spending Plan for Due Diligence and Prefeasibility Studies</b>												
	LIT	0.0	-112.0	0.0	112.0	0.0	0.0	0.0	0.0	0	0	0
The Trust Land Office (TLO) requests the transfer of \$112,000 from personal services to contractual services. This line item transfer is needed in order to perform the necessary due diligence and prefeasibility studies for land and real estate development projects. These projects are an essential component of the Five Year Plan.												
Due diligence and prefeasibility studies include surveys, engineering and environmental assessments, inspections, soils and geophysical studies, and utility access assessments. This work is performed through contractors.												
Personal Services authority is available as a result of reclassing PCN 10-T027 (vacant) to a lower range following a restructure of the TLO. Additionally, three positions that are either currently vacant or will become vacant will be filled at a lower salary than previously budgeted.												
If this request is not approved, the TLO will be unable to perform due diligence and prefeasibility studies to the level needed to fully support the real estate and land development that is a critical component of the Five Year Plan.												
<b>Reverse FY2012 Mental Health Trust Recommendation</b>												
	OTI	-3,279.4	-2,429.0	-91.0	-719.2	-40.2	0.0	0.0	0.0	0	0	0
1092 MHTAAR		-3,279.4										
This zero-based adjustment record includes all MHTAAR and/or MHT Admin funding for FY2012 for this component.												
MH Trust: Cont-Grant 129.09 Trust land Office Admin Budget \$2,834.2 Reorganization of the MH Trust Land Office staffing structure to optimize investments \$386.7 salary adjustments \$58.5												
<b>FY2013 Salary Increases</b>												
	SalAdj	43.0	43.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1092 MHTAAR		43.0										
FY2013 Salary Increases: \$43.0												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	17.3	17.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1092 MHTAAR		17.3										
FY2013 Health Insurance Increases: \$17.3												
<b>Totals</b>		<b>3,601.0</b>	<b>2,427.0</b>	<b>91.0</b>	<b>1,047.0</b>	<b>36.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16</b>	<b>0</b>	<b>2</b>

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee - CHAPTER 3 FSSLA 11 Sec. 18(c)</b>												
	ConfCom	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		250.0										
<b>FY2012 Conference Committee</b>												
	ConfCom	15,276.1	12,207.9	243.1	2,439.2	339.0	46.9	0.0	0.0	93	0	4
1002 Fed Rcpts		234.8										
1004 Gen Fund		10,031.1										
1005 GF/Prgm		70.5										
1061 CIP Rcpts		17.2										
1105 PFund Rcpt		3,709.9										
1108 Stat Desig		450.0										
1153 State Land		762.6										
<b>ADN 10-2-5000 CH 41 SLA 10 Sec 19(d) Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)</b>												
	CarryFwd	110.1	0.0	0.0	110.1	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		110.1										

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

Interest earned in FY 11 was \$110.1. CIE will pay an estimated additional \$110.1 into the bond account.

Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.

**ADN 10-2-5001 CH 13 SLA 10 Sec 9(b) HB 326 Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)**

	CarryFwd	132.6	0.0	0.0	132.6	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		132.6										

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<p>The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.</p> <p>The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.</p> <p>DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.</p> <p>Interest earned was expected to be \$132.6 in fiscal year 2010. CIE will pay an estimated additional \$132.6 into the bond account.</p> <p>Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.</p>												
<b>Subtotal</b>		<b>15,768.8</b>	<b>12,207.9</b>	<b>243.1</b>	<b>2,931.9</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>93</b>	<b>0</b>	<b>4</b>

\*\*\*\*\* **Changes From FY2012 Authorized To FY2012 Management Plan** \*\*\*\*\*

**ADN 10-2-5013, Transfer PCN 10-4250 from Petroleum Systems Integrity office to support permitting work in Oil & Gas**

Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
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The Division of Oil & Gas is reallocating a vacant position from the Petroleum Systems Integrity Office (PSIO) to the Oil & Gas component to focus on permitting work, a priority of the Department.

**ADN 10-2-5015, Reclass 10-4122 from Office Assistant to Micro/Network Specialist I**

PosRecl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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The division has seen a significant increase in staff over the past five years. The scale and complexity of the network and computing systems has also increased during the same period, and the division's one Network Specialist can no longer adequately manage the day to day server and local area network infrastructure, support more than 100 users, be prepared to handle unexpected outages due to hardware failure and/or software configuration corruption issues, and work on emerging issues and initiatives.

The division needs to develop more sophisticated data backup solutions that provide off-site data protection, and provide the Resource Evaluation section with a plan for making their "Exploration Incentive Tax" credit data publicly available. Neither of these initiatives is being adequately addressed due to a shortage of staff.

If this reclass is not approved new security initiatives, staff training, server maintenance, data integrity and needed website administration will not occur, and staff productivity and service to the public will decline due to delays in getting technical support with computer and software issues.

**Reclass 10-4209 from Accounting Tech III to Natural Resource Specialist III**

PosRecl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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Due to efficacies created by DOGMA this position is no longer needed in the Royalty section. Over the next six years the Bureau of Ocean Energy Management, Regulation & Enforcement (BOEMRE), needs to complete eight environmental impact statements (EIS's) that will address the impacts of proposed outer continental shelf (OCS) oil and gas leasing and exploration activities in Alaska's offshore waters. DNR has an opportunity to partner with BOEMRE to develop the EIS's thereby ensuring that concerns of Alaskan's are addressed. This position is needed to perform these additional duties that current staffs are unable to

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

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

absorb into their current work load.

<b>Subtotal</b>		<b>15,768.8</b>	<b>12,207.9</b>	<b>243.1</b>	<b>2,931.9</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>94</b>	<b>0</b>	<b>4</b>
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\*\*\*\*\* **Changes From FY2012 Management Plan To FY2013 Governor** \*\*\*\*\*

**North Slope Easement Processing**

Inc	105.0	105.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm	105.0											

The Division of Oil & Gas took over the permitting function for North Slope easements from the Division of Mining, Land and Water several years ago. Over those years the workload has increased, and the revenue generated by these permitting functions averages over \$300.0 per year, most of which goes to the unrestricted general fund. This request would utilize \$105.0 of these fees to pay for the personal services of an existing and vacant position to process the increased easement permit requests and help prevent a backlog situation.

**Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)**

IncM	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn	250.0											

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

Interest earned in FY2011 was \$110.1. CIE will pay an estimated additional \$110.1 into the bond account. \$250.0 is an estimate of interest to be earned on the bond for FY2013.

Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.

**Arbitration of Oil and Gas Royalty Issues**

IncM	300.0	0.0	0.0	300.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	300.0											

There is an ongoing need for outside legal counsel and experts for reopener arbitrations as the state proceeds with renegotiation and arbitration of royalty issues, as well as other activities to optimize state royalty value. Under the terms of several existing royalty settlement agreements with lessees, disputes over

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
royalty valuation can be settled by "reopeners" that are opportunities to resolve these disputes and avoid costly time-consuming litigation. As more and more production of oil and gas comes from leases that are not covered by existing royalty settlement agreements, DNR will face potential disagreements over the interpretation of these "new form" leases and will need to resolve issues that arise in the audit of royalty paid under these new form leases. This request includes an increase of current one-time funding. In part, the department may require funding to establish prospective measures of value to minimize disputes before they arise. This request provides the additional funds that may be expended directly by DNR or that may be RSA'd to the Department of Law to pay for contracts with experts, outside counsel, and litigation expenses if reopener procedures are initiated.												
<b>AGIA Commercial Monitor and Advisor</b>												
	IncOTI	800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		800.0										
The state will secure expert advice from parties familiar with the commercial requirements associated with launching major new gas pipeline projects. This expertise is needed on two fronts. First, as the project and commercial arrangements with shippers mature, the state will need to ensure that any changes to the commercial terms initially proposed in the licensee's AGIA application comply with the license terms. Second, the state will need assistance from those with midstream commercial and financial expertise to develop, support, and maintain the state's position – especially in the context of future possible negotiations with the North Slope producers.												
<b>Land Disposal Income Fund (LDIF) Unsustainable for Future Operating Costs</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		776.1										
1153 State Land		-776.1										
Projections show that the LDIF will not be able to sustain the amount of budget appropriations against it beyond FY2012. An analysis of the sources and uses of funds show the complete unsustainability of the fund beyond FY2012 due to uncollectible land sale contracts and levels of use of the funds. The Department is taking steps to mitigate this depletion such as delaying capital projects that use the LDIF, using other fund sources and replacing LDIF with general funds.												
The department recommends removing the LDIF appropriations and replacing them with general fund, leaving LDIF appropriations only in ML&W, Agriculture, Admin Services, IRM, and the PIC. This would ensure the sustainability of the fund for at least another year or two, depending on future sales and contracts. These appropriations are doing general funded work and are eligible for the fund switch.												
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-4148 (FT), 10-4197 (FT)												
<b>Reverse AGIA Commercial Monitor and Advisor</b>												
	OTI	-800.0	0.0	0.0	-800.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-800.0										
This reverses one-time funding in the FY2012 operating budget.												
<b>Reverse CH13 SLA2010 Sec 9(b) HB 326 Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)</b>												
	OTI	-132.6	0.0	0.0	-132.6	0.0	0.0	0.0	0.0	0	0	0

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

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

1217 NGF Earn		-132.6										
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In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

Interest earned was expected to be \$132.6 in FY2010. CIE will pay an estimated additional \$132.6 into the bond account.

Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.

**Reverse CH41 SLA2010 Sec 19(d) Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)**

	OTI	-110.1	0.0	0.0	-110.1	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		-110.1										

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

Interest earned in FY2011 was \$110.1. CIE will pay an estimated additional \$110.1 into the bond account.

Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.

**Reverse CH3 FSSLA2011 Sec. 18(c) Cook Energy Reclamation Bond Interest**

	OTI	-250.0	0.0	0.0	-250.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		-250.0										

**Department of Natural Resources**

**Component:** Oil & Gas (439)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>Reverse Increase Funding for Arbitration of Oil and Gas Royalty Issues</b>												
	OTI	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-300.0										
This reverses one-time funding in the FY2012 operating budget.												
<b>FY2013 Salary Increases</b>												
	SalAdj	213.7	213.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		4.2										
1004 Gen Fund		134.5										
1005 GF/Prgm		0.9										
1105 PFund Rcpt		63.5										
1153 State Land		10.6										
FY2013 Salary Increases: \$213.7												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	81.7	81.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		2.0										
1004 Gen Fund		52.4										
1005 GF/Prgm		0.2										
1105 PFund Rcpt		24.2										
1153 State Land		2.9										
FY2013 Health Insurance Increases: \$81.7												
<b>Totals</b>		<b>15,926.5</b>	<b>12,608.3</b>	<b>243.1</b>	<b>2,689.2</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>92</b>	<b>0</b>	<b>4</b>

**Department of Natural Resources**

**Component:** Petroleum Systems Integrity Office (2847)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	1,098.4	1,015.0	25.6	48.3	8.5	1.0	0.0	0.0	8	0	0
1004 Gen Fund		1,098.4										
<b>Subtotal</b>		<b>1,098.4</b>	<b>1,015.0</b>	<b>25.6</b>	<b>48.3</b>	<b>8.5</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5013, Transfer PCN10-4250 to Oil &amp; Gas for permitting work.</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
The Division of Oil & Gas is reallocating a vacant position from the Petroleum Systems Integrity Office (PSIO) to the Oil & Gas component to focus on permitting work, a priority of the Department.												
<b>ADN 10-2-5034, Transfer personal service authority to services authority after transferring out PCN 10-4250</b>												
	LIT	0.0	-35.0	0.0	35.0	0.0	0.0	0.0	0.0	0	0	0
In FY2010 the Pipeline Systems Integrity Office (PSIO) transferred PCN 10-4250 was transferred to the Division of Oil and Gas. This \$35.0 transfer will allow PSIO to contract out some of the work this PCN would have done.												
<b>Subtotal</b>		<b>1,098.4</b>	<b>980.0</b>	<b>25.6</b>	<b>83.3</b>	<b>8.5</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer out Savings from Agency-wide Position Deletions</b>												
	Trout	-281.2	-281.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-281.2										

In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.

The department deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.

Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:  
 Commissioner's Office \$100.0  
 Administrative Services \$125.0

**Department of Natural Resources**

**Component:** Petroleum Systems Integrity Office (2847)  
**RDU:** Oil and Gas (601)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Information Resource Management		\$269.2										
Citizens' Advisory Commission on Federal Areas		\$13.0										
Parks Management & Access		\$80.0										
Gas Pipeline Project Office		(\$223.4)										
Petroleum Systems Integrity Office		(\$281.2)										
Forest Management & Development		(\$82.6)										
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-4251 (FT), 10-4252 (FT), 10-4254 (FT)												
<b>FY2013 Salary Increases</b>												
	SalAdj	15.6	15.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		15.6										
FY2013 Salary Increases: \$15.6												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	5.8	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		5.8										
FY2013 Health Insurance Increases: \$5.8												
<b>Totals</b>		<b>838.6</b>	<b>720.2</b>	<b>25.6</b>	<b>83.3</b>	<b>8.5</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee - CHAPTER 3 FSSLA 11 Sec 18(b)</b>												
	ConfCom	75.0	0.0	0.0	75.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig		25.0										
1192 Mine Trust		50.0										
<b>FY2012 Conference Committee</b>												
	ConfCom	25,405.1	20,360.3	577.7	3,942.5	524.6	0.0	0.0	0.0	213	0	0
1002 Fed Rcpts		815.4										
1003 G/F Match		290.4										
1004 Gen Fund		12,388.9										
1005 GF/Prgm		3,469.9										
1007 I/A Rcpts		351.6										
1055 IA/OIL HAZ		21.3										
1061 CIP Rcpts		418.1										
1105 PFund Rcpt		1,750.7										
1108 Stat Desig		250.3										
1153 State Land		5,323.5										
1154 Shore Fish		325.0										
<b>ADN 10-2-5000 Public School Lands Appraisal Multi Yr Approp Sec24(l)&amp;(m) CH159 SLA2004 SB283 Lapse 06/30/13</b>												
	CarryFwd	582.6	0.0	0.0	582.6	0.0	0.0	0.0	0.0	0	0	0
1066 Pub School		582.6										

Sec12/CH2/FSSLA99, as amended by Sec30/CH135/SLA2000, and by Sec73(b)/CH61/SLA2001, and by Sec24(l)&(m)/SB283/SLA2004, and by Sec34(a)&(b)/SB231/CH82/SLA06, and by Sec31(a)&(b)/SB221/CH29/SLA2008, and by Sec11/HB108/SLA2011 Public School Lands Appraisal is a multi-year operating appropriation, with a lapse date of June 30, 2013.

AR 37921. Project is managed by the Division of Mining, Land & Water.

**August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor**

	Atrin	2.5	0.0	0.0	2.5	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		2.5										

Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:

Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>Subtotal</b>		<b>26,065.2</b>	<b>20,360.3</b>	<b>577.7</b>	<b>4,602.6</b>	<b>524.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>213</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2012 Authorized To FY2012 Management Plan</b> *****												
<b>ADN 10-2-5035, Line item transfer to reflect the allocation of Abandoned Mine Land funds</b>												
LIT		0.0	-40.8	9.8	22.2	8.8	0.0	0.0	0.0	0	0	0
Although originally budgeted in personal services, the Abandoned Mine Land Federal grant allocates funds to travel, services, and commodities. This personal services authority is not needed in this line item.												
<b>ADN 10-2-5044, Change the location of PCN 10-1857 from Fairbanks to Anchorage</b>												
PosLoc		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
PCN 10-1857 was transferred from Fairbanks to Realty Services Section in response to anticipated funding for state selection processing of BLM 's requests for reconveyances of native allotments. By moving this PCN to the Anchorage RSS the backlog of reconveyance requests will be reduced.												
<b>Subtotal</b>		<b>26,065.2</b>	<b>20,319.5</b>	<b>587.5</b>	<b>4,624.8</b>	<b>533.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>213</b>	<b>0</b>	<b>0</b>
***** <b>Changes From FY2012 Management Plan To FY2013 Governor</b> *****												
<b>Non-Federal Dams Safety</b>												
Inc		53.4	0.0	0.0	53.4	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		53.4										
The Federal Emergency Management Agency (FEMA) awards grants to increase the efficiency and effectiveness of state dam safety programs. The Department of Natural Resources, Dam Safety and Construction Unit applied for and was awarded a FEMA grant for FY2012, and is estimated to spend \$53.4 in FY 13.												
The Unit will utilize the funds to conduct field inspections, update hazard potential classifications, perform jurisdictional reviews and assign condition assessments to dams in Alaska. In addition, the Unit will attend emergency action plan exercises and technical training opportunities and purchase engineering analysis software to improve the performance of the Alaska Dam Safety Program.												
<b>Mine Reclamation Trust Estimate</b>												
IncM		50.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0	0	0
1192 Mine Trust		50.0										
<b>General Reclamation Bond Claims Estimate</b>												
IncM		25.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig		25.0										
<b>Guide Concession Area Program Development</b>												
Inc		150.0	150.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		150.0										

This increment combined with the existing \$120.0 (total of \$270.0) provides funds for the completion of the development of the Guide Concession Area Program. The guiding industry has asked that the department consider implementing a concession program to authorize commercial hunting guides to work

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>within specific areas of the state to reduce the overall hunting pressure throughout the state of Alaska. For over three years, the Division of Mining, Land and Water (ML&amp;W) has been working with existing staff members to initiate the development of this program, with funds provided by the legislature specifically for this project.</p> <p>This program will offer big game guides the ability to competitively apply for and be awarded authorizations to run a business on state land if selected, but will limit the number of guides running businesses on state land. The program is anticipated to provide a net return to the state, will not affect any other users of state land (private or commercial) and has been discussed and reviewed by the public and agencies.</p> <p>The Division will complete the following actions:</p> <ul style="list-style-type: none"> <li>• Complete the regulation process necessary for the program</li> <li>• Create all forms, procedures, instructions and templates for all stages of process</li> <li>• Set up the evaluation panel for the review of prospectus submissions</li> <li>• Set evaluation criteria for evaluating prospectus submissions</li> <li>• Mapping work</li> </ul> <p>ML&amp;W will use both existing staff and contractual resources to complete the final steps in the development of this program. Although this program development will be completed in FY13, the program will not be implemented during FY13. The program requires 6 full time staff dedicated to working the program during implementation and on an ongoing basis. This request provides general funds for these new positions for the first two to three years required to start the program, and then the program would be self funding by the fees collected through the authorizations (general fund program receipts) after the initial start up.</p>												
<b>Offshore Lease Sales at Nome (Gold Dredging)</b>												
	Inc	50.5	0.0	0.0	50.5	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		50.5										
REQUEST												
<p>This increment will allow the department to offer and monitor state tide lands and submerged lands, primarily offshore, for mineral leasing in the Nome area. This increment will allow the Division of Mining, Land and Water (DMLW) to provide seasonal oversight of dredging activities scheduled to begin in the summer of 2012 resulting from the recent lease offerings.</p>												
BACKGROUND												
<p>The recent lease sales generated in excess of \$9,000,000 in Bonus bids. Additional revenue in retanal income, production royalties and the mining license tax will also be realized. Additionally, more recreational gold mining will be created in the West Beach area which will bring additional recreational miners to the area and benefit the local economy. The requested funding will be to support onsite monitoring by a local mining expert hired under contract by the Division.</p>												
PROGRESS												
<p>The live auction has been held in Nome and bidders are being notified of their success. This summer dredging activities will begin as will monitoring activities. DMLW plans to contract with a local Nome resident familiar with dredging activities to monitor the successful bidders during their operations. Large offerings similar to the auction recently completed are anticipated every 10 years.</p>												
<b>Improve Efficiency of Land and Water Use Application Process</b>												
	IncM	1,421.1	1,131.6	25.0	153.0	111.5	0.0	0.0	0.0	6	0	0
1004 Gen Fund		1,421.1										

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

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

REQUEST

With the FY2012 one time increment of \$1,421.0 the division has begun the work necessary to accomplish all of the stated goals, recognizing that the goals would not be met in the first year. The division has initiated a multi-frontal attack on reducing the backlog and changing process and identifying other ways to keep from perpetuating the same problems that created the backlog in the first place. The increased funding for staffing is an absolutely essential component of this effort. In order to meet the goals, this work must be continued in FY2013 and beyond. The efficiency gains created through this increment would not be sustainable without the continuation of the positions and funding in this increment with the growing workload demand. Therefore this one time amendment needs to be converted into a base budget increment while still holding the division accountable to meet the goals.

ISSUE

The state's land base has increased by 8 million acres over the last five years, and the Division of Mining, Land and Water has not been able to keep up with the increasing number of applications to use this land. The division now has a backlog of over 2,300 applications.

This backlog of applications has been growing in recent years because the division has only been able to process 84% of all incoming applications. This is due to a number of reasons:

- Inefficient internal processes and cumbersome regulatory requirements.
- Land ownership patterns have become more complex, thereby increasing the conflicts that have to be resolved.
- Increasing federal and municipal regulation has increased the processing time for applications.
- Increasing appeals and litigation of our authorizations, which delay and complicate processing.
- An additional 8 million acres of land transferred to state ownership within the last five years, resulting in an increase in the number of applications to use that land.
- Insufficient staff to process the volume of work

Through a combination of restructuring the permitting process, adding staff, and other measures the backlog will be significantly reduced, and eventually eliminated. At the same time efficiencies created through this effort will help to keep the division from slipping back into further backlog as the number of applications is expected to increase in future years.

BACKGROUND

The Division of Mining, Land and Water received a FY2012 one time increment of \$1,421.0 to eliminate a backlog of land and water use authorizations. The division worked with the Legislature to create a plan to reduce the backlog, change business processes for efficiency, look at statutes for revisions for efficiencies, and evaluate organizational structure. The funding allowed the division to fill five vacant positions and six new positions. The division has begun the work in earnest to meet all of the goals of this increment. The following efforts have been accomplished in FY2012 by November.

Hiring

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

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

Updated and in some cases reclassified 50 positions through Division of Personnel. This was the first step. The division had to first address the closure of DCOM in personnel transfers through bumping rights and then other reviews before initiating other hiring. Many staff devoted considerable time to fill positions, sometimes having to hire a few positions to fill one net position gain as people were promoted leaving other vacancies behind. Since July, the division hired 27 of 36 vacancies.

### Training

Conducted new employee introductory training for 50 new employees. This lays the foundation information but is followed by more specific training for the new positions. Although new staff begin working on many tasks soon after hire, in many positions it may take up to a year for staff to gain full proficiency. Training comes from specific classes and from on the job training and informal sessions with managers.

### Case Work

The scope of the backlog work had to be better identified for staff. DMLW worked with the Information Resource Management to segregate out the backlogged cases and create an efficient way to categorize, prioritize and assign case work. This system is in place and much of the case load has been categorized. During this effort, we have identified several problems in our case management system or in how we were using it that need to be fixed in order to accurately represent the work that needs to be done. We are cleaning up the errors and moving into either completing cases or closing them if appropriate. Staff are reviewing the backlogged files, determining the outstanding issues that need to be resolved or work completed to bring the cases to either issuance or closure. Cases are being assigned to specific adjudicators to work those files.

### Work on IT solutions

The department has been working on various IT projects that will support staff in becoming more efficient. Although there is separate funding for the IT projects, it does not cover the business staff time necessary to set requirements, work with developers and programmers, test products, train staff, and institute management change to roll out new products. Business staff is working on all of these efforts to create electronic case files, implement business process modeling, modifying case management system, establishing better reporting for transparency of business activities for staff and managers. Although this work takes staff time away from processing backlogged cases, it is essential to achieve long term goals of eliminating backlog, providing consistency and timely processing, and avoiding the trap of sliding back into the backlog situation. The department is evaluating a new type of business process management software and development methodology that will allow us to create an agile IT system that can be modified more easily to allow for continuous business improvement.

### Clean up LAS

At the basis of our management and understanding of the backlog, the database needs to have accurate data. Without accurate data, reporting is incorrect, priority assignment is skewed, errors can be compounded in future work and the work effort will not be as effective. Staff is taking time to correct errors as they are discovered. This in turn may affect the numbers represented in the backlog.

### Initiate Evaluation of business processes

The division is working to create a business analyst position that will lead our division through the business process scrub necessary to make the processes consistent, timely, and well coordinated. This work is critical to complete before some of the IT programming can be done. The division is also evaluating what activities that would require existing authorizations could be modified to be issued approval under general permits. This would save review time and allow that time to be devoted to other efforts.

### Appeals

The department is evaluating potential changes to revise appeal standards and process in order to reduce the appeals that appear to be either frivolous or used as a tool to block development when the appeal does not have merit.

## Department of Natural Resources

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**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
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**Identify statutory changes**

The division has been evaluating and making suggested changes to statutes that will help create efficiencies, reduce time in process, free up staff time that can be applied to other work and clarify certain changes necessary to prevent further appeals and challenges that can delay projects.

**Work with Departmental Permit Efficiency work group**

The division is working closely with the Permit Efficiency Task Force established by the Commissioner's Office. In addition to the work listed above, the task force is working on other multi-agency coordination and federal permitting issues.

**Contracting to create an expandable workforce**

The division is reviewing the process used by DEC to develop a contract workforce that is available to work by task order assignment. The contractors essentially act like short term state employees, working under established protocols and conducting research and drafting decisions that would need to be approved by division employees. This would allow the department to have an applicant pay for extra staff work done through these contractors when the workload increases beyond our ability to issue authorizations within expected timelines. This effort looks promising but will take substantial work to institute and manage and may need revision of fee regulations and potentially statutes. The Division will continue the feasibility analysis.

At the beginning of FY2011, there was a backlog of approximately 2,300 applications that had not been issued. This included applications for permits (314), leases (297), easements (658), material sales (181), water rights ( 600), and instream flow reservation applications (330). At the end of FY2011 the backlog increased to 2,516 applications. The current backlog as of November 1, 2011 is 2,378 with a breakdown of permits (297), leases (292), easements (596), material sales (189), water rights (662), and instream flow reservation applications (342).

Even with the hiring efforts and other necessary work, the division was able to process 253 authorizations and close 93 cases within FY2012 up to November 1. This is more than were received in the same time period (208).

This work needs to continue in future years.

The backlog of applications range in complexity from very basic authorizations such as a commercial recreation permit that can be issued within a day, to large projects requiring multiple interrelated authorizations, multi-agency coordination, required studies and review that may take a few years to complete the authorizations. Each specific application may present an assortment of obstacles that can vary the processing times such as land ownership disputes, multiple use conflicts, business transaction delays, unresponsive applicant, encumbrance removal, project revisions, appeals and litigation.

The pdf document displayed through the following link contains the tables which show the applications received, quantity issued, and the backlog for each of these types of authorizations in FY2010, FY2011, and the first 1/3 of FY2012:

<http://dnr.alaska.gov/mlw/elim/FY13-backlog-elim-tables-for-budget-increment-narrative.pdf>

**WORKPLAN**

Goal: To timely process all incoming land and water use applications, and to eliminate the backlog.

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

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

Strategies:

- With the increased staffing, process 100% of all incoming applications (currently we can only process 84% of all incoming applications).
- The increased staffing, coupled with increased permitting efficiencies, will allow processing of at least 250 backlogged applications annually, with anticipated subsequent dramatic improvements through additional increased permitting efficiencies.
- The division will focus first on applications that foster economic and community development and improvement of state infrastructure, and provide opportunities for energy cost reduction, jobs, and contracts. Applications will be prioritized to work on projects that provide the most benefit to the highest number of Alaskans.
- The division will conduct a comprehensive review of the division's permitting processes, and we will find and implement changes that will increase efficiency. Areas that the division will evaluate include:
  - Organizational changes (e.g. formation of permitting teams) within the division.
  - Applicable statutes and regulations.
  - The regulatory relationship between the state, and federal and local governments.
  - Appeals process.
  - Contracting with the private sector.
- Develop computerized systems to automate and speed up the permitting process. The Department is developing a unified permitting system which will significantly increase permitting productivity by automating the permit processing, allow applicants to apply on line, and allow staff to better process and track applications.

This increment funds the existing positions that were filled in FY2012 and the 6 new positions that were established in FY2012.

Existing:

- 3 - Natural Resource Specialist IIs (PCN 10-1380, 10-1859 and 10-8255)
- 1 - Administrative Assistant II (Vacant PCN 10-1767, Transfer from Land Acquisition and Title Defense)
- 1 - Natural Resource Specialist III (PCN 10-1852, Transfer from Land Sales and Municipal Entitlements)
- 1 - Natural Resource Specialist III (10-1890)
- 4- Natural Resource Specialist II (10-1889, 10-1888, 10-1887, 10-1891)
- 1 – Environmental Engineer Associate I (10-1892)

This amendment also provides support costs for the positions including additional travel funding for inspections, compliance and monitoring of activities - many of which are located in remote areas off the road system or in congested areas which requires field information to understand issues when considering competing or diverse types of application within the same general area. Inspections, compliance and monitoring require both travel costs and contractual expenses for helicopter and aircraft charters. The increment also includes funding for the additional office and parking garage lease space costs, core services costs (such as charge-backs to DOA for telecommunications, computer services and human resources support), equipment and supplies.

**Land Sales and Municipal Entitlements Staff Funding for Southeast Alaska Region**

IncM	105.0	90.0	10.0	0.0	5.0	0.0	0.0	0.0	0	0	0
1153 State Land	105.0										

**Department of Natural Resources**

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

**REQUEST**

This request is to convert the FY2012 one time increment into the FY2013 base budget providing stable funding for the Southeast Regional Office to retain recently hire staff to adjudicate, in a timely manner, current requests for municipal land entitlements and continue the legislative mandate to offer land for sale to Alaskans under the land Disposal program.

**BACKGROUND**

This increment provides funds to maintain an existing previously unfunded position to perform essential work related to general land grant entitlements and implementation of the land disposal program within southeast Alaska.

One of the essential functions of the Southeast Regional Office is the adjudication of general land grant entitlements of the boroughs and unified municipalities in southeast Alaska and the implementation of the state land disposal program for the region. The southeast regional office is tasked with the responsibility of processing the municipal entitlements of the Haines and Wrangell Boroughs. Timely conveyance of these requests is crucial to sustaining the economic vitality of these communities and triggers economic growth and ultimately provides additional employment opportunities.

Previous budget shortfalls had caused the southeast region to leave vacant staff positions used to adjudicate municipal entitlements. Under circumstances existing in FY2011, municipal entitlement requests would have to wait on existing staff already charged with the: i) processing of leases, permits, and easements applications, and ii) monitoring activities on state owned land in southeast Alaska. This heavy workload did not allow for the timely conveyance of municipal entitlements. It is essential for the southeast regional office to maintain the individual currently on staff that is dedicated to adjudicating municipal entitlement requests that are far from routine and have a unique set of issues that must be resolved before coming up with an acceptable end product. With existing entitlement requests coming from Haines and the City and Borough of Wrangell and the pending application from the Petersburg area, it is imperative that the one time increment provided to fill this entitlement position be converted to the base budget so that these entitlement requests may be adjudicated consistent with statutorily mandated timeframes.

In addition to adjudicating Municipal Entitlement requests this position works in conjunction with the Lands Sales section to fulfill the legislative mandate to provide land for sale to Alaskan for settlement. Due to the special circumstances prevalent in SE Alaska this manages the program for the SE region.

**PROGRESS**

DMLW has filled the previously vacant Natural Resource Specialist position responsible for preparing Land Sales offerings in southeast Alaska and adjudicating Municipal Entitlement requests. This individual has been assigned currently active projects and has begun the immersion process of preparing Preliminary and Final Findings and the public process involved in preparing both. Retention of this position is critical to timely adjudication of Municipal entitlements and continuation of the lands sales program in southeastern Alaska.

**Oversight of Federal Land Transfers including Native Allotments, ANCSA Conveyances, and Survey Reviews**

	IncM	671.0	618.8	10.0	37.2	5.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		671.0										

**REQUEST**

This request converts funding from the FY2012 one time increment into a FY2013 base budget to fund continued work related to oversight of federal land transfers. This includes:

- continue adjudication of 1906 Native Allotment reconveyances previously halted when federal funding was discontinued. This work was reinstated after receiving the FY2012 one time increment;
- allow DNR to continue to review of Alaska Native Claims Settlement Act (ANCSA) conveyances to protect public access and state ownership interests

## Department of Natural Resources

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

(including navigability) and 17(b) access

- review survey instructions issued by BLM for adherence to standards set forth in the MOU between the state and BLM regarding monumentation
- properly analyze state selection priorities to ensure best lands are selected to complete entitlement .

Conversion of this increment from a one-time increment into the division's base budget is critical to protecting public access to public lands, protection of state title conveyed to the state at statehood, completing the task of reconveying Native Allotments on land erroneously conveyed to the state and reviewing remaining state selected lands to ensure the best economic development opportunities from the state's remaining entitlement.

### BACKGROUND

The FY2012 one time increment provided DMLW with sufficient funding to fill 5 previously vacant positions within the Realty Services Section that handle land conveyance issues and avoid eliminating 4 additional positions. Among the issues adjudicated by the group is the completion of the various land entitlements, review of land selection priorities and the reconveyance of lands subject to valid Native Allotment applications.

Regarding Native Allotments, the state is obligated to adjudicate for reconveyance of 270 parcels of state land to the federal Bureau of Land Management (BLM) that were erroneously conveyed to the state. The state had suspended work on these reconveiances in FY2011 because of funding shortfalls. Each Native Allotment requires review for 3rd party interests that have been entered into during the time the state owned the land. Adjudication is also required to protect historic public access and title interests transferred to the state at statehood.

In addition to reconveyance of valid Native Allotment parcels, Realty Services handles the review of all ANCSA land conveyance documents to ensure public access is protected and sufficient survey monumentation is set to adequately delineate ANCSA land from adjacent state land.

### PROGRESS

- Native Allotments - the Division has recently reconstituted the staff necessary to adjudicate these application files. We are aggressively identifying Native Allotment application where reconveyance is possible and developing an alternative parcel program with BLM and the BIA.
- Access - the Division has reviewed over hundred conveyances to ANCSA Corporations to ensure that public access is maintained to public lands. In many cases 17(b) access has not been secured in the original conveyance document to the ANCSA corporations and these required modification prior to final conveyance. Lack of continued review of these ANCSA conveyance documents will increase the probability that access to public lands will be forfeited. Currently 10 documents a month are received from BLM that require review; 8 of those 10 documents require correction.
- Survey Instruction Review - The MLW Survey Section determines whether land surveys are adequate under the requirement of AS 38.04.045 for land conveyances made by DNR. Where surveys are required, the Unit issues instructions to private sector land surveyors. The Unit serves as the watchdog for BLM surveys to insure that they meet required standards, and protect state's interests in areas such as navigable waters and existing easements.
- Land Entitlement Priorities - this increment will continue the work on setting the state's priorities for land conveyances and relinquishments. In the past 5 years, the state has received an additional 8 million acres from the federal government. An additional 5 million acres are owed the state, but the state has far more selections remaining. Under federal law the state is allowed a 25% over-selection. This increment will allow the state to continue to identify lands for conveyance and relinquishment. If the state fails to do this work, decisions about relinquishment will be made by the federal government, rather than the state. During FY2011 the BLM was preparing to reject all prioritized selected lands that were in excess of the 125% of remaining entitlement with no input from the state. The affects of such an action by the BLM would have precluded the state from accepting title to the TAPS corridor or large portions of ANILCA withdrawn lands if and when their withdrawal was lifted. Areas important to the state that could be impacted include Fort Richardson and Fort Greeley.

Continued funding for positions to do this work reduces various inquiries from constituents, applicants, and other governmental agencies to legislators, the governor and commissioner by allowing the Division of Mining, Land and Water (MLW) to continue processing the Bureau of Land Management's native allotment reconveyance requests, ANCSA corporation conveyances and requests for the state to relinquishment selection of those areas affected by valid native allotment applications. Federal funding cuts for the BLM 2009 program effectively eliminated the ability to continue this work.

## Department of Natural Resources

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Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>Public Land Stewardship including Mine Permitting, Compliance and Assessment</b>												
	IncM	802.0	600.0	30.0	157.0	15.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		802.0										

### REQUEST

With the FY2012 one time increment of \$802.0 the division has begun work on the deliverables promised to the Legislature. The division has filled positions with this funding and has increased inspections and is fulfilling the other land stewardship responsibilities. To continue meeting the stated goals, this work and the funded staff positions must be continued in FY2013 and beyond. Therefore this one time amendment needs to be converted into a base budget increment while still holding the division accountable to meet the goals.

### BACKGROUND

The FY2012 increment funded existing vacant, unfunded positions responsible for managing and permitting public use and private development on state lands and to fulfill more of the stewardship responsibilities given to this division. There has been an increase in economic activities on state lands due in part to the 8 million acre increase of state land received as our Statehood entitlement through the Accelerated land Transfer Act over the last five years. There has also been increased activity on all state land as a result of increased mineral exploration, new alternative energy projects, new telecommunications projects and an increase in public use of state lands.

One of the significant impacts from this increase of acreage under state management and increased economic development proposals on state land is the increase in lease and permit applications for use of state lands, both for economic development and recreational use. Many forms of economic development are controversial and require meticulous adjudication to address public, environmental and legal concerns. Rushed, non-comprehensive, adjudication leaves the state unable to adequately defend its decisions against legal challenges.

MLW has also seen a need for more rigorous permitting and oversight of mining activities. In the last five years there has been a dramatic rise in the number of placer mining operations, large scale metal mines, and large scale exploration programs. At the same time, public interest and concern about these activities has increased. DNR is defending more lawsuits regarding permits for mineral exploration. Increased on-site inspections at large mine projects are necessary to ensure permit compliance. The high volume of mining activities in 2011 resulted in permitting time for placer mining and mineral exploration activities of up to 6 weeks, far above the expected and desired time of 2-3 weeks. Timely and accurate processing and auditing is required to maximize mining revenues to the state. Increased travel costs have resulted in limited field inspections and technical assistance for miners.

Along with the increase in activities on state land the division has a constitutional and statutory responsibility to provide stewardship of these lands. Stewardship of state lands ranges from ensuring access for oil and gas development; to providing materials for infrastructure construction; to providing site-specific inspections of mineral development projects; and to interacting with the public where state lands are used for recreational purposes. Interaction with the public in areas of high recreational use consists of trash removal, providing public information (such as signage, web sites, maps), clearing timber and brush, or resolving damage and unauthorized use of state land. In areas of high use, such as the Rex trail in the interior, these funds could be used by the division to contract experts to develop prescriptive analysis to aid in trail rehabilitation.

Without continuing this increment, the Division of Mining, Land and Water (MLW) will continue to fall behind with the land stewardship responsibilities and will have the is workload conflict with the processing of applications from industry and individuals to use and develop state land. In FY2011, 84% of new applications were processed, but the backlog of unprocessed applications continues to increase and was 2,516 at the end of FY2011. The increased pressure of the backlogged applications competes with the effort to address the many stewardship responsibilities of maintaining the land in a state ready for use and

## Department of Natural Resources

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										PFT	PPT	NP

development. Both efforts are necessary.

### PROGRESS

Much of the beginning of FY2012 was spent on hiring and training new staff along with many other efforts as part of the Improve Efficiency of Land and Water Use Application Process increment. In the midst of this effort, the division was able accomplish the following with this funding:

- Recruited and trained staff to fill the vacant positions.
- The division has increased its inspections of placer and hardrock permits
- The division has also increased frequency of inspections of large mines.
- Combined funding from this increment with a grant to do a trail rehabilitation prescription assessment and report for the Rex Trail.
- Held a successful Nome offshore mineral lease auction. Eighty-four lease tracts covering 23,793 acres were offered for sale, and all tracts were sold. High bids for all lease tracts totaled \$9.3 million. Increased oversight of the area during the summer was necessary to prepare for the lease.
- Finalized the Kasilof River Special Use Area and provided increased field inspections in the area during the summer fishery
- Continued work to develop the Guide Services Concession Program
- Conducted inspections of many land and water authorizations
- Worked with businesses proposing use of new technologies on state land such as with the various hydrokinetic projects.

Along with the increase in activities on state land the division has a constitutional and statutory responsibility to provide stewardship of these lands. Stewardship of state lands ranges from ensuring access for oil and gas development; to providing materials for infrastructure construction; to providing site- specific inspections of mineral development projects; and to interacting with the public where state lands are used for recreational purposes. Interaction with the public in areas of high recreational use consists of trash removal, providing public information (such as signage, web sites, maps), clearing timber and brush, or resolving damage and unauthorized use of state land. In areas of high use, such as the Rex trail in the interior, these funds could be used by the division to contract experts to develop prescriptive analysis to aid in trail rehabilitation.

Five existing positions that were filled in FY2012 will continue to be funded by this base budget increment and used to provide the ongoing management and permitting responsibilities for public use and private development on state lands. In addition to personal services costs, this increment covers the travel (site-specific mining inspections and recreational use area management), services (such as contracts for trail rehabilitation) and commodities costs associated with managing the public and private uses of state land.

### Maintain Staffing for Permitting Initiative

Inc	950.0	950.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm	950.0										

This request increases GFPR authority to allow the division of Mining, Land & Water to absorb increased personal benefit costs (primarily step increases) and reduce vacancy factor to a manageable level to maintain adequate staffing for permitting initiative. This request funds the majority of positions within the Division leaving a manageable vacancy rate. The Division's ability to maintain a low vacancy rate is directly linked to the Division's ability to fulfill its commitments to improve permit and authorization efficiencies and reduce the current backlog. During previous budget cycles merit increase, core costs and contractual wage increases were absorbed by the division through increasing vacancy rates. Increases in these contractual obligations required that the Division keep 9 positions vacant during FY2011 to balance the division's personal services budget and continued absorption would require 4 more positions be kept vacant in FY2012. This would result in a total of 14 positions being left vacant and the division's ability to effectively process incoming land use authorizations would be severely hampered and the opportunity to aggressively work the backlog lost. Under this scenario FY2013 would see additional vacancies necessary and the division's ability to meet its obligations to the legislature foregone.

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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	
The division historically collects \$5 Million to \$6 Million more in lease/permit fees than what it has been authorized to expend.												
<b>Reverse CH3 FSSLA2011 Sec 18(b) General Reclamation Bond Claims</b>												
	OTI	-75.0	0.0	0.0	-75.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig		-25.0										
1192 Mine Trust		-50.0										
<b>Reverse Improve Efficiency of Land and Water Use Application Process</b>												
	OTI	-1,421.1	-1,131.6	-25.0	-153.0	-111.5	0.0	0.0	0.0	-6	0	0
1004 Gen Fund		-1,421.1										

### ISSUE

The state's land base has increased by 8 million acres over the last five years, and the Division of Mining, Land and Water has not been able to keep up with the increasing number of applications to use this land. The division now has a backlog of over 2,300 applications. Through a combination of restructuring the permitting process and additional staff, the backlog will be significantly reduced, and eventually eliminated.

### BACKGROUND

The Division of Mining, Land and Water is requesting an FY2012 amendment of \$1,421.0 to eliminate a backlog of land and water use authorizations. With this amendment, the division will establish six new positions, and fund five vacant positions. With these positions, the division will work to streamline and make more efficient the current permitting processing ability, and eliminate the backlog that impedes economic development and use of state land.

At the beginning of FY2011, there was a backlog of approximately 2,300 applications that had not been issued. This includes applications for permits (314), leases (297), easements (658), material sales (181), water rights (600), and instream flow reservation applications (330).

The current capacity to process all types of land and water use applications is 97 positions, of which 13 are unfunded and vacant. The personal services budget for the 84 filled positions is \$7,462.0.

This backlog of applications has been growing in recent years because the division has only been able to process 87% of all incoming applications. This is due to a number of reasons:

- Inefficient internal processes and cumbersome regulatory requirements.
- Land ownership patterns have become more complex, thereby increasing the conflicts that have to be resolved.
- Increasing federal and municipal regulation has increased the processing time for applications.
- Increasing appeals and litigation of our authorizations, which delay and complicate processing.
- An additional 8 million acres of land transferred to state ownership within the last five years, resulting in an increase in the number of applications to use that land.

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
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The backlog of applications range in complexity from very basic authorizations such as a commercial recreation permit that can be issued within a day, to large projects requiring multiple interrelated authorizations, multi-agency coordination, required studies and review that may take a few years to complete the authorizations. Each specific application may present an assortment of obstacles that can vary the processing times such as land ownership disputes, multiple use conflicts, business transaction delays, unresponsive applicant, encumbrance removal, project revisions, appeals and litigation.

The following table shows the applications received, quantity issued, and the backlog for each of these types of authorizations in FY2010:

Authorization Type	Appl Rec'd	Qty Issued	Backlog
Land Use Permits	299	340	314
Land Leases	64	64	297
Easements	44	23	658
Material Sales	44	50	181
Water Rights	71	49	600
Instream Flow Res	13	8	330
Totals	722	702	2,380

**WORKPLAN**

Goal: To timely process all incoming land and water use applications, and to eliminate the backlog.

Strategies:

- With the increased staffing, process 100% of all incoming applications (currently we can only process 87% of all incoming applications).
- The increased staffing, coupled with increased permitting efficiencies, will allow processing of at least 250 backlogged applications annually, with anticipated subsequent dramatic improvements through additional increased permitting efficiencies.
- The division will focus first on applications that foster economic and community development and improvement of state infrastructure, and provide opportunities for energy cost reduction, jobs, and contracts. Applications will be prioritized to work on projects that provide the most benefit to the highest number of Alaskans.
- The division will conduct a comprehensive review of the division's permitting processes, and we will find and implement changes that will increase efficiency. Areas that the division will evaluate include:
  - Organizational changes (e.g. formation of permitting teams) within the division.
  - Applicable statutes and regulations.
  - The regulatory relationship between the state, and federal and local governments.
  - Appeals process.
  - Contracting with the private sector.
- Develop computerized systems to automate and speed up the permitting process. The Department is developing a unified permitting system which will significantly increase permitting productivity by automating the permit processing, allow applicants to apply on line, and allow staff to better process and

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

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

track applications.

This increment adds funding for six new Natural Resource positions and five existing unfunded positions.

Five new Natural Resource positions are needed to process and manage these backlogged authorizations: one in Fairbanks for Interior Alaska, one in Juneau for Southeast Alaska, and three in Anchorage for Southcentral Alaska. Substantial progress on applications critical for development projects will be realized in FY2012 and beyond. One new Natural Resource Specialist will be added in Southcentral to take care of the assignments, billing, and ongoing administration of the authorizations. This increment also funds three existing Natural Resources Specialist II positions (PCN 10-1380, 10-1859 and 10-8255) in the Southcentral Region Land Office under the Easement Unit that are vacant due to inadequate funding.

In addition, this amendment includes funding for an Administrative Assistant II (vacant PCN 10-1767), transferred from the Land Acquisition and Title Defense component. This position will support the division's administrative functions in the efforts to improve our efficiency. A Natural Resource Specialist III (PCN 10-1852) is transferred from the Land Sales and Municipal Entitlements component to concentrate more on general easement applications and easement management rather than just those for land sales.

This amendment also provides support costs for the positions including additional travel funding for inspections, compliance and monitoring of activities – many of which are located in remote areas off the road system or in congested areas which requires field information to understand issues when considering competing or diverse types of application within the same general area. Inspections, compliance and monitoring require both travel costs and contractual expenses for helicopter and aircraft charters. The increment also includes funding for the additional office and parking garage lease space costs, core services costs (such as charge-backs to the Department of Administration for telecommunications, computer services and human resources support), equipment and supplies.

### Summary of Positions -

#### Existing:

- 3 - Natural Resource Specialist IIs (PCN 10-1380, 10-1859 and 10-8255)
- 1 - Administrative Assistant II (Vacant PCN 10-1767, Transfer from Land Acquisition and Title Defense)
- 1 - Natural Resource Specialist III (PCN 10-1852, Transfer from Land Sales and Municipal Entitlements)

#### New:

##### Southcentral:

- 1 – Natural Resource Manager I (10-#264)
- 2 – Natural Resource Specialist II (10-#265, 10-#271)
- 1 – Natural Resource Specialist I (10-#266)

##### Northern:

- 1 – Natural Resource Specialist II (10-#262)

##### Southeast

- 1 – Natural Resource Specialist II (10-#263)

### Reverse Land Sales and Municipal Entitlements Staff Funding for Southeast Alaska Region

	OTI	-105.0	-90.0	-10.0	0.0	-5.0	0.0	0.0	0.0	0	0	0
1153 State Land		-105.0										

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

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

This increment provides funds to maintain an existing, unfunded position to perform essential work related to general land grant entitlements and implementation of the land disposal program within southeast Alaska.

One of the essential functions of the Southeast Regional Office is the adjudication of general land grant entitlements of the boroughs and unified municipalities in southeast Alaska and the implementation of the state land disposal program for the region. The southeast regional office is tasked with the responsibility of processing the municipal entitlements of the Haines and Wrangell Boroughs. Timely conveyance of these requests are crucial to sustaining the economic vitality of these communities and triggers economic growth and ultimately provides additional employment opportunities.

Due to budget shortfalls, the southeast region does not have funding to pay for staff to adjudicate municipal entitlements. Under current circumstances, incoming entitlement requests will have to wait on existing staff already charged with the: i) processing of leases, permits, and easements applications, and ii) monitoring activities on state owned land in southeast Alaska. This heavy workload does not allow for the timely conveyance of municipal entitlements. It is essential for the southeast regional office to have an individual on staff that is dedicated to adjudicating municipal entitlement requests that are far from routine and have a unique set of issues that must be resolved before coming up with an acceptable end product.

**Reverse Oversight of Federal Land Transfers including Native Allotments, ANCSA Conveyances, and Survey Reviews**

1004 Gen Fund	OTI	-671.0	-618.8	-10.0	-37.2	-5.0	0.0	0.0	0.0	0	0	0
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This increment will cover personal services costs for existing vacant, unfunded positions, and allow DNR to: resume adjudication of 1906 Native Allotment reconveyances previously halted when federal funding was discontinued; allow DNR to resume review of Alaska Native Claims Settlement Act (ANCSA) conveyances to protect public access and state ownership interests (including navigability); and provide for work on other ANCSA conveyance documents and cases including 17(b) access.

Regarding Native Allotments, the state is obligated to adjudicate for reconveyance 270 parcels of state land to the federal Bureau of Land Management (BLM) that were erroneously conveyed to the state. The state suspended work on these reconveyances in FY2011 because of funding shortfalls. Similarly, in past years the state has reviewed dozens of conveyances to ANCSA Corporations to ensure that public access is maintained to public lands.

Continued funding for positions to do this work will alleviate various inquiries from constituents, applicants, and other governmental agencies to legislators, the governor and commissioner by allowing the Division of Mining, Land and Water (MLW) to continue processing the Bureau of Land Management's native allotment reconveyance requests and requests for state selection relinquishments of those areas affected by valid native allotment applications. Federal funding cuts for the BLM 2009 program, effective in FYFY10, effectively eliminated the ability to continue this work.

This component reviews approximately 386 ANCSA conveyance documents produced by the BLM. These documents affect access to public lands, land ownership patterns and future state entitlement selections. It is the responsibility of this component to make sure that actions taken by the BLM with regard to fulfilling the ANCSA land entitlement do not harm the state either by conveying lands to corporations where the state already holds title, restricting access across corporation lands to other public lands and that state in-holdings do not develop as part of incomplete adjudication at the BLM.

Another task that this increment will fund is continued work on setting the state's priorities for land conveyances and relinquishments. In the past 5 years, the state has received an additional 8 million acres from the federal government. An additional 5 million acres are owed the state, but the state has far more selections remaining. Under federal law the state is allowed a 25% over-selection. This increment will allow the state to continue to identify lands for conveyance and relinquishment. If the state fails to do this work, decisions about relinquishment will be made by the federal government, rather than the state.

This increment will also fund land survey reviews to ensure they are adequate under state statute for land conveyances made by DNR. The MLW Survey

## Department of Natural Resources

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Section determines whether land surveys are adequate under the requirement of AS 38.04.045 for land conveyances made by DNR. Where surveys are required, the Unit issues instructions to private sector land surveyors. The Unit serves as the watchdog for BLM surveys to insure that they meet required standards, and protect state's interests in areas such as navigable waters and existing easements.												
<b>Reverse Public Land Stewardship including Mine Permitting, Compliance and Assessment</b>												
	OTI	-802.0	-600.0	-30.0	-157.0	-15.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-802.0										

This increment funds existing vacant, unfunded positions responsible for managing and permitting public use and private development on state lands. There has been an increase in economic activities on state lands due in part to the 8 million acre increase of state land received as our Statehood entitlement through the Accelerated Land Transfer Act over the last five years. There has also been increased activity on all state land as a result of increased mineral exploration, new alternative energy projects, new telecommunications projects and an increase in public use of state lands.

One of the significant impacts from this increase of acreage under state management and increased economic development proposals on state land is the increase in lease and permit applications for use of state lands, both for economic development and recreational use. Many forms of economic development are controversial and require meticulous adjudication to address public, environmental and legal concerns. Rushed, non-comprehensive, adjudication leaves the state unable to adequately defend its decisions against legal challenges. With the current staff and funding model, the Division of Mining, Land and Water (MLW) continues to fall behind with the processing of applications from industry and individuals to use and develop state land. In FY2010, 87% of new applications were processed, but the backlog of unprocessed applications continues to increase, and was at 2,376 at the end of FY2010.

MLW has also seen a need for more rigorous permitting and oversight of mining activities. In the last five years there has been a dramatic rise in the number of placer mining operations, large scale metal mines, and large scale exploration programs. At the same time, public interest and concern about these activities has increased. DNR is currently defending several lawsuits regarding permits for mineral exploration. Increased on-site inspections at large mine projects are necessary to ensure permit compliance. The high volume of mining activities in 2010 resulted in permitting time for placer mining and mineral exploration activities of up to 6 weeks, far above the expected and desired time of 2-3 weeks. Timely and accurate processing and auditing is required to maximize mining revenues to the state. Increased travel costs have resulted in limited field inspections and technical assistance for miners.

In order to increase field presence without increasing the size of permanent state government employees, summer interns or short-term non-perms, under the supervision of current staff professionals, will be used to perform some field inspections and interface with the public.

Along with the increase in activities on state land the division has a constitutional and statutory responsibility to provide stewardship of these lands. Stewardship of state lands ranges from ensuring access for oil and gas development; to providing materials for infrastructure construction; to providing site-specific inspections of mineral development projects; and to interacting with the public where state lands are used for recreational purposes. Interaction with the public in areas of high recreational use consists of trash removal, providing public information (such as signage, web sites, maps), clearing timber and brush, or resolving damage and unauthorized use of state land. In areas of high use, such as the Rex trail in the interior, these funds could be used by the division to contract experts to develop prescriptive analysis to aid in trail rehabilitation.

Five existing positions that have been held vacant due to the lack of funding will be used to provide the ongoing management and permitting responsibilities for public use and private development on state lands. In addition to personal services costs, this increment covers the travel (site-specific mining inspections and recreational use area management), services (such as contracts for trail rehabilitation) and commodities costs associated with managing the public and private uses of state land.

**Reverse Public School Lands Appraisal Multi Year Sec24(I)&(m) CH159 SLA2004 SB283 Lapse 06/30/13**

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
1066 Pub School	OTI	-582.6	0.0	0.0	-582.6	0.0	0.0	0.0	0.0	0	0	0

Sec12/CH2/FSSLA99, as amended by Sec30/CH135/SLA2000, and by Sec73(b)/CH61/SLA2001, and by Sec24(l)&(m)/SB283/SLA2004, and by Sec34(a)&(b)/SB231/CH82/SLA06, and by Sec31(a)&(b)/SB221/CH29/SLA2008, and by Sec11/HB108/SLA2011 Public School Lands Appraisal is a multi-year operating appropriation, with a lapse date of June 30, 2013.

AR 37921. Project is managed by the Division of Mining, Land & Water.

**Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor**

1004 Gen Fund	OTI	-2.5	0.0	0.0	-2.5	0.0	0.0	0.0	0.0	0	0	0
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Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:

Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

**FY2013 Salary Increases**

1002 Fed Rcpts	SalAdj	10.3	390.0	390.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		4.7										
1004 Gen Fund		196.2										
1005 GF/Prgm		66.4										
1007 I/A Rcpts		5.2										
1055 IA/OIL HAZ		0.3										
1061 CIP Rcpts		6.9										
1105 PFund Rcpt		23.4										
1108 Stat Desig		2.6										
1153 State Land		68.5										
1154 Shore Fish		5.5										

FY2013 Salary Increases: \$390.0

**FY2013 Health Insurance Increases**

1002 Fed Rcpts	SalAdj	5.4	199.4	199.4	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		2.5										
1004 Gen Fund		97.1										
1005 GF/Prgm		28.0										

**Department of Natural Resources**

**Component:** Mining, Land & Water (3002)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
1007 I/A Rcpts		3.1										
1055 IA/OIL HAZ		0.2										
1061 CIP Rcpts		3.3										
1105 PFund Rcpt		13.5										
1108 Stat Desig		1.2										
1153 State Land		42.0										
1154 Shore Fish		3.1										
FY2013 Health Insurance Increases: \$199.4												
<b>Totals</b>		<b>27,273.4</b>	<b>22,008.9</b>	<b>587.5</b>	<b>4,143.6</b>	<b>533.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>213</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Alaska Coastal and Ocean Management (2680)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>(HB 106) COASTAL MANAGEMENT PROGRAM</b>												
	FisNot	6,715.8	3,260.0	251.6	3,144.4	59.8	0.0	0.0	0.0	34	0	0
1002 Fed Rcpts		4,039.0										
1003 G/F Match		1,672.6										
1004 Gen Fund		664.1										
1007 I/A Rcpts		95.5										
1061 CIP Rcpts		244.6										
CC: This fiscal note combines the additional funding requested with FY12 program funding removed by the Senate. Additionally, this fiscal note is updated to reflect changes made in the House Finance committee substitute.												
This revised fiscal note incl												
<b>(HB 106) COASTAL MANAGEMENT PROGRAM</b>												
	FisNot	-6,715.8	-3,260.0	-251.6	-3,144.4	-59.8	0.0	0.0	0.0	-34	0	0
1002 Fed Rcpts		-4,039.0										
1003 G/F Match		-1,672.6										
1004 Gen Fund		-664.1										
1007 I/A Rcpts		-95.5										
1061 CIP Rcpts		-244.6										
Bill did not pass												
CC: This fiscal note combines the additional funding requested with FY12 program funding removed by the Senate. Additionally, this fiscal note is updated to reflect changes made in the House Finance committee substitute.												
<b>Totals</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Forest Management & Development (435)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>FY2012 Conference Committee - CHAPTER 3 FSSLA 11 Sec. 18(b)</b>												
1108 Stat Desig	ConfCom	25.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0	0	0
<b>FY2012 Conference Committee</b>												
1002 Fed Rcpts	ConfCom	1,287.2	5,096.3	215.4	1,142.6	320.6	50.5	0.0	0.0	45	5	13
1004 Gen Fund		3,801.0										
1007 I/A Rcpts		484.3										
1061 CIP Rcpts		346.5										
1108 Stat Desig		30.0										
1155 Timber Rcp		876.4										
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
1004 Gen Fund	Atrin	2.2	0.0	0.0	2.2	0.0	0.0	0.0	0.0	0	0	0

Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:  
Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

<b>Subtotal</b>		<b>6,852.6</b>	<b>5,096.3</b>	<b>215.4</b>	<b>1,169.8</b>	<b>320.6</b>	<b>50.5</b>	<b>0.0</b>	<b>0.0</b>	<b>45</b>	<b>5</b>	<b>13</b>
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\*\*\*\*\* **Changes From FY2012 Authorized To FY2012 Management Plan** \*\*\*\*\*

<b>ADN 10-2-5019 Transfer Out Forester IV to Preparedness PCN 10-9415</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
In order to realign duties, PCN 10-9415 Forester IV will be transferred out of Forest Management and into Fire Suppression Preparedness. PCN 10-9813 Forester III will be transferred from Fire Suppression Preparedness and into Forest Management and Development.												
<b>ADN 10-2-5020 Transfer In Forester III from Preparedness PCN 10-9813</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
In order to realign duties, PCN 10-9415 Forester IV will be transferred out of Forest Management and into Fire Suppression Preparedness. PCN 10-9813 Forester III will be transferred from Fire Suppression Preparedness and into Forest Management and Development.												
<b>ADN 10-2-5021 Duty station change to Fairbanks from Ft Wainwright, PCN 10-9813</b>												
	PosLoc	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
PCN 10-9813 will be transferred to the Fairbanks duty station (five miles away from current Fort Wainwright location) to align with the duties associated with its transfer to Forest Management and Development												

**Department of Natural Resources**

**Component:** Forest Management & Development (435)  
**RDU:** Land and Water Resources (602)

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

Fairbanks is the location of the Northern Region Resource program.

<b>Subtotal</b>		<b>6,852.6</b>	<b>5,096.3</b>	<b>215.4</b>	<b>1,169.8</b>	<b>320.6</b>	<b>50.5</b>	<b>0.0</b>	<b>0.0</b>	<b>45</b>	<b>5</b>	<b>13</b>
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\*\*\*\*\* **Changes From FY2012 Management Plan To FY2013 Governor** \*\*\*\*\*

**General Reclamation Bond Claims Estimate**

IncM	25.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig	25.0											

**Transfer Vacant Position (10-9075) to Fire Preparedness for Firefighter Payroll Load from Department of Administration**

Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
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This request, along with one other PCN transfer request in the component, will take two PCNs previously paid by federal grants and transfer them from the Forest Management and Development Component to the Fire Suppression Preparedness Component.

With federal overhead rates collected from support to federal fires, two PCNs will be reclassified to the Human Resource Technician class series, and they will be responsible for payroll functions previously performed by Department of Administration (DOA) Division of Personnel. The body of work which DOA is discontinuing includes emergency firefighter payroll recording and payroll entry for all time for Division of Forestry permanent, seasonal, and nonpermanent personnel. These positions will perform collection, verification, division review and certification, and data entry of time for all emergency firefighters (300-600 people) and also for permanent personnel who record their time in the field.

This action takes vacant unfunded PCN 10-9075 (currently classified as a Range 17 Education Associate III, with a duty station of Anchorage), and moves it to the Fire Suppression Preparedness Component. The PCN is also being identified for a duty station change from Anchorage to Fairbanks, where the position will support the firefighter payroll needs of the offices in the northern region. The position will be classified as a Range 14 Human Resource Technician II. The PCN is available for transfer because the federally-funded Cooperative Forestry Education program can no longer sustain the cost of an education position from the federal grants.

DOA has notified DNR that it does not intend to perform entry of firefighter payroll, and that they will discontinue use of the established DNR-developed EFF Firefighter Payroll System. The PCN action and the increment are essential to meet the human resource workload being transferred to DNR. Time entry and recording cannot be performed by emergency firefighters. They are a highly mobile and transitory work force working in remote field conditions, with lack of time and capability to use the state's administrative timekeeping technology being implemented by DOA.

**Transfer Vacant Postion (10-9422) to Fire Preparedness for Firefighter Payroll Load from Department of Administration**

Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
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This request, along with one other PCN transfer request in the component, will take two PCNs previously paid by federal grants and transfer them from the Forest Management and Development Component to the Fire Suppression Preparedness Component.

With federal overhead rates collected from support to federal fires, two PCNs will be reclassified to the Human Resource Technician class series, and they will be responsible for payroll functions previously performed by Department of Administration (DOA) Division of Personnel. The body of work which DOA is discontinuing includes emergency firefighter payroll recording and payroll entry for all time for Division of Forestry permanent, seasonal, and nonpermanent personnel. These positions will perform collection, verification, division review and certification, and data entry of time for all emergency firefighters (300-600 people) and also for permanent personnel who record their time in the field.

## Department of Natural Resources

**Component:** Forest Management & Development (435)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>This action takes vacant unfunded PCN 10-9422 (currently classified as a Range 16 Forester II, with a duty station of Palmer), and moves it to the Fire Suppression Preparedness Component. The position will be classified as a Range 14 Human Resource Technician II. The position is available for transfer because the federally-funded Forest Stewardship program can no longer sustain the cost of the Forester position within its annual federal grants.</p> <p>DOA has notified DNR that it does not intend to perform entry of firefighter payroll, and that they will discontinue use of the established DNR-developed EFF Firefighter Payroll System. The PCN action and the increment are essential to meet the human resource workload being transferred to DNR. Time entry and recording cannot be performed by emergency firefighters. They are a highly mobile and transitory work force working in remote field conditions, with lack of time and capability to use the state's administrative timekeeping technology being implemented by DOA.</p>												
<b>Transfer out Savings from Agency-wide Position Deletions</b>												
1004 Gen Fund	Trout	-82.6	-82.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.</p> <p>DNR deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.</p> <p>Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.</p> <p>General fund was reallocated as follows:            Commissioner's Office \$100.0            Administrative Services \$125.0            Information Resource Management \$269.2            Citizens' Advisory Commission on Federal Areas \$13.0            Parks Management &amp; Access \$80.0            Gas Pipeline Project Office (\$223.4)            Petroleum Systems Integrity Office (\$281.2)            Forest Management &amp; Development (\$82.6)</p>												
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3	-1	0
<p>Position(s) that have been vacant for a year are being deleted.            This transaction is for: 10-0128 (PT), 10-9626 (FT), 10-9657 (FT), 10-9822 (FT)</p>												
<b>Decrement Uncollectable Revenue-Dependent Authorizations</b>												
	Dec	-200.0	-200.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

**Department of Natural Resources**

**Component:** Forest Management & Development (435)  
**RDU:** Land and Water Resources (602)

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

1002 Fed Rcpts		-100.0										
1061 CIP Rcpts		-50.0										
1155 Timber Rcp		-50.0										

This decrement will remove some federal, CIP receipt, and timber receipt authority for which there is no known revenue stream.

**Reverse CH3 FSSLA2011 Sec. 18(b) General Reclamation Bond Claims**

	OTI	-25.0	0.0	0.0	-25.0	0.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig		-25.0										

**Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor**

	OTI	-2.2	0.0	0.0	-2.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-2.2										

Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:

Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

**FY2013 Salary Increases**

	SalAdj	87.4	87.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		14.2										
1004 Gen Fund		56.3										
1007 I/A Rcpts		2.6										
1061 CIP Rcpts		4.9										
1155 Timber Rcp		9.4										

FY2013 Salary Increases: \$87.4

**FY2013 Health Insurance Increases**

	SalAdj	44.5	44.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		8.2										
1004 Gen Fund		25.9										
1007 I/A Rcpts		1.2										
1061 CIP Rcpts		2.9										
1155 Timber Rcp		6.3										

FY2013 Health Insurance Increases: \$44.5

**Department of Natural Resources**

**Component:** Forest Management & Development (435)

**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Totals	6,699.7	4,945.6	215.4	1,167.6	320.6	50.5	0.0	0.0	40	4	13

**Department of Natural Resources**

**Component:** Geological & Geophysical Surveys (1031)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	8,989.0	4,877.4	194.4	3,572.8	344.4	0.0	0.0	0.0	40	0	8
1002 Fed Rcpts		2,304.1										
1004 Gen Fund		4,468.3										
1005 GF/Prgm		10.0										
1007 I/A Rcpts		1,185.4										
1061 CIP Rcpts		667.5										
1108 Stat Desig		353.7										
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	Atrin	4.0	0.0	0.0	4.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.0										
<p>Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.</p> <p>The amounts transferred to state agencies are as follows:            Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.</p>												
<b>Subtotal</b>												
		<b>8,993.0</b>	<b>4,877.4</b>	<b>194.4</b>	<b>3,576.8</b>	<b>344.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>40</b>	<b>0</b>	<b>8</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5041, New Geologist I long term non-perm - PCN 10N12001, Rare Earth CIP Project</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
CIP funded. AR 39133. Rare Earth Elements and Strategic Minerals Assessment												
This position will to provide geologic, computer, and field support for the Division of Geological and Geophysical Surveys (DGGS) Rare Earth Element CIP project. This position will search for, compile, assign location coordinates, attribute, organize, and publish historic and newly obtained geochemical and geologic data under the supervision of the project manager. Duties also include providing support for field operations, data and sample management, and making figures for public presentation of project deliverables.												
<b>ADN 10-2-5043, Delete Geologist I, long term non-perm PCN 10N10008</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1
Funding ended. Position deleted.												
<b>ADN 10-2-5042, New position Geologist I, long term non-perm, PCN 10N11030, Moran Map Fed Grant</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
This long-term, non-permanent Geologist I position will support the federally funded Eastern Moran geologic mapping project.												

**Department of Natural Resources**

**Component:** Geological & Geophysical Surveys (1031)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
This project will produce a bedrock geologic map (1:63,360 scale) of the Eastern Moran area, Interior Alaska-with bedrock units extended and Quaternary units deleted-with location index map, field data stations figure, description of map units, cross section, symbol key, and explanatory text. The Alaska Division of Geological & Geophysical Surveys will subsequently publish this map with metadata, and appropriate credit, citing support given by the USGS National Cooperative Geologic Mapping Program.												
	<b>Subtotal</b>	<b>8,993.0</b>	<b>4,877.4</b>	<b>194.4</b>	<b>3,576.8</b>	<b>344.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>40</b>	<b>0</b>	<b>9</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Accelerated Geologic Map and Report Production</b>												
	Inc	80.0	38.0	7.0	35.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		80.0										
The higher paid professional geologist staff are doing both the professional scientific work and the technical non-scientific tasks related to completion and publication of the final products. With this funding the division will increase the output of geologic maps and reports in a timely manner – this information is used by industry, government and the public. The division is currently behind schedule releasing 15 major geologic maps and reports.												
<b>Geologic Staff for Strategic and Critical Minerals Assessment</b>												
	Inc	95.6	95.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
1061 CIP Rcpts		95.6										
This funds one new long-term non-perm position to support the statewide geologic data for assessing strategic and critical mineral resources, include rare earth elements. The FY2012 project focused on compiling and evaluating existing REE-related data and obtaining limited new data. The FY2013 request allows the division to obtain essential new geologic, geochemical and geophysical data throughout Alaska. The State may benefit from expanded mineral-industry investment in exploration and development and associated employment, be more knowledgeable for land-management purposes, and contribute to the nation's need for domestic supplies of these critically important minerals. This project provides funding for a professional position with the specific expertise needed to implement this program.												
<b>Geohydrology Program, Aquifer Baseline Mapping</b>												
	Inc	120.0	15.0	5.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		120.0										
The state lacks geologic information on aquifers to reliably extrapolate these data in the subsurface to model groundwater supply and flow. The need for this capability is critical for expediting permit review, and is becoming more critical as water supplies face potential shortages and urban or infrastructure development creates increased risks of groundwater depletion, contamination, and groundwater-related hazards such as earthquake-induced liquefaction. This funds one existing long term non-perm staff and contract personnel to work with the Division of Mining, Land & Water to create one to two geohydrology maps/reports annually.												
<b>Delete Long-Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-2001 (FT)												

**Department of Natural Resources**

**Component:** Geological & Geophysical Surveys (1031)  
**RDU:** Land and Water Resources (602)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	OTI	-4.0	0.0	0.0	-4.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-4.0										
Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.												
The amounts transferred to state agencies are as follows: Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.												
<b>FY2013 Salary Increases</b>												
	SalAdj	86.3	86.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		11.4										
1004 Gen Fund		54.6										
1007 I/A Rcpts		8.3										
1061 CIP Rcpts		11.6										
1108 Stat Desig		0.4										
FY2013 Salary Increases: \$86.3												
<b>FY2013 Health Insurance Increases</b>												
	SalAdj	41.7	41.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		5.5										
1004 Gen Fund		26.1										
1007 I/A Rcpts		4.0										
1061 CIP Rcpts		5.9										
1108 Stat Desig		0.2										
FY2013 Health Insurance Increases: \$41.7												
<b>Totals</b>		<b>9,412.6</b>	<b>5,154.0</b>	<b>206.4</b>	<b>3,707.8</b>	<b>344.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>39</b>	<b>0</b>	<b>10</b>

**Department of Natural Resources**

**Component:** Agricultural Development (455)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	2,504.0	1,600.8	102.2	630.8	63.2	7.0	100.0	0.0	15	1	1
1002 Fed Rcpts		753.1										
1004 Gen Fund		1,203.2										
1005 GF/Prgm		1.5										
1108 Stat Desig		20.0										
1153 State Land		526.2										
<b>Subtotal</b>		<b>2,504.0</b>	<b>1,600.8</b>	<b>102.2</b>	<b>630.8</b>	<b>63.2</b>	<b>7.0</b>	<b>100.0</b>	<b>0.0</b>	<b>15</b>	<b>1</b>	<b>1</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5022, Delete PCN 10-N09009 Natural Resource Specialist II</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-1
PCN 10-N09009 Long-term, non-perm Natural Resource Specialist II is deleted and the Federal funding associated with this position is transferred to PCN 10-3130 to allow for a permanent full-time Project Assistant for the Farm to School Program marketing.												
<b>ADN 10-2-5023, PCN 10-3130 is changed from part time to full time to support the Farm to School Program</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	-1	0
This position is increased to full time to support the Farm to School Program, specifically the marketing efforts of this program. Federal funding previously supported a long term non-perm position, but this position has been deleted to fund a full time permanent support position for the program.												
<b>ADN 10-2-5027, Excess personal service funds available after deleting the long term non-perm PCN 10-N09009</b>												
	LIT	0.0	-27.3	0.0	27.3	0.0	0.0	0.0	0.0	0	0	0
This transfers excess personal services funding to services that are the result of the deletion of a long term non-perm position. These funds will be used to support administrative and marketing costs associated with the Farm to School Program.												
<b>Subtotal</b>		<b>2,504.0</b>	<b>1,573.5</b>	<b>102.2</b>	<b>658.1</b>	<b>63.2</b>	<b>7.0</b>	<b>100.0</b>	<b>0.0</b>	<b>16</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer Loan/Collection Officer I (10-1727) to Agricultural Revolving Loan Fund for Loan Collection Duties</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
This position was reclassified from a Natural Resource Specialist II to a Loan/Collection Officer I. The transfer of this position from Agricultural Development to the Agricultural Revolving Loan Fund program administration component accurately reflects the funding source for the duties performed for this position.												
<b>Delete Excess Authorization</b>												
	Dec	-45.8	-45.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1153 State Land		-45.8										
Decrement of excess authorization to maintain a reasonable vacancy factor and reflect savings from position PCN 10-1727 that was transferred out to the Agriculture Revolving Loan Fund component.												

**Department of Natural Resources**

**Component:** Agricultural Development (455)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<b>United States Department of Agriculture Phytosanitary Certification for Export of Logs and Plant Products</b>												
1108 Stat Desig	Inc	10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0	0	0
<p>The Alaska Division of Agriculture, through a Memorandum of Understanding and Cooperative Agreement with the United States Department of Agriculture (USDA) provides phytosanitary certification services for Alaska businesses exporting logs and plant products (primarily mushrooms) to foreign countries. Foreign countries require that licensed state or federal Export Certification Officials conduct phytosanitary certification inspections before products can enter their country. Phytosanitary certificates are issued to indicate that consignments of plants, plant products or other regulated articles meet the importing countries specified phytosanitary import requirements and are in conformity with the certifying statement of the appropriate certificate.</p> <p>The USDA has instituted a \$104.00 fee for this certificate and requires states reimburse the fee to them for each certificate issued under this agreement. This requested statutory designated program receipt authority provides the authorization for the Division to charge businesses for the expense of conducting the inspection, including personal services and travel, and issuing the official certificate and documentation, including reimbursing the \$104.00 fee to the USDA.</p> <p>The Alaska Division of Agriculture maintains an agreement with USDA to provide this service to Alaska businesses. This agreement requires Division of Agriculture inspection staff be nominated, trained and pass competency examinations on a regular basis by USDA. This service allows and supports over \$10 million dollars of export activity annually by Alaskan businesses.</p>												
<b>FY2013 Salary Increases</b>												
1002 Fed Rcpts	SalAdj	5.2	27.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		17.4										
1153 State Land		4.9										
FY2013 Salary Increases: \$27.5												
<b>FY2013 Health Insurance Increases</b>												
1002 Fed Rcpts	SalAdj	3.1	15.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		9.0										
1153 State Land		3.2										
FY2013 Health Insurance Increases: \$15.3												
<b>Totals</b>		<b>2,511.0</b>	<b>1,570.5</b>	<b>102.2</b>	<b>668.1</b>	<b>63.2</b>	<b>7.0</b>	<b>100.0</b>	<b>0.0</b>	<b>15</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** North Latitude Plant Material Center (2204)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	2,290.5	1,667.9	31.1	320.6	76.7	194.2	0.0	0.0	11	11	2
1002 Fed Rcpts		370.0										
1004 Gen Fund		1,634.8										
1005 GF/Prgm		16.2										
1007 I/A Rcpts		65.2										
1061 CIP Rcpts		179.5										
1108 Stat Desig		24.8										
<b>ADN 10-2-5006 Extend Invasive Plants Law, SLA 2011, CH 3 (HB 97)</b>												
	FisNot	101.1	85.1	5.0	5.0	6.0	0.0	0.0	0.0	1	0	0
1004 Gen Fund		101.1										
Not applicable, initial fiscal note.												
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	Atrin	5.7	0.0	0.0	5.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		5.7										
Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.												
The amounts transferred to state agencies are as follows: Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.												
<b>Subtotal</b>		<b>2,397.3</b>	<b>1,753.0</b>	<b>36.1</b>	<b>331.3</b>	<b>82.7</b>	<b>194.2</b>	<b>0.0</b>	<b>0.0</b>	<b>12</b>	<b>11</b>	<b>2</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5036, Transfer from personal services to services to support additional program expenses</b>												
	LIT	0.0	-30.0	0.0	30.0	0.0	0.0	0.0	0.0	0	0	0
After adjusting staffing to reflect workload, personal services authorization exceeds the anticipated level needed for the year. The authorization will be transferred to contractual lines to support increasing program expenses such as utilities and phones.												
<b>ADN 10-2-5037, Decrease PCN 10-3026 from full-time to part-time</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	1	0
PCN 10-3026 maintenance specialist was reclassified from a full-time position to a part-time position. The duties for this position have been adjusted to more accurately reflect the needs of the Plant Material Center component.												

**Department of Natural Resources**

**Component:** North Latitude Plant Material Center (2204)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>Subtotal</b>		<b>2,397.3</b>	<b>1,723.0</b>	<b>36.1</b>	<b>361.3</b>	<b>82.7</b>	<b>194.2</b>	<b>0.0</b>	<b>0.0</b>	<b>11</b>	<b>12</b>	<b>2</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long-Term Vacant Positions</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-1	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-3078 (PT)												
<b>Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
OTI		-5.7	0.0	0.0	-5.7	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-5.7										
Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.												
The amounts transferred to state agencies are as follows: Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.												
<b>FY2013 Salary Increases</b>												
SalAdj		23.5	23.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		21.4										
1061 CIP Rcpts		2.1										
FY2013 Salary Increases: \$23.5												
<b>FY2013 Health Insurance Increases</b>												
SalAdj		11.1	11.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		9.2										
1061 CIP Rcpts		1.9										
FY2013 Health Insurance Increases: \$11.1												
<b>Totals</b>		<b>2,426.2</b>	<b>1,757.6</b>	<b>36.1</b>	<b>355.6</b>	<b>82.7</b>	<b>194.2</b>	<b>0.0</b>	<b>0.0</b>	<b>11</b>	<b>11</b>	<b>2</b>

**Department of Natural Resources**

**Component:** Agriculture Revolving Loan Program Administration (2235)  
**RDU:** Agriculture (603)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
1021 Agric Loan	ConfCom	2,512.3	504.7	24.0	494.6	1,489.0	0.0	0.0	0.0	5	0	0
		2,512.3										
<b>Subtotal</b>		<b>2,512.3</b>	<b>504.7</b>	<b>24.0</b>	<b>494.6</b>	<b>1,489.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>2,512.3</b>	<b>504.7</b>	<b>24.0</b>	<b>494.6</b>	<b>1,489.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long Term Vacant Positions</b>												
	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Positions that have been vacant for a year are being deleted. This transaction is for a substitute position; 10-3064 (FT)												
<b>Transfer Loan/Collection Officer I (10-1727) from Agricultural Development for Loan Collecfor Loan Collection Duties</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
This position was reclassified from a Natural Resource Specialist II to a Loan/Collection Officer I. The transfer of this position from Agricultural Development to the Agricultural Revolving Loan Fund program administration component accurately reflects the funding source for the duties performed for this position.												
<b>Align Authority to Adjust to Anticipated Spending Plan</b>												
	LIT	0.0	-45.6	0.0	0.0	45.6	0.0	0.0	0.0	0	0	0
After transferring PCN 10-1727 to the Agriculture Revolving Loan Fund for collection duties there resulted excess personal services authorization that should more appropriately be moved to commodities.												
<b>FY2013 Salary Increases</b>												
1021 Agric Loan	SalAdj	8.9	8.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
FY2013 Salary Increases: \$8.9												
<b>FY2013 Health Insurance Increases</b>												
1021 Agric Loan	SalAdj	4.9	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
FY2013 Health Insurance Increases: \$4.9												
<b>Totals</b>		<b>2,526.1</b>	<b>472.9</b>	<b>24.0</b>	<b>494.6</b>	<b>1,534.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Parks Management & Access (3001)  
**RDU:** Parks and Outdoor Recreation (604)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
ConfCom		13,118.5	9,634.4	309.6	2,157.0	484.6	517.9	15.0	0.0	83	34	48
1002 Fed Rcpts		1,411.2										
1004 Gen Fund		3,132.3										
1005 GF/Prgm		2,466.3										
1007 I/A Rcpts		1,131.4										
1061 CIP Rcpts		1,588.3										
1108 Stat Desig		307.5										
1200 VehRntlTax		2,881.5										
1216 Boat Rcpts		200.0										
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
Atrin		36.0	0.0	0.0	36.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		36.0										
<p>Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.</p> <p>The amounts transferred to state agencies are as follows:            Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.</p>												
<b>Subtotal</b>		<b>13,154.5</b>	<b>9,634.4</b>	<b>309.6</b>	<b>2,193.0</b>	<b>484.6</b>	<b>517.9</b>	<b>15.0</b>	<b>0.0</b>	<b>83</b>	<b>34</b>	<b>48</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5038, Transfer out PCN 10-5004 to Office of History and Archaeology</b>												
Trout		-30.0	-30.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
1007 I/A Rcpts		-30.0										
<p>This Administrative Assistant II performs duties that support the Office of History and Archaeology (OHA) and is more appropriately budgeted in the OHA component. \$30.0 of available interagency (IA) receipts are transferred with the position; OHA has the balance of funds in their component.</p>												
<b>Subtotal</b>		<b>13,124.5</b>	<b>9,604.4</b>	<b>309.6</b>	<b>2,193.0</b>	<b>484.6</b>	<b>517.9</b>	<b>15.0</b>	<b>0.0</b>	<b>82</b>	<b>34</b>	<b>48</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Transfer in Savings from Agency-wide Position Deletions for Dispatch Coverage from Kenai Peninsula Borough</b>												
Trin		80.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		80.0										

## Department of Natural Resources

**Component:** Parks Management & Access (3001)  
**RDU:** Parks and Outdoor Recreation (604)

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

In the Governor's agency-wide effort to limit the growth of state government (for both positions and funding), some vacant positions were deleted, with the intent to utilize savings generated from the deleted positions to fund personal services funding shortfalls or other priority projects within the department.

DNR deleted 20 vacant positions across multiple components. General fund savings from the deleted positions is reallocated between components to cover personal services funding shortfalls or other department priority initiatives.

Prior to these funding transfers, personal services funding shortfalls existed in many components at a level that was not manageable without either a general fund increment, or a reduction of positions (most of which are filled) and a loss of service. Shortfalls are primarily a result of when employees receive merit increases, the cost is reflected in the personal services budget need, but the budget is not increased to cover the cost. The general expectation is that departments are responsible to cover merit increases through turnover and vacancies in a component, assuming that will generate savings to offset the merit increases. When components experience little turnover or have few vacant positions, there is no cost savings to cover the increases. The Governor's budget recognizes the need to cover these shortfalls by allowing for the transfer of savings between allocations.

General fund was reallocated as follows:

- Commissioner's Office \$100.0
- Administrative Services \$125.0
- Information Resource Management \$269.2
- Citizens' Advisory Commission on Federal Areas \$13.0
- Parks Management & Access \$80.0
- Gas Pipeline Project Office (\$223.4)
- Petroleum Systems Integrity Office (\$281.2)
- Forest Management & Development (\$82.6)

The Division of Parks and Outdoor Recreation (DPOR) employs one full-time dispatcher on the Kenai Peninsula who provides dispatch to the Kenai Area staff five days per week during business hours. Park rangers working outside the DPOR dispatcher's schedule have been receiving dispatch services from a coordinated center run by the Kenai Peninsula Borough (KPB); DPOR has not provided any funding to the center. The Kenai dispatch center also provides services to the Alaska State Troopers, all Kenai Peninsula emergency service organizations and the Soldotna Police Department who all provide funding to run the center.

DPOR has been notified that park rangers can no longer receive dispatch services from the KPB-run center unless funding is provided to hire an additional dispatcher to help cover the park rangers. What has changed is that more troopers were hired to work on the Kenai Peninsula through a federal highway safety grant but no additional funding was available to cover those trooper's dispatch needs.

If Kenai Area park rangers can no longer use the KPB dispatch center they will not have assistance outside of the DPOR dispatcher's schedule. This places the rangers in a unsafe position, with no effective communication should they make an enforcement contact, get injured or require assistance.

This \$80.0 will be paid to the Kenai Peninsula Borough and they will provide the necessary dispatch services on evenings, weekends, and other incidental times when the DPOR dispatcher is not available. The borough will not accept funding for a partial position, since they will need to hire a full-time position to cover DPOR's needs.

**Delete Long Term Vacant Positions**

PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-1	0
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In an effort to limit growth in state government, some vacant positions are being deleted statewide.

**Department of Natural Resources**

**Component:** Parks Management & Access (3001)  
**RDU:** Parks and Outdoor Recreation (604)

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

This transaction is for 10-5118 (PT)

**General Fund Program Receipts to Cover Personal Services Shortfall**

	Inc	90.0	90.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm		90.0										

The Parks and Outdoor Recreation component received an increment to General Fund Program Receipts (GFPR) which will fund the Parks and Outdoor Recreation's staff.

The division currently collects GFPR in excess of authorization by approximately \$120.0 per year. These "excess" receipts will be used to fund this increment request.

**Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor**

	OTI	-36.0	0.0	0.0	-36.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-36.0										

Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:

Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

**FY2013 Salary Increases**

	SalAdj	173.5	173.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		9.4										
1004 Gen Fund		42.8										
1005 GF/Prgm		42.6										
1007 I/A Rcpts		18.8										
1061 CIP Rcpts		24.1										
1108 Stat Desig		3.5										
1200 VehRntlTax		32.3										

FY2013 Salary Increases: \$173.5

**FY2013 Health Insurance Increases**

	SalAdj	87.6	87.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		5.3										
1004 Gen Fund		21.8										
1005 GF/Prgm		19.5										
1007 I/A Rcpts		10.4										

**Department of Natural Resources**

**Component:** Parks Management & Access (3001)  
**RDU:** Parks and Outdoor Recreation (604)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
1061 CIP Rcpts		13.5										
1108 Stat Desig		2.3										
1200 VehRntlTax		14.8										
FY2013 Health Insurance Increases: \$87.6												
<b>Totals</b>		<b>13,519.6</b>	<b>9,955.5</b>	<b>309.6</b>	<b>2,237.0</b>	<b>484.6</b>	<b>517.9</b>	<b>15.0</b>	<b>0.0</b>	<b>82</b>	<b>33</b>	<b>48</b>

**Department of Natural Resources**

**Component:** Office of History and Archaeology (451)  
**RDU:** Parks and Outdoor Recreation (604)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
ConfCom		2,401.5	1,861.3	147.5	320.4	72.3	0.0	0.0	0.0	16	4	0
1002 Fed Rcpts		1,160.6										
1003 G/F Match		450.2										
1005 GF/Prgm		15.7										
1007 I/A Rcpts		742.7										
1055 IA/OIL HAZ		12.0										
1061 CIP Rcpts		20.3										
<b>Subtotal</b>		<b>2,401.5</b>	<b>1,861.3</b>	<b>147.5</b>	<b>320.4</b>	<b>72.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16</b>	<b>4</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5038, Transfer in PCN 10-5004 from Parks Management and Access</b>												
Trin		30.0	30.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
1007 I/A Rcpts		30.0										
This Administrative Assistant II performs duties that support the Office of History and Archaeology (OHA) and is more appropriately budgeted in the OHA component. \$30.0 of available interagency (IA) receipts are transferred with the position; OHA has the balance of funds in their component.												
<b>Subtotal</b>		<b>2,431.5</b>	<b>1,891.3</b>	<b>147.5</b>	<b>320.4</b>	<b>72.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>17</b>	<b>4</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Delete Long-Term Vacant Positions</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Position(s) that have been vacant for a year are being deleted. This transaction is for: 10-5170 (FT)												
<b>FY2013 Salary Increases</b>												
SalAdj		31.7	31.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		14.4										
1003 G/F Match		6.7										
1007 I/A Rcpts		10.4										
1055 IA/OIL HAZ		0.2										
FY2013 Salary Increases: \$31.7												
<b>FY2013 Health Insurance Increases</b>												
SalAdj		18.8	18.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		8.4										
1003 G/F Match		3.6										

**Department of Natural Resources**

**Component:** Office of History and Archaeology (451)  
**RDU:** Parks and Outdoor Recreation (604)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
1007 I/A Rcpts		6.7										
1055 IA/OIL HAZ		0.1										
FY2013 Health Insurance Increases: \$18.8												
<b>Totals</b>		<b>2,482.0</b>	<b>1,941.8</b>	<b>147.5</b>	<b>320.4</b>	<b>72.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16</b>	<b>4</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee</b>												
	ConfCom	18,925.2	10,283.0	306.8	6,950.8	695.4	689.2	0.0	0.0	33	186	0
1002 Fed Rcpts		1,623.3										
1004 Gen Fund		16,128.1										
1007 I/A Rcpts		286.8										
1061 CIP Rcpts		887.0										
<b>August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor</b>												
	Atrin	24.3	0.0	0.0	24.3	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		24.3										
<p>Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 ln 19 through pg 78 ln 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.</p> <p>The amounts transferred to state agencies are as follows:            Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.</p>												
<b>Subtotal</b>		<b>18,949.5</b>	<b>10,283.0</b>	<b>306.8</b>	<b>6,975.1</b>	<b>695.4</b>	<b>689.2</b>	<b>0.0</b>	<b>0.0</b>	<b>33</b>	<b>186</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>ADN 10-2-5020 Transfer Forester III to Forest Management &amp; Development PCN 10-9813</b>												
	Trout	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
<p>In order to realign duties, PCN 10-9415 Forester IV will be transferred out of Forest Management and into Fire Suppression Preparedness. PCN 10-9813 Forester III will be transferred from Fire Suppression Preparedness and into Forest Management and Development.</p>												
<b>ADN 10-2-5019 Transfer Forester IV from Forest Management &amp; Development PCN 10-9415</b>												
	Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
<p>In order to realign duties, PCN 10-9415 Forester IV will be transferred out of Forest Management and into Fire Suppression Preparedness. PCN 10-9813 Forester III will be transferred from Fire Suppression Preparedness and into Forest Management and Development.</p>												
<b>ADN 10-2-5021 Duty Station Change to Ft Wainwright Office, Fairbanks, PCN 10-9415</b>												
	PosLoc	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>PCN 10-9415 will be transferred to the Fort Wainwright duty station (five miles away from current Fairbanks location) to align with the duties associated with its transfer to Fire Suppression Preparedness.            Fort Wainwright is the location of the Alaska Interagency Fire Coordination Center.</p>												
<b>Subtotal</b>		<b>18,949.5</b>	<b>10,283.0</b>	<b>306.8</b>	<b>6,975.1</b>	<b>695.4</b>	<b>689.2</b>	<b>0.0</b>	<b>0.0</b>	<b>33</b>	<b>186</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Alaska Interagency Coordination Center Fixed-Cost Increases</b>												
	IncM	150.0	0.0	0.0	150.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		150.0										

The Alaska Interagency Coordination Center (AICC) provides services in the coordinated response to wildland fires for all federal and state agencies in Alaska statewide. Wildland fire operations, information collection and distribution, and allocation of fire resources are coordinated through individual agency representation at AICC. AICC is located on Ft. Wainwright in a facility owned and operated by the Bureau of Land Management (BLM), Alaska Fire Service (AFS). Through a Cooperative Agreement and Annual Operating Plan, Forestry contributes both personnel and operating capacity to these interagency activities.

A primary reason for the Interagency Coordination Center is to provide tactical firefighting resources, including smokejumpers and air tankers to fires on a priority basis without regard for agency ownership. The priority is based on current weather conditions, current firefighting resource allocations, and the fire's proximity to human life and property. Forestry must provide current, high quality information for these determinations to be made. This information comes from a variety of sources including: remote weather stations, the lightning detection network, and the mapping of communities and remote properties Geographic Information Systems (GIS). Tactical resource dispatchers are required to make the final determination of which statewide tactical resources respond to which fires in an extremely dynamic situation.

Cost for Calendar Year	2008	2013
Share of AICC Operating Costs	\$ 6,450	\$6,450
Office Space	\$12,048	\$29,744
GIS Support	\$0	\$45,000
Lightning Detection Network	\$40,484	\$40,484
McGrath Facilities	\$50,000	\$50,000
Weather Station Maintenance	\$82,600	\$107,600
Radio Maintenance	\$0	\$50,000
Teletype	\$5,000	\$5,000
Tactical Resource Dispatching	\$0	\$80,000
Total	\$196,582	\$414,278

Additional costs for Calendar Year 2013 include:

- Additional office space for DNR employees working at AICC and increased costs of existing space. Since 2008, Forestry has added the Communications Specialist, Public Information Specialist, and Strategic Planner positions to the AICC office.
- The interagency Geographic Information Systems (GIS) program.
- The interagency radio communications network in McGrath and other remote, mountain-top repeater areas.
- The Tactical Resource Dispatch function.
- Maintenance of Weather Stations.

The current budget allocation for this agreement with the BLM is \$265,000. This increment will allow DNR to fully function in the interagency fire program.

In the last decade the number of fires and acres burned annually across the state has increased exponentially. Fire suppression response has become increasingly critical due to the increased number of fires and the severity at which they burn. As the Alaskan population increases, more people and their

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>property are at risk from wildland fire. These complexities require additional expertise in the form of GIS specialists and dispatchers to make appropriate decisions in the incipient phases for fires. These decisions reduce the likelihood of large fires that damage property or threaten lives.</p> <p>Residents of Alaska living in the fire prone areas may be adversely affected by an increase in the number of large fires. These areas are predominately in the wildland urban interface of Fairbanks, Mat-Su, and Kenai.</p> <p>Geographic Regions Affected:</p> <ul style="list-style-type: none"> <li>Northern and Eastern Interior Alaska</li> <li>South Central Alaska</li> <li>Southwest Alaska</li> </ul>												
<b>Engine Fleet and Fire Facility Maintenance Cost Increases for Same Service Level</b>												
1004 Gen Fund	IncM	150.0	40.0	0.0	70.0	40.0	0.0	0.0	0.0	0	0	0

This increment funds the increased costs for fleet vehicles, which includes fire engines and support vehicles and increased cost for facility maintenance. Fire engines are a essential to initial attack along the road system particularly in the high-risk, high-consequence areas. These heavily populated areas require a mobile, effective firefighting resource to protect homes and lives within the wildland urban interface.

In recent years, Forestry has received Capital Improvement Project funds to purchase new fire engines to replace old Federal excess property and SEF engines that had exceeded their programmed service life. These new engines were purchased through the Department of Transportation and Public Facilities (DOT) and the operating and replacement rates are much higher than the older engines. The two primary reasons for these increased rates are: 1). Forestry was not paying replacement costs for the Federal excess property vehicles and SEF vehicles that had exceeded their service life and 2) these vehicles are often used in dirty, smoky areas and in rough terrain therefore the service life of the new vehicles was shortened from previous vehicles. Therefore replacement costs need to be accumulated at a faster rate.

One additional reason for increased costs for Forestry vehicles is a change in the Department of Transportation's (DOT) methodology to establish operating and replacement costs and the acquisition of new engines. Formerly, DOT vehicles rates were calculated on a regional basis and then averaged to produce statewide department rates. In FY2009, DOT transitioned to individual rates specific to each vehicle. Operating rates and replacement rates are calculated on the basis of individual vehicles including DOT's use of historic maintenance information to establish the rates. As these vehicles are often used in dirty, smoky, rough areas, vehicle maintenance costs are higher for Forestry vehicles than is typical for other divisions and departments.

Listed below are two examples of changes in monthly operating and replacement costs:

Type 6 small fire engine –  
 Prior to methodology change: \$998/month  
 After methodology change: \$1750/month

Type 4 medium fire engine –  
 Prior to methodology change: \$1400/month  
 After methodology change: \$2400/month

This increment also provides funding to begin regular maintenance programs at each of the eight Area offices to minimize the long-term deterioration of the Division's facilities. Forestry has received multiple capital improvement project (CIP) funds in recent years to repair backlogged deferred maintenance issues.

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

This has allowed the Division to begin to catch-up on major deferred maintenance issues. This increment would allow Forestry to keep up with the maintenance of its facilities and not repeatedly request CIP funds for deferred maintenance. A portion of the increment will be used for additional staff time of seasonal maintenance personnel, whose primary duties are to work in warehouses and at retardant sites, to perform facility and compound maintenance before and after the fire season.

If the increment is not approved, the service life of the vehicles that are primary to the Division of Forestry's mission will not allow for the continued replacement of these engines as necessary. The facilities will not have the necessary maintenance to ensure deferred maintenance issues do not occur and Forestry will continue to request CIPs for deferred maintenance.

Program, Services, Recipients Affected:

- Communities through out fire prone areas of Alaska - reduced fire risk.
- Activity Component - reduced suppression cost by maintaining current state capacity.

Geographic Regions Affected:

The fire prone areas of Alaska that are the responsibility of the Forestry Fire Program are affected by this increment. These areas include the Mat-Su, Kenai-Kodiak, McGrath, Fairbanks, Delta, Tok, and Glennallen.

**Contracted Air Tanker Costs for Same Service Level**

	IncM	97.1	0.0	0.0	97.1	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		97.1										

This increment is critical to meet cost increases in contracted aviation support for fire fighting. Air tankers are a primary initial attack tool in Alaska. These aircraft carry large quantities of fire retardant, can travel long distances at high airspeeds, and are extremely successful in slowing fires in and near population centers. Prior five-year contracts are expiring and comparable private sector contract comparisons indicate at a minimum an increase of six percent for air tankers – an essential resource for fighting urban-interface fires. The advantage of five-year contracts is locking in lower, longer term rates and was quite successful in the last two bidding cycles. However, the cumulative impact of increased costs, market conditions, and industry changes realistically creates budget increases that can only be met by an increment.

The Division of Forestry aircraft fleet consists of two air tankers, six helicopters, two air attack airplanes, and a utility fixed-wing airplane. This fleet comprises the backbone of the Division's fire fighting capability and is an essential element in the Division's mission to provide wildland fire management and suppression services. The Division considers the mix of owned, leased, and contracted aircraft to be a good business model. The air tankers are typically acquired through a five year, annually renewable contract in which aircraft and pilots are secured for the exclusive use of the State for a set period of time (typically 90 days).

These air tankers will now be even more critical to maintain on long-term contract as the Federal air tankers will no longer be available in Alaska, making initial attack success even more challenging. Up until the 2011 fire season, the U.S. Forest Service maintained seven P-3 air tankers on contract, one of which was routinely assigned to the Bureau of Land Management-Alaska Fire Service (BLM-AFS) during the Alaska fire season. This aircraft has been available to respond to Division of Forestry fires. However, these P-3's no longer comply with the federally required maintenance program and the USFS cancelled all seven contracts. It is not anticipated that these contracts will be renewed. The only remaining large national air tankers are the P-2V's which are ex-military aircraft and cannot be cleared to travel through Canadian airspace. These aircraft will be unavailable for use in Alaska. The result of these changes in aircraft status will mean that for the first time ever, Alaska will not have access to federal air tankers.

The Division anticipates an increase in contractual costs for air tankers based on past increases in these contracts. As the federal air tanker fleet diminishes, there are fewer examples of current contract prices but given the status of the federal fleet and increasing competition, it is reasonable that the contract costs

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

will increase. During the last five-year contract cycle (2008-2012) the contractual obligation is currently \$1,619,100 for the 2011 90-day contractual window. This is an increase in the cost of contracted tankers from 2007 until 2011 of \$650.0. DNR did receive an increment in FY 2008 for \$234.4 to partially mitigate this additional cost. The increase for the 2013-2018 contract is not anticipated to be as large as past increases. The Division expects to be able to maintain its current air tanker fleet with the addition of \$97,100.

If the Division cannot support two large air tanker contracts, the result will be reduced success in initial attack statewide. As there will be no federal air tankers to respond to wildfires this would mean no air tankers in Alaska. The initial attack success rate will be dramatically reduced both in the areas of the state that the Division provides wildfire protection but also in the areas where the BLM-AFS provides protection services on State lands. This reduced initial attack success will result in larger fires, greater property loss, higher risks to the citizens of Alaska, and increased fire costs.

**Recipients Affected:**

- Communities throughout fire prone areas of Alaska - reduced fire risk.
- Activity Component - reduced suppression cost by maintaining current state capacity.

**Geographic Regions Affected:**

- Northern and Eastern Interior Alaska
- South Central Alaska
- Southwest Alaska

**Helicopter Contract Costs for Same Service Level**

	IncM	119.6	0.0	0.0	119.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		119.6										

This increment is critical to meet cost increases in contracted helicopter support for fire fighting. Immediate helicopter response can mean the difference between small fires and large project fires that can cost millions of dollars. The lack of road based access, large distances, and the need to respond quickly to emergent fires in Alaska make helicopters a necessary firefighting tool for successful initial attack. These aircraft move firefighting crews, supplies, and drop water on fires quickly and efficiently. Without these aircraft, response times to fires would be much greater which would result in larger, more expensive fires that would be more likely to effect life and property. Three of the Division's six helicopter contracts are expiring and comparable private sector contract comparisons indicate a 4% increase for helicopters. The advantage of the five year contracts is locking in lower, longer term rates and has been quite successful in the last two bidding cycles. However, the cumulative impact of increased costs, market conditions, and industry changes realistically creates budget increases that can only be met by an increment.

The Division of Forestry contract aircraft fleet consists of two air tankers, six helicopters, two air attack airplanes, and a utility fixed-wing airplane. This fleet comprises the backbone of the Division's fire fighting capability and is an essential element in the Division's mission to provide wildland fire management and suppression services. The Division considers the mix of owned, leased, and contracted aircraft to be a good business model. The helicopters are typically acquired through a five year, annually renewable contract in which aircraft and pilots are secured for the exclusive use of the State for a set period of time (typically 90 days).

The alternative to these long-term contracts is to acquire helicopters under emergency procurement authority for short time spans. This type of procurement, although used to supplement Forestry's helicopter fleet during high fire activity, is not as economically efficient for extended periods of use. The 2011 Emergency Rental Agreement for similar helicopters was \$2,995 per hour. The current long-term contracts are less than \$1,600 per hour. Also, helicopters are seldom available at short notice during the fire season due to other, more lucrative contracts.

## Department of Natural Resources

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

The Division anticipates an increase in contractual costs for helicopters based on past increases in these contracts. There continues to be an increased state and worldwide demand for these helicopter services while service providers, especially in Alaska, face increased costs related to parts availability, insurance costs, and a number of other business challenges. During the last five-year contract cycle 2011-2015, contract solicitations included bids as high as \$9,900 per day not including mission flight hours. This increment request reflects an increase of 4% in the three helicopter contracts plus a 3% Consumer Price Index increase for the remaining three helicopters.

The current contractual obligation for six helicopters is \$2,203,650 for the 2011 90-day window. The Division expects to be able to maintain its current helicopter fleet with the addition of \$119,600.

If the Division cannot support six firefighting helicopters, the result will be reduced success in initial attack statewide. There are few alternatives in Alaska so similar firefighting resources would need to be acquired from the lower 48 at a greatly increased cost. Helicopters from the lower 48 typically cost \$30,000 for the flight time to reach Alaska and another \$30,000 to return to their station, this does not include any costs associated with fire work in Alaska. These helicopters also typically take four days to reach Alaska which means they must be prepositioned in Alaska prior to fire activity to be effective in initial attack. This also increases costs. Reduced initial attack success will result in larger fires, greater property loss, higher risks to the citizens of Alaska, and increased fire costs.

The communities and residents of Alaska who live in fire prone forests will be affected due to the lack of success in initial attack firefighting. In particular, wildland urban interface areas such as Fairbanks, Mat-Su and Kenai would be significantly affected without helicopters stationed in these areas.

Geographic Regions Affected:

- Northern and Eastern Interior Alaska
- South Central Alaska
- Southwest Alaska

**Transfer Vacant Position (10-9075) from Forest Management for Firefighter Payroll Load from Department of Administration**

Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
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This request, along with one other PCN transfer request in the component, will take two PCNs previously paid by federal grants and transfer them from the Forest Management and Development Component to the Fire Suppression Preparedness Component.

With federal overhead rates collected from support to federal fires, two PCNs will be reclassified to the Human Resource Technician class series, and they will be responsible for payroll functions previously performed by Department of Administration (DOA) Division of Personnel. The body of work which DOA is discontinuing includes emergency firefighter payroll recording and payroll entry for all time for Division of Forestry permanent, seasonal, and nonpermanent personnel. These positions will perform collection, verification, division review and certification, and data entry of time for all emergency firefighters (300-600 people) and also for permanent personnel who record their time in the field.

This action takes vacant unfunded PCN 10-9075 (currently classified as a Range 17 Education Associate III, with a duty station of Anchorage), and moves it to the Fire Suppression Preparedness Component. The PCN is also being identified for a duty station change from Anchorage to Fairbanks, where the position will support the firefighter payroll needs of the offices in the northern region. The position will be classified as a Range 14 Human Resource Technician II. The PCN is available for transfer because the federally-funded Cooperative Forestry Education program can no longer sustain the cost of an education position from the federal grants.

DOA has notified DNR that it does not intend to perform entry of firefighter payroll, and that they will discontinue use of the established DNR-developed EFF Firefighter Payroll System. The PCN action and the increment are essential to meet the human resource workload being transferred to DNR. Time entry and

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

recording cannot be performed by emergency firefighters. They are a highly mobile and transitory work force working in remote field conditions, with lack of time and capability to use the state's administrative timekeeping technology being implemented by DOA.

**Transfer Vacant Position (10-9422) from Forest Management for Firefighter Payroll Load from Department of Administration**

Trin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
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This request, along with one other PCN transfer request in the component, will take two PCNs previously paid by federal grants and transfer them from the Forest Management and Development Component to the Fire Suppression Preparedness Component.

With federal overhead rates collected from support to federal fires, two PCNs will be reclassified to the Human Resource Technician class series, and they will be responsible for payroll functions previously performed by Department of Administration (DOA) Division of Personnel. The body of work which DOA is discontinuing includes emergency firefighter payroll recording and payroll entry for all time for Division of Forestry permanent, seasonal, and nonpermanent personnel. These positions will perform collection, verification, division review and certification, and data entry of time for all emergency firefighters (300-600 people) and also for permanent personnel who record their time in the field.

This action takes vacant unfunded PCN 10-9422 (currently classified as a Range 16 Forester II, with a duty station of Palmer), and moves it to the Fire Suppression Preparedness Component. The position will be classified as a Range 14 Human Resource Technician II. The position is available for transfer because the federally-funded Forest Stewardship program can no longer sustain the cost of the Forester position within its annual federal grants.

DOA has notified DNR that it does not intend to perform entry of firefighter payroll, and that they will discontinue use of the established DNR-developed EFF Firefighter Payroll System. The PCN action and the increment are essential to meet the human resource workload being transferred to DNR. Time entry and recording cannot be performed by emergency firefighters. They are a highly mobile and transitory work force working in remote field conditions, with lack of time and capability to use the state's administrative timekeeping technology being implemented by DOA.

**Delete Long-Term Vacant Positions**

PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-2	0
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Position(s) that have been vacant for a year are being deleted.  
 This transaction is for: 10-9710 (PT), 10-9815 (PT)

**Firefighter Payroll Interagency Authority**

Inc	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts	100.0											

Increase interagency receipt authority for emergency firefighter payroll services to the Fire Activity Component. Paid by administrative fee charged to the federal government for support on federal fires.

This request funds Division of Forestry's new responsibility for payroll entry that has historically been performed by the Department of Administration (DOA) Division of Personnel, for 300 to 600 emergency firefighters (EFF) each season.

No new PCNs are being requested. This increment will fund two vacant PCNs (previously federal grant-funded), that are being transferred from the Forest Management and Development Component to the Fire Suppression Preparedness Component and that are being reclassified as Human Resource Technicians to assume this new workload. With this funding, the two regions (supporting multiple geographically-dispersed offices) will each have a PCN for payroll, appointment information, data entry, payroll system hierarchy maintenance, and timekeeping functions.

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

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

DOA is discontinuing use of the DNR-developed EFF Firefighter Payroll System with implementation of the statewide timekeeping system (ASSETS). DOA has notified DNR that it does not intend to perform entry of firefighter payroll. Deployment of ASSETS will be staggered, with DNR's migration scheduled for FY13.

Time entry and recording cannot be performed by emergency firefighters themselves. They are a highly mobile and transitory work force working in remote field conditions, with lack of time and capability to use the state's administrative timekeeping technology being implemented by DOA. The nature of their employment precludes them from entering their own time into the new payroll system being implemented by DOA.

Although the DOA system is not fully functional, DNR knows that at least the EFF payroll entry will need to be assumed by Forestry and cannot be performed by the employees. Similarly, many permanent personnel need human resource support to enter time when workers are in the field. Activities also include verification and non-standard approvals of time collected from remote locations, required for accuracy and timeliness to meet interface deadlines for payroll.

Forestry payroll constitutes the most complex and logistically time-critical manual and automated time recording, accuracy of which must meet the tests of federal audit for cost recovery. DOA has established a target to have payroll processed without penalty. Decentralizing Forestry's payroll entry function to DNR now, without the supporting staff to perform the work, would increase the likelihood of costly payroll penalties and jeopardize the payroll goal to implement best practices in human resource activities.

**Reverse August FY2012 Fuel/Utility Cost Increase Funding Distribution from the Office of the Governor**

	OTI	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
1004 Gen Fund	-24.3	-24.3	0.0	0.0	-24.3	0.0	0.0	0.0	0.0	0	0	0

Pursuant to Sec 21 Ch 3 FSSLA 2011 pg 76 In 19 through pg 78 In 27, \$18.0 million is distributed in August to State agencies from the Office of the Governor to offset the increased costs for fuel and utilities. Per the Department of Revenue (DOR), the fiscal year-to-date average price of Alaska North Slope crude as of August 1, 2011, was \$114.08 per barrel, which is \$19.38 (20.5%) above DOR's Spring 2011 FY2012 forecast amount of \$94.70.

The amounts transferred to state agencies are as follows:

Administration, \$27.3; Corrections, \$720.0; DEED, \$68.6; DEC, \$90.3; Fish and Game, \$93.2; HSS, \$720.0; Labor, \$42.4; DMVA, \$392.8; DNR, \$81.7; DPS, \$328.6; Transportation, \$13,455.1; University, \$1,980.0.

**FY2013 Salary Increases**

	SalAdj	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
1002 Fed Rcpts	16.5	153.7	153.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	127.8											
1007 I/A Rcpts	3.6											
1061 CIP Rcpts	5.8											

FY2013 Salary Increases: \$153.7

**FY2013 Health Insurance Increases**

	SalAdj	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
1002 Fed Rcpts	11.6	95.2	95.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund	78.2											
1007 I/A Rcpts	2.1											
1061 CIP Rcpts	3.3											

**Department of Natural Resources**

**Component:** Fire Suppression Preparedness (2705)  
**RDU:** Statewide Fire Suppression Program (140)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions			
										PFT	PPT	NP	
FY2013 Health Insurance Increases: \$95.2													
		<b>Totals</b>	<b>19,790.8</b>	<b>10,671.9</b>	<b>306.8</b>	<b>7,387.5</b>	<b>735.4</b>	<b>689.2</b>	<b>0.0</b>	<b>0.0</b>	<b>35</b>	<b>184</b>	<b>0</b>

**Department of Natural Resources**

**Component:** Fire Suppression Activity (2706)  
**RDU:** Statewide Fire Suppression Program (140)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
<b>FY2012 Conference Committee - CHAPTER 3 FSSLA 11 Sec. 18(a)</b>	ConfCom	2,000.0	0.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		2,000.0										
<b>FY2012 Conference Committee</b>	ConfCom	11,623.7	3,152.3	101.6	6,464.8	1,905.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		3,460.4										
1004 Gen Fund		6,663.3										
1108 Stat Desig		1,500.0										
<b>Subtotal</b>		<b>13,623.7</b>	<b>3,152.3</b>	<b>101.6</b>	<b>8,464.8</b>	<b>1,905.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
<b>Subtotal</b>		<b>13,623.7</b>	<b>3,152.3</b>	<b>101.6</b>	<b>8,464.8</b>	<b>1,905.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
<b>Federal Fire Authorization estimate</b>	IncM	8,500.0	0.0	0.0	5,500.0	3,000.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		8,500.0										
<b>Reverse CH3 FSSLA2011 Sec. 18(a) Federal Estimate</b>	OTI	-2,000.0	0.0	0.0	-2,000.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-2,000.0										
<b>Totals</b>		<b>20,123.7</b>	<b>3,152.3</b>	<b>101.6</b>	<b>11,964.8</b>	<b>4,905.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>