

State of Alaska FY2003 Governor's Operating Budget

Department of Community & Economic Development Administrative Services Component Budget Summary

Component: Administrative Services

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Component Mission

The mission of the Division of Administrative Services is to provide support services to departmental programs.

Component Services Provided

Facilitates and ensures the delivery of the services provided by the Department of Community and Economic Development by giving efficient and cost effective business management support in four areas:

Financial Services provides the full spectrum of revenue and expenditure fund, appropriation, and cost/project accounting in accordance with governmental budgeting and accounting principles and federal cost accounting principles. This includes preparing operating and capital budget requests; establishing and maintaining accounting systems; committing the funds for and payment of out-going grants to grantees, contractors, vendors, and travelers; billing for and recording of revenue from the federal government, other governmental units, and the general public; and overall providing financial projections using both accrual and cash accounting principles to ensure that Legislative appropriations are neither over-spend or under collected.

Procurement and Supply provides the mailroom services, equipment and property control, solicitation and purchase of equipment and supplies, solicitation and management of services contracts (professional and non-professional), and management of physical office space throughout Alaska in accordance with the Uniform Commercial Code, contracting principles, and the state procurement code AS 36.30 and 2 AAC 12.

Data Processing maintains and installs the department's computer systems, network, databases, and webpages; provides database and e-commerce development services; and trains users in software and hardware capabilities.

Human Resources provides a full range of services to the department which includes ensuring compliance with all federal and state employment laws and regulations as well as collective bargaining agreements, recruitment, classification services including individual position allocation and job classification studies, employee/management relations, leave/benefits administration, payroll services, and assists the department's managers in developing a high quality work force.

Component Goals and Strategies

Manage the department's finances efficiently and effectively:

Ensure that every agency within DCED can make informed budgetary and financial decisions.

- Ensure that governmental accounting principles, federal grant accounting principles and specific State of Alaska accounting requirements are complied with.

Ensure Legislative appropriations are maximized and appropriations are neither under-collected nor over spent.

- Ensure accurate financial information and reports are available for the Legislature, Department of Administration, other state agencies, federal government, and management within DCED.

Ensure timely and accurate billing of federal agencies, other governmental units, and general public to ensure

- sufficient cash flow is maintained within the General Fund and other statutorily created funds.

Pay grantees, contractors, vendors, and employee travel reimbursements accurately and promptly.

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Manage the department's procurement and property efficiently and effectively:

Ensure adherence to established procurement principles such as Uniform Commercial Code, contracting principles,

- AS 36.30 and 2 AAC 12.

Ensure that office space, services, goods, equipment, and supplies are procured and managed in a fashion

- consistent with all requirements and meet the needs of DCED agencies.

Ensure the security of property and equipment.

- Ensure the timely distribution of mail.

Provide Data Processing services efficiently and effectively:

Provide an environment that makes department data easily accessible to local area, wide area and Internet users.

- Provide effective security on department data so that the data is never in any danger of being compromised.
- Create a suite of applications for each division that will allow employees to do their jobs as quickly and efficiently as possible.
- Respond to requests for programming in as timely a manner possible.
- Meet with key division personnel on a periodic basis to assess their future and present needs and to establish timelines for completing their requests.
- Maintain and tune all applications so they are efficient and bug free.
- Develop internet applications that will allow the public to access information maintained by the department.
- Develop e-commerce applications that will allow licensees in all divisions to update or make initial licensure from the web.
- Provide quick and effective help to department employees for resolution of computer related problems.
- Maintain a trouble free network of computers, routers, printers, scanners and other devices that make up the entire network.

Provide exceptional human resources services to department employees and managers.

Assist managers and supervisors with recruitment strategies that are cost effective yet produce quality candidates for consideration.

- Assist managers and supervisors to work with troubled employees to correct performance or other workplace issues.
- Take corrective action through progressive and constructive discipline up to and including dismissal.
- Retain quality employees through appropriate classification, effective development, recognition and reward systems.

Key Component Issues for FY2002 – 2003

The Department is increasingly encountering the recruitment/retention difficulties faced by all state agencies. Recruitment for positions requiring specialized technical expertise (Analyst Programmers, Utility Engineers, Insurance Financial Examiners, etc.) is becoming more and more difficult due to lack of qualified in-state candidates coupled with non-competitive salaries within those fields nationwide. State employee salaries and benefits generally are no longer as competitive as is necessary to attract quality candidates for many state positions. A contributing factor is the out-dated state classification system. Many job class specifications are 20 or more years old with restrictive minimum qualifications and do not produce sufficient applicant pools. A further contributing factor is the "graying" of the workforce, a nationwide phenomenon where the "baby boomer" generation of workers is reaching retirement age. Younger replacement workers are not only far fewer in numbers, they do not share the prior generations' notion of staying with the same employer for years. Even if quality replacement workers are found, the state currently does not have the tools/ability to provide retention incentives. In particular, retaining staff in the division's Data Processing group is, and is likely to remain, a problem. A great deal of effort is spent recruiting, hiring, and training DP staff only to have staff depart for jobs outside of state government.

The division is continuously seeking out and implementing ways to reduce the cost of its services as well as the cost of departmental administrative overhead in general. Numerous processes and procedures have already been streamlined to minimize the amount of time and effort it takes to get things done (both within and outside the division), while maintaining appropriate accountability controls.

Major Component Accomplishments in 2001

The Human Resource Office focused on successful employee/management relations, effectively defusing situations by providing advice and counseling to supervisors/managers as well as serving as a sounding board for employees. As a result, NO grievances or complaints were filed within the department during FY '01. Incremental progress was made in the area of classification with the broadening of the minimum qualifications for the Insurance Analyst, Institutional Financial Examiner, Utility Tariff Analyst, and Securities Examiner job classification series.

In an effort to get young people interested in a career working for the State of Alaska, the Department began a high school intern project. To date, four intern positions have been established to assist in the development of the Alaska Economic Information System, a Web based statewide economic information system which will ultimately present

economic variables such as employment, earnings, market shares, production, etc. summarized in graph form on a regional basis.

The Data Processing Group worked with:

The Division of Community and Business Development to develop and implement the Alaska Photo Library Web site.

- This site provides high quality, royalty free images of Alaska for promotional and educational uses. Images with a quality suitable from web site design and use can be download and used in real-time, high quality images for use in printed materials are available via request with 24 hours

The Division of Occupational Licensing to:

- make the Big Game Guide Use Area maps available online. Maps can be viewed and printed from the internet, or downloaded by print shops for printing on large format printers;
 - developed an online license renewal system for the Architects, Engineers and Land Surveyors. Members of these professions are required to be licensed with in the State of Alaska, these licenses can now be renewed online.

- The Division of Banking, Securities and Corporations staff to develop a system that is used to assist the staff with the regulation of banks within the state. The system improves the staffs ability to charter, license and supervisor these institutions.

- The Division of Insurance to develop the systems necessary to send and receive data from the National Association of Insurance Commissioners, NAIC. The NAIC coordinates information transfers and develops standards and model legislation for state's and the insurance industry. The transfer of this data will allow other states and insurance companies to see which Alaskan's are licensed within the state and will allow non-residents to apply for insurance licenses in Alaska through a centralized location.

The DP staff developed, improved and implemented a variety of data search and retrieval systems that provide access to public information over the Internet. These include the Business License Database, Occupational License Database, Insurance Producers Database, Corporations and Trademark Databases as well as others.

Statutory and Regulatory Authority

AS 44.33.010-020 Administrative Services

Administrative Services
Component Financial Summary

All dollars in thousands

Non-Formula Program:	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Component Expenditures:			
71000 Personal Services	1,872.3	2,054.8	2,225.0
72000 Travel	25.6	17.5	17.5
73000 Contractual	153.2	210.4	110.4
74000 Supplies	26.5	28.1	28.1
75000 Equipment	34.3	1.7	1.7
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,111.9	2,312.5	2,382.7
Funding Sources:			
1004 General Fund Receipts	1,265.3	1,269.6	1,311.3
1007 Inter-Agency Receipts	846.6	1,042.9	1,071.4
Funding Totals	2,111.9	2,312.5	2,382.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	846.6	1,042.9	1,037.2	1,071.4	1,071.4
Restricted Total		846.6	1,042.9	1,037.2	1,071.4	1,071.4
Total Estimated Revenues		846.6	1,042.9	1,037.2	1,071.4	1,071.4

Administrative Services
Proposed Changes in Levels of Service for FY2003

None.

Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	1,269.6	0.0	1,042.9	2,312.5
Adjustments which will continue current level of service:				
-Cost Allocation I/A correction ADN 0820059	0.0	0.0	-5.7	-5.7
-Year 3 Labor Costs - Net Change from FY2002	41.7	0.0	34.2	75.9
FY2003 Governor	1,311.3	0.0	1,071.4	2,382.7

Administrative Services**Personal Services Information**

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	37	37	Annual Salaries	1,696,072
Part-time	0	0	COLA	43,991
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	616,174
			<i>Less 5.57% Vacancy Factor</i>	<i>(131,237)</i>
			Lump Sum Premium Pay	0
Totals	37	37	Total Personal Services	2,225,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	2	0	2
Accountant V	0	0	1	0	1
Accounting Tech I	1	0	2	0	3
Accounting Tech II	0	0	3	0	3
Accounting Tech III	0	0	1	0	1
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	0	1	0	1
Analyst/Programmer IV	0	0	2	0	2
Data Processing Mgr III	0	0	1	0	1
Division Director	0	0	1	0	1
Human Resources Mgr II	0	0	1	0	1
Mail Svcs Courier	0	0	1	0	1
Micro/Network Spec I	1	0	1	0	2
Micro/Network Tech II	2	0	1	0	3
Personnel Asst I	0	0	2	0	2
Personnel Officer I	1	0	0	0	1
Personnel Specialist I	0	0	2	0	2
Procurement Spec II	0	0	1	0	1
Procurement Spec III	0	0	1	0	1
Procurement Spec IV	0	0	1	0	1
Program Budget Analyst III	0	0	1	0	1
Publications Spec II	0	0	2	0	2
Supply Technician II	0	0	1	0	1
Systems Programmer III	0	0	1	0	1
Totals	6	0	31	0	37