

**State of Alaska**  
**FY2003 Governor's Operating Budget**

**Department of Health and Social Services**  
**Administrative Services**  
**Budget Request Unit Budget Summary**

## **Administrative Services Budget Request Unit**

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### **BRU Mission**

To provide quality administrative services that support the Department's programs.

### **BRU Services Provided**

The Commissioner's Office component funds upper-level management and policy development for the entire department.

The Personnel and Payroll component funds personnel/payroll activities including labor relations, classification, worker safety, application examining and Workplace Alaska.

The Administrative Support Services component funds of financial, budget, procurement, grant administration, data warehousing and information services.

The Health Planning and Facilities Management component includes the administration of the Alaska Certificate of Need Program, Comprehensive Integrated Mental Health Plan, data integration, and provides management of the department's capital program.

The Audit component's focus is to conduct audits on department programs and grantees, special reviews, state and federal single audit reviews and provide assistance to Legislative Audit during the Federal single audit of the Department.

### **BRU Goals and Strategies**

To assist the Department in meeting its fiduciary responsibilities.

To provide efficient and effective service.

To coordinate administrative processes and the efficient use of state resources.

Identify and implement innovative management initiatives.

### **Key BRU Issues for FY2002 – 2003**

A key issue for the Division as well as the Department of Health & Social Services is the significant problems we are facing with recruiting and retaining qualified staff. More and more, the department is finding it impossible to recruit people into positions in State government. Most state positions are not keeping up with inflation in wages, benefits and flexibility, making state positions less desirable and harder to fill.

Other Key Issues are:

General fund resources in the division have declined, increasing reliance on other funds through the department's cost allocation plan, making fiscal management more complex.

Central services have been delegated, requiring more work in the Division of Administrative Services and all divisions in DHSS.

Federal requirements for reports and compliance continue to increase.

The complexity of rules, regulations, and policies that the department must comply with has increased in all areas (i.e., Family Medical Leave, Americans with Disabilities Act, etc.)

### Major BRU Accomplishments in 2001

- ⌚ Consolidate several DHSS offices in the Frontier Building in Anchorage.
- ⌚ Established Employee Recognition and Employee Wellness Programs.
- ⌚ Completed several construction projects on time and within budget ( i.e., Public Health Laboratory - Anchorage and Conversion of Farenkamp Center to Residential Diagnostic Treatment Center - Fairbanks)
- ⌚ Deployed Computerized Maintenance Management System to several DHSS facilities for preventive maintenance purposes.
- ⌚ Met all critical accounting and budget deadlines on time.
- ⌚ Continued efforts to reform the DHSS Grant process.
- ⌚ Initiated plan to guide DHSS through HIPAA requirements.
- ⌚ Completed draft of Comprehensive Integrated Mental Health Plan.
- ⌚ Began development of DHSS Workforce Development plan.
- ⌚ Expanded Pilot program for Travel/Purchasing (one-card) program to all divisions.
- ⌚ Revitalized Intranet and Intranet development within DHSS.

### Key Performance Measures for FY2003

**Measure:**

The cost of Administrative Services personnel as compared to the cost of the entire Department's personnel.  
 Sec 85(b)1) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

	Includes Comm. Office DAS	Total DEPARTMENT	PERCENTAGE
FY00	\$5,207.2	\$121,253.9	4.29%
FY01	\$5,855.3	\$128,541.7	4.34%

**Benchmark Comparisons:**

There are no comparisons at this time.

**Measure:**

The percentage of grievances and complaints resolved without resort to arbitration.  
 Sec 85(b)(2) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

In FY 2000 there were 131 cases and 98% were resolved without arbitration.  
 In FY 2001 there were 74 cases and 97% were resolved without arbitration.

**Background and Strategies:**

The number of cases declined from FY2000 to FY2001. This is partly due to the DHSS training that has been given to all supervisors.

**Measure:**

The average number of days taken for vendor payments.  
 Sec 85(b)(3) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

FY2000 = 34 days  
 FY2001 = 33 days

**Background and Strategies:**

It is important to note that the average payment days extracted from the accounting system start with the vendor's date listed on invoice. Therefore, the report extracted from the accounting system does not accurately reflect the days it takes a department fiscal office to process a vendor invoice.

**Measure:**

The percentage of audit exceptions that are resolved.  
Sec 85(b)(4) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

In FY2000 a total of 6 audit exceptions occurred, all of which will be resolved by 6/30/2002.

**Background and Strategies:**

The State Single Audits are one year behind. The data collected here will be one year later than other targets.

**Measure:**

The percentage of divisions within the department that meet assigned performance measures.  
Sec 84(b)(1) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

Data not available at this time.

**Measure:**

The average time taken to respond to complaints and questions that have been elevated to the Commissioner's Office.  
Sec 84(b)(2) Ch 90 SLA 2001(HB 250)

**Alaska's Target & Progress:**

In FY2001, there were 126 questions and complaints logged into the Commissioner's Office Correspondence Tracking System. The average time to respond to these inquiries was 11 working days.

**Administrative Services**  
**BRU Financial Summary by Component**

*All dollars in thousands*

	FY2001 Actuals				FY2002 Authorized				FY2003 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b><u>Formula Expenditures</u></b>	None.											
<b><u>Non-Formula Expenditures</u></b>												
Commissioner's Office	310.3	298.6	399.4	1,008.3	742.3	349.1	391.0	1,482.4	554.7	362.7	274.6	1,192.0
Personnel and Payroll	704.5	224.9	438.7	1,368.1	734.6	277.8	352.3	1,364.7	760.3	409.2	491.8	1,661.3
Administrative Support Svcs	2,171.4	1,188.4	598.0	3,957.8	1,988.3	1,222.4	391.2	3,601.9	2,114.9	1,347.0	424.9	3,886.8
Health Plan. & Facilities Mgmt	185.8	118.2	619.9	923.9	217.1	118.4	721.7	1,057.2	222.6	122.3	716.7	1,061.6
Audit	73.8	33.4	90.9	198.1	106.3	63.7	107.5	277.5	109.3	65.7	110.4	285.4
<b>Totals</b>	<b>3,445.8</b>	<b>1,863.5</b>	<b>2,146.9</b>	<b>7,456.2</b>	<b>3,788.6</b>	<b>2,031.4</b>	<b>1,963.7</b>	<b>7,783.7</b>	<b>3,761.8</b>	<b>2,306.9</b>	<b>2,018.4</b>	<b>8,087.1</b>

**Administrative Services**

**Proposed Changes in Levels of Service for FY2003**

Starting in FY2002 and continuing in FY2003, based on workload, we plan to establish administrative support and personnel positions to allow the Division of Administrative Services to keep up with demand on services. All positions will be funded with non-general funds consistent with the DHSS approved cost allocation plan.

**Administrative Services**

**Summary of BRU Budget Changes by Component**

**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>
<b>FY2002 Authorized</b>	<b>3,788.6</b>	<b>2,031.4</b>	<b>1,963.7</b>	<b>7,783.7</b>
<b>Adjustments which will continue current level of service:</b>				
-Commissioner's Office	-187.6	13.6	-116.4	-290.4
-Personnel and Payroll	25.7	8.4	16.5	50.6
-Administrative Support Svcs	126.6	29.5	14.5	170.6
-Health Plan. & Facilities Mgmt	5.5	3.9	16.5	25.9
-Audit	3.0	2.0	2.9	7.9
<b>Proposed budget decreases:</b>				
-Health Plan. & Facilities Mgmt	0.0	0.0	-21.5	-21.5
<b>Proposed budget increases:</b>				
-Personnel and Payroll	0.0	123.0	123.0	246.0
-Administrative Support Svcs	0.0	95.1	19.2	114.3
<b>FY2003 Governor</b>	<b>3,761.8</b>	<b>2,306.9</b>	<b>2,018.4</b>	<b>8,087.1</b>