

State of Alaska
FY2004 Governor's Operating Budget

Department of Transportation/Public Facilities
Northern Region Support Services
Component Budget Summary

Component: Northern Region Support Services

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Component Mission

The mission of the Northern Region Support Services component is to support the Northern Region's operations with quality administration, efficient procurement, and current information technology.

Component Services Provided

- Regional Support/Administration and Budget provides management support and budget coordination to all operating divisions of Northern Region, with additional support to regional staff of Headquarters and Statewide divisions and the Fairbanks International Airport.
- The Regional Director's office provides management oversight of all functions of the organization and acts as liaison between divisions and between the department and other agencies and the public.
- The Procurement office is responsible for the purchase and delivery of supplies, equipment and services as well as property control.

Component Goals and Strategies

Lead the development and maintenance of transportation systems that effectively move people and goods throughout the region.

- Develop consensus within the communities of Northern and Interior Alaska regarding transportation needs.
- Prioritize funding requests to optimize the use of public resources.

Continue reliable service with reduced general fund resources.

- Make use of technological changes to generate more efficient operations.
- Continually review operational organization and workflow for enhanced performance.
- Use competition between commodity suppliers to generate cost savings.

Provide effective administration, accurate budgeting, and efficient procurement.

- Provide point of contact for the general public, local government, other agencies, the Commissioner's Office and the Legislature concerning regional operations and policy.
- Support the functions of Maintenance and Operations, Design, Construction, Planning, Technology Transfer, and Research by accurate accounting, analysis and reporting of budget, expenditures and revenue.

Procure and deliver requested supplies, equipment, and services promptly and in accordance with purchasing laws and regulations by enhancing BuySpeed purchasing system.

Key Component Issues for FY2003 – 2004

- Streamlining the department's procurement process is essential so that goods and services continue to be provided efficiently and according to all state, federal and local guidelines despite reduced funding. Through the use of the department's automated procurement system, BuySpeed, we are able to improve information gathering and dissemination processes to enhance our efficiency.
- Work continues on the BuySpeed System to allow end users to submit purchase requests through a web requisitioning program. This may have some initial loss of productivity but should ultimately increase the department's procurement efficiency.
- The region's mission critical operations (design, construction and maintenance of area roads, airports and facilities) rely on the support provided by this component. Continued reductions in funding for services like procurement and administrative support directly impact the ability of the region's operating divisions to deliver their programs effectively. At this level of funding, it may be necessary to seek reimbursement from major users at peak season in order to provide an adequate level of service.

Major Component Accomplishments in 2002

- Continued to test upgrades for BuySpeed Purchasing System and provide training to streamline the procurement process and expand on our reporting capabilities and to enhance our efficiency without loss of oversight.
- Provided on-going state accounting system GENEVA and AKSAS training courses to departmental and other state agencies' employees.
- Continued to ensure full regional participation in and commitment to the Commissioner's program to improve the department's management performance through University courses directed toward First Line Supervisors.

Statutory and Regulatory Authority

AS 35 Public Bldg & Imp
AS 36 Public Contracts
AS 39 Public Off & Emp
AAC Title 17
AAC Title 12

Northern Region Support Services
Component Financial Summary

All dollars in thousands

| | FY2002 Actuals | FY2003 Authorized | FY2004 Governor |
|-------------------------------------------|----------------|-------------------|-----------------|
| Non-Formula Program: | | | |
| Component Expenditures: | | | |
| 71000 Personal Services | 893.6 | 941.3 | 880.6 |
| 72000 Travel | 7.6 | 7.8 | 7.8 |
| 73000 Contractual | 107.6 | 90.1 | 80.1 |
| 74000 Supplies | 63.3 | 19.7 | 19.7 |
| 75000 Equipment | 0.0 | 0.0 | 0.0 |
| 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 | 1,072.1 | 1,058.9 | 988.2 |
| Funding Sources: | | | |
| 1004 General Fund Receipts | 778.1 | 751.3 | 677.8 |
| 1007 Inter-Agency Receipts | 5.7 | 3.8 | 3.8 |
| 1026 Highway Working Capital Fund | 141.3 | 145.4 | 146.9 |
| 1027 International Airport Revenue Fund | 90.6 | 94.5 | 95.2 |
| 1061 Capital Improvement Project Receipts | 56.4 | 63.9 | 64.5 |
| Funding Totals | 1,072.1 | 1,058.9 | 988.2 |

Northern Region Support Services

Proposed Changes in Levels of Service for FY2004

At this funding level, the procurement section will process purchase requests within 7 business days for approximately six months out of the year, and within 10 business days during peak demand months. This is a reduction from the current average of 4.45 business days year round in all three districts.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

| | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|----------------------------------------------------------------------------------------------|----------------------|----------------------|--------------------|--------------------|
| FY2003 Authorized | 751.3 | 0.0 | 307.6 | 1,058.9 |
| Adjustments which will continue current level of service: | | | | |
| -Annualize FY2003 COLA for General Government, Confidential and Supervisory Bargaining Units | 0.0 | 0.0 | 2.8 | 2.8 |
| -\$75 per Month Health Insurance Increase for Non-covered Staff | 0.5 | 0.0 | 0.0 | 0.5 |
| Proposed budget decreases: | | | | |
| -Reduce procurement staff and services supporting construction and maintenance programs | -74.0 | 0.0 | 0.0 | -74.0 |
| FY2004 Governor | 677.8 | 0.0 | 310.4 | 988.2 |

Northern Region Support Services

Personal Services Information

| | Authorized Positions | | Personal Services Costs | |
|---------------|------------------------------------|----------------------------------|----------------------------------|----------------|
| | <u>FY2003</u> <u>Authorized</u> | <u>FY2004</u> <u>Governor</u> | | |
| Full-time | 15 | 14 | Annual Salaries | 662,780 |
| Part-time | 0 | 1 | Premium Pay | 2,958 |
| Nonpermanent | 0 | 0 | Annual Benefits | 250,343 |
| | | | <i>Less 3.87% Vacancy Factor</i> | (35,481) |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 15 | 15 | Total Personal Services | 880,600 |

Position Classification Summary

| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
|--------------------------------|-----------|-----------|----------|----------|-----------|
| Administrative Assistant | 0 | 1 | 0 | 0 | 1 |
| Administrative Clerk II | 0 | 1 | 0 | 0 | 1 |
| Administrative Manager I | 0 | 1 | 0 | 0 | 1 |
| Asst Commissioner | 0 | 1 | 0 | 0 | 1 |
| Procurement Spec I | 0 | 1 | 0 | 0 | 1 |
| Procurement Spec III | 0 | 1 | 0 | 0 | 1 |
| Program Budget Analyst III | 0 | 1 | 0 | 0 | 1 |
| Secretary | 0 | 1 | 0 | 0 | 1 |
| Stock & Parts Svcs Journey I | 0 | 1 | 0 | 0 | 1 |
| Stock & Parts Svcs Lead | 0 | 0 | 0 | 2 | 2 |
| Stock & Parts Svcs Sub Journey | 0 | 1 | 0 | 0 | 1 |
| Supply Technician II | 0 | 3 | 0 | 0 | 3 |
| Totals | 0 | 13 | 0 | 2 | 15 |