

**State of Alaska
FY2005 Governor's Operating Budget**

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

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Component: Southeast Region Support Services

Contribution to Department's Mission

The mission of the Southeast Region Support Services component is to provide leadership and accountability of all Southeast Region activities, and to support regional operations with quality financial analysis, contracting and procurement, information technology and budgetary services. These services are also provided to the Alaska Marine Highway System (AMHS).

Core Services

The Office of the Regional Director provides overall policy direction and management leadership to 185 employees in the region. The Regional Director also provides the conduit for local communities and individuals to have input on various transportation issues.

The Southeast Region and the AMHS annual operating budgets, totaling approximately \$100.0 million are prepared in this unit. Inquiries from the legislature, administration, and the public are researched and responded to through this office. Status reports are prepared to provide financial information and guidance to management.

The Capital Improvement Project Control unit maintains the status of the region's capital improvement projects. Federal and state regulations require detailed reports and procedures for tracking and reporting on capital projects. Status books are prepared to provide necessary information to regional and federal project staff.

The Contracting and Procurement unit purchases and distributes all office commodities, computers, construction materials and maintenance supplies for the SE region, AMHS and DOT&PF headquarters. In addition, the procurement unit issues construction contracts for AMHS vessel overhauls. A warehouse is stocked and maintained to provide rapid access to materials needed for the maintenance and operation of highways, harbors, airports, buildings, and AMHS ferries.

The Computer Services unit provides network, file/print and desktop computer and printer support to a variety of Southeast Region staff and the AMHS. Computer Services is the primary contact for the design, implementation, and support of SE Region and AMHS unique application systems; the employee computer workstations and the local area network infrastructure. Systems supported include the system-wide reservations system, centralized (LAN) file transfer and storage, and the wireless bridge.

The Management Information unit gathers and analyzes data on AMHS ferry traffic, revenue forecasting, operating costs, performance measures, and other statistics. The production of several monthly reports, which summarize operational data and two major annual reports are completed here.

FY2005 Resources Allocated to Achieve Results		
FY2005 Component Budget: \$2,339,400	Personnel:	
	Full time	29
	Part time	0
	Total	29

Key Component Challenges

- The implementation of the SE Alaska Transportation Plan continues to be of paramount importance over the next several years as significant resources will be used to design and construct the infrastructure for improved movement

of people and commodities throughout the region. Decisive management and articulate leadership are essential to successfully implement this plan.

- During this period of increasing federal programs and no comparable growth in support functions, increased technology is being aggressively pursued to enhance efficiency. Systems that rely on information can indeed benefit from technological solutions. For example, the AKSAS BuySpeed interface being developed will allow the electronic transfer of financial data from procurement, contracts, and warehouse inventory transactions directly into AKSAS. An interface was developed that allows electronic requisitions to be generated from the service maintenance database called AMOS, to Southeast Region Procurement. The warehouse consolidation is complete. Modifications have been made to the shelving systems, lighting system and the heating system to further enhance efficiency.
- Ferry reservations have been made easier and more convenient with the implementation of the AMHS On-Line Reservations System. It is now possible for the public to make and pay for ferry reservations over the Internet.
- Plans are being initiated to update the Southeast Alaska Transportation Plan. A list of transportation ideas will be developed to provide a basis for reassessment of the regional transportation plan.

Significant Changes in Results to be Delivered in FY2005

This component will continue to provide management oversight of budget development, analytical research, computer support, contracting and procurement activities although travel for the Regional Director and use of Department of Law legal advice will diminish.

Major Component Accomplishments in 2003

Implementation of the SE Alaska Transportation Plan is on track. The plan encompasses construction of new roads, ferries, and terminals to enhance transportation in SE Alaska. As part of the plan, the first fast vehicle ferry M/V Fairweather is expected to begin revenue service May 1, 2004. The second FVF M/V Chenega is expected to begin revenue service May 1, 2005. The M/V Lituya is a new shuttle ferry that is expected to begin revenue service between Ketchikan and Metlakatla in May 2004.

The contracting and procurement section has been aggressively exploring electronic commerce tools and electronic requisitioning for all customers, vendors and service providers. This e-commerce module would tie into BuySpeed, the procurement database software used by DOT. In turn, the e-commerce module will reduce the number of steps in the procurement process.

Advancements have been made with the AMOS Maintenance Management System which provides the automated scheduling of maintenance and repairs for AMHS vessels. Likewise, the Management Information unit has made advancements in forecasting AMHS revenue. During the first quarter of FY03, the revised model forecasted total projected revenue to within one percentage point of the actual total revenue for FY03.

Substantial improvements were made to the AMHS wireless bridges to enhance network connectivity. All of the Solectek units in southeast and southwest Alaska were replaced with Cisco 350 bridges. In addition, new antennas were installed on the vessels and at the ferry terminals. These modifications have produced the highest quality network connectivity that the AMHS has experienced to date.

A virtual private network (VPN) solution has been implemented for AMHS vessels, which allows these ships to remain part of the state network while vessels are in layup status or during federal refurbishment projects. Additionally, the Computer Services Group is half way through the role out process for upgrading all work stations/operating systems and applications throughout the AMHS fleet.

Statutory and Regulatory Authority

AS 19
AS 44

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**Southeast Region Support Services
Component Financial Summary**

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,780.4	1,880.1	2,030.3
72000 Travel	19.7	12.1	28.1
73000 Contractual	228.9	224.0	226.0
74000 Supplies	112.1	53.0	55.0
75000 Equipment	19.0	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	2,160.1	2,169.2	2,339.4
Funding Sources:			
1004 General Fund Receipts	420.9	346.6	317.4
1026 Highway Working Capital Fund	49.6	50.7	53.3
1061 Capital Improvement Project Receipts	297.6	352.7	491.3
1076 Marine Highway System Fund	1,392.0	1,419.2	1,477.4
Funding Totals	2,160.1	2,169.2	2,339.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	0.5	0.0	0.0
Unrestricted Total		0.5	0.0	0.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	297.6	352.7	491.3
Restricted Total		297.6	352.7	491.3
Total Estimated Revenues		298.1	352.7	491.3

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	346.6	0.0	1,822.6	2,169.2
Adjustments which will continue current level of service:				
-Changes to Retirement and Other Personal Services Benefits	0.0	0.0	79.4	79.4
Proposed budget decreases:				
-\$29.2 GF Reduction resulting in an increased vacancy requirement	-29.2	0.0	0.0	-29.2
Proposed budget increases:				
-Add new position to assist with the development of various capital projects	0.0	0.0	120.0	120.0
FY2005 Governor	317.4	0.0	2,022.0	2,339.4

Southeast Region Support Services Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2004 Authorized	FY2005 Governor		
Full-time	30	29	Annual Salaries	1,446,557
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	653,516
			Less 3.32% Vacancy Factor	(69,773)
			Lump Sum Premium Pay	0
Totals	30	29	Total Personal Services	2,030,300

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	1	0	1
Accounting Tech III	0	0	1	0	1
Administrative Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Administrative Manager IV	0	0	1	0	1
Analyst/Programmer II	0	0	1	0	1
Analyst/Programmer IV	0	0	1	0	1
Analyst/Programmer V	0	0	1	0	1
Asst Commissioner	0	0	1	0	1
Mail Svcs Courier	0	0	1	0	1
Micro/Network Spec I	0	0	2	0	2
Micro/Network Tech II	0	0	1	0	1
Procurement Spec I	0	0	4	0	4
Procurement Spec III	0	0	2	0	2
Procurement Spec V	0	0	1	0	1
Program Budget Analyst III	0	0	1	0	1
Research Analyst II	0	0	1	0	1
Secretary	0	0	1	0	1
Special Assistant	0	0	1	0	1
Stock & Parts Svcs Lead	0	0	2	0	2
Stock & Parts Svcs Sub Journey	0	0	1	0	1
Supply Technician II	0	0	1	0	1
Trans Planner I	0	0	1	0	1
Totals	0	0	29	0	29