

**AP/AL:** Appropriation      **Project Type:** Information Systems  
**Category:** General Government  
**Location:** Statewide      **Contact:** Susan Taylor  
**House District:** Statewide (HD 1-40)      **Contact Phone:** (907)465-2312  
**Estimated Project Dates:** 07/01/2005 - 06/30/2010

**Brief Summary and Statement of Need:**

This project funds the first year of a newly established replacement cycle for desktop computers, printers, scanners and servers. The cycle is based on warranty and expected useful life. The Permanent Fund Dividend Division, whose mission is to distribute the annual PFD dividend in a timely manner, receives over two million documents annually that must be scanned and processed. Regularly scheduled replacement of equipment that has exceeded its useful life will avoid costly repairs, equipment downtime, and delays in processing, and will help the division achieve their mission. The end result of this effort will be improved customer service to PFD applicants and maintenance or reduction of staff costs.

<b>Funding:</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>Total</b>
PFD Fund	\$117,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$742,000
<b>Total:</b>	<b>\$117,000</b>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$125,000</b>	<b>\$742,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

None

**Project Description/Justification:**

**Information Technology Capital Project Review Form FY2006**

**1. Has this project been previously approved?**

No

**2. What is the purpose of the project?**

The Permanent Fund Dividend Division's computers are aging. This project funds the first year of a newly established replacement cycle for desktop computers, printers, scanners, and servers. The cycle is based on warranty and expected useful life. The computers the Division is planning to replace will be out of extended warranty and have exceeded their useful life.

Project cost:	Capital:			Annual O&M costs or savings
	Prior Years	FY 2005	FY 2006	
General Funds				
General Fund Match				
General Fund Program Receipts				
I/A Receipts (dept. and fund source)				
Other Funds (name and fund number)      PFD Fund 1050			\$117,000	
Federal Funds				
Total			\$117,000	

**3. Is this a new systems development project?**

No

**Upgrade or enhancement to existing department capabilities?**

No, this project replaces existing equipment.

**4. Specifically, what hardware, software, consulting services, or other items will be purchased with this expenditure? (Include a line item breakdown.)**

Funds will be used to purchase hardware. The following is the estimated breakdown by type of equipment (line 75000):

	2006	2007	2008	2009	2010	2011
<b>Desktops</b>	\$ 56.0	\$ 9.0	\$ 40.5	\$ 42.0	\$ 52.0	\$ 13.0
<b>Laptops</b>	\$ 4.0	\$ -	\$ 2.0	\$ -	\$ 4.0	\$ -
<b>Printers</b>	\$ 12.0	\$ 16.0	\$ 4.0	\$ 12.0	\$ 24.0	\$ 12.0
<b>Scanners</b>	\$ 45.0	\$ 45.0	\$ -	\$ 30.0	\$ 45.0	\$ 45.0
<b>Copiers</b>	\$ -	\$ 41.5	\$ 22.0	\$ 15.3	\$ -	\$ 41.5
<b>Fax</b>	\$ -	\$ 3.5	\$ 1.1	\$ -	\$ -	\$ -
<b>Miscellaneous</b>	\$ -	\$ 10.0	\$ 55.4	\$ 25.7	\$ -	\$ 13.5

**5. How will service to the public measurably improve if this project is funded?**

The mission of the Permanent Fund Dividend Division is to distribute the annual Permanent Fund Dividend to eligible Alaskans in a timely manner. In order to accomplish this mission, the Division relies heavily on computers, scanners, copiers, automated mailroom equipment and faxes. Over two million documents are received each year that must be processed in a timely manner. The Division must be able to scan these documents as they arrive and ensure quick delivery of the images to PFD staff handling applicant eligibility, as well as those who are responding to applicant inquiries and issues. By replacing these units as they reach the end of their useful life, we will be able to serve PFD applicants and recipients more quickly and effectively, with an end result of increased customer satisfaction and overall maintenance or reduction of staff cost.

**6. Does project affect the way in which other public agencies will conduct their business?**

No

**7. What are the potential out-year cost implications if this project is approved? (Bandwidth requirements, etc.)**

None

**8. What will happen if the project is not approved?**

Replacement of aging equipment will be delayed. The cost of maintaining and servicing older computer equipment could be more expensive than replacing the equipment. Staff productivity will fall. Customer satisfaction may decrease if wait times to complete requests take longer to accomplish or must wait for equipment repairs. There may be an inability to provide a new function due to older hardware limitations.