

State of Alaska FY2010 Governor's Operating Budget

Department of Administration Alaska Public Offices Commission RDU/Component Budget Summary

RDU/Component: Alaska Public Offices Commission*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)***Contribution to Department's Mission**

To encourage the public's confidence in their elected and appointed officials by administering Alaska's disclosure statutes and publishing financial information regarding the activities of election campaigns, public officials and lobbyists.

Core Services

- Publish disclosure information required by law in an easily accessible format so that Alaskans can make informed decisions.
- Administer laws upholding the public's right to know the financial affairs of lobbyists and their employers, public officials, political groups, and candidates for state and municipal office.
- Interpret the disclosure laws and assist persons in complying, conduct training seminars, provide reporting forms and manuals of instruction for candidates, groups, lobbyists, and public officials.
- Examine and compare reports for possible violations of the disclosure laws, and enforce the laws through compelling the filing of required reports, civil penalty assessments, and complaint investigation.
- Adopt regulations, issue formal opinions, recommend legislative changes, adjudicate requests to reduce civil penalties for noncompliance with reporting requirements, recommend removal of candidates from the ballot in accordance with law, and adjudicate complaints through approval of settlements, civil penalty assessments, and public hearings.

FY2010 Resources Allocated to Achieve Results**FY2010 Component Budget: \$1,276,400****Personnel:**

Full time	12
Part time	0
Total	12

Key Component Challenges

The most significant challenge APOC faces in FY2010 relates to the transitional nature of changing from a paper filing, paper depository method to electronic filing and a modern, easy to access, electronic library. This electronic filing system, called Insight, began development in FY2008. Phase 1 of the Insight application was to be the development of the application in its entirety; however this development was not successful. Development was stopped and a technical evaluation of the Phase 1 work was performed. Phase 2 is the finalization of the Insight application for APOC based on the technical evaluation.

The Phase 2 scope will be accomplished in two primary tasks. Task A will focus on stabilizing the lobbyist module currently in production; specifically, this means fixing identified bugs, addressing client data issues and adding reporting capabilities for APOC staff. Task B is the development required to bring the Insight application into full production for APOC. The Task B development will consist of a re-design of the data base, a more user friendly look and feel, and reporting and query capabilities to meet APOC's mission and public reporting requirements. Until the Insight filing system is complete, filers will either file using the current system of Excel spreadsheets (or through ELFS), or file by paper. This will delay publication of financial information related to campaigns due to the lengthy process of hand entering or scanning forms.

The 2008 election year has slowed the commission's progress in working on multiple regulations projects. The commission has broken the project down into two parts. The first part, to be complete in FY2009 will involve aligning

the current regulations with new statutory changes enacted in FY2008. In FY2010, the commission will broaden the scope of regulatory changes, working with the department of law on a holistic approach to the commission's regulations. This two-phase regulation project will involve a high level of staffing, impacting APOC's workload over two fiscal years.

In FY2008, APOC was understaffed, both due to turnover and a shortage of full time staff. HB 109 and HB 281 each provided an additional staff member for APOC. Both positions are expected to be hired during FY2009. Nonetheless, due to the time necessary for staff to be trained and working at full performance, it is anticipated that the lag from the initial turnover to the time new hires are working at the full performance level, will impact productivity during FY2009.

Significant Changes in Results to be Delivered in FY2010

- The financial disclosure requirements for executive branch and legislative officials were expanded under the Comprehensive Ethics Reform Act of 2007. These changes require more interactions with filers in assisting them to file complete, accurate and timely reports. In addition, the ethics reform legislation mandated an ethics training program for lobbyists and lobbyist employers. Finally, the 2007 legislation provided for mandatory electronic filing of all disclosure reports required by the statutes administered by APOC. This mandate becomes fully effective on January 1, 2009.
- The capital project for electronic filing is behind schedule. The Phase 2 Insight project cost and schedule will be delivered in two fiscal years. Funds for FY2009 will be utilized for the successful completion of the Lobbyist module and the groundwork for the remaining modules. Funding for FY2010 will be utilized the successful deployment of the remaining modules. If FY2009 funds are remaining the POFD/LFD modules will be deployed in FY2009. This project will fundamentally change the way the Commission conducts its business. It should result in easier, more streamlined filing by those who are required by law to file financial statements with APOC, while providing more information in a more timely manner to the public. Along with the improved filing capabilities, staff time, which is currently used to manually input or upload filed reports, will be better utilized in auditing and training and outreach to the public.
- The Commission will engage in more public outreach in FY2010. One of the means of improving confidence in the agency amongst the public; the regulated officials, candidates, and lobbyists, is to provide outreach. Educating the public and filers and providing better tools for compliance will be beneficial. Funding requests for FY2010 will reflect increased travel costs for staff. Also training for lobbyists will be conducted and staff will make presentations to the Alaska Municipal League and other organizations at their request.
- The increase in staffing in FY2009 should result in quicker responses to requests for advisory opinions and faster turnaround in resolution of complaints.

Major Component Accomplishments in 2008

- The agency hired a new Executive Director in 2008. Greater management oversight occurred through institution of workplans, regular staff work reports and cross training.
- Conducted 8 in-person ethics and compliance training sessions for lobbyists and employers of lobbyists and trained 99 people in person. Another 346 people took the on-line ethics and compliance training to fulfill their requirements.
- Seven on site trainings for candidates and groups were conducted as well as two trainings for the Alaska Municipal League.
- Issued four formal advisory opinions.
- Adjudicated eight complaints.
- Answered thousands of requests for information or assistance in filing.
- Processed thousands of reports filed by candidates, political groups, legislators, public officials, lobbyists and their employers.
- Collected \$48,803.00 in civil penalty assessments arising from late or incomplete reports or complaint issues.
- Generated \$116,960.00 in lobbyist registration fees and photocopying receipts.

Statutory and Regulatory Authority

AS 15.13 Campaign Disclosure Law
2 AAC 50.250-405 Administrative Regulations for Campaign Disclosure

- Requires candidates and groups to make public all contribution and expenditure activity; all contributors must be

listed by name, and address; contributors who give more than \$250 must be further described by their occupation and employer. The law limits contributions, prescribes campaign periods, and prohibits certain activities.

AS 24.45 Regulation of Lobbying Law

2 AAC 50.505 - 545 Administrative Regulations for Lobbying

- Requires individuals who receive compensation for attempting to influence the actions of state legislative or executive officials to register and file reports disclosing their compensation and expenditures in connection with lobbying. Those who pay individuals to attempt to influence officials' action must also disclose all expenditures connected with lobbying activities. The law limits lobbyists' gifting activities, and prohibits lobbyists from participating in some state election campaign activities.

AS 24.60.200-260 Legislative Financial Disclosure Law

2 AAC 50.705-890 Administrative Regulations for Legislative Financial Disclosure Law

- Requires legislators and legislative directors to make public their sources of income and indebtedness, thereby assuring the public that their decision making is free from the influence of undisclosed influences.

AS 39.50 Public Official Financial Disclosure Law

2 ACC 50.010-200 Administrative Regulations for Public Official Financial Disclosure Law

- Requires state and municipal officials to make public their sources of income and indebtedness thereby assuring the public that their decision making is free from the influence of undisclosed influences.

2 AAC 50.905-920 Administrative Regulations Implementing Advisory Opinions

2 AAC 50.450-470 Administrative Regulations Implementing Complaints & Investigations

Article II, Sec 12 Alaska State Constitution-Lobbying

Contact Information

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**Alaska Public Offices Commission
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	679.8	935.8	969.1
72000 Travel	27.5	25.0	25.0
73000 Services	373.4	271.1	271.1
74000 Commodities	59.9	9.7	9.7
75000 Capital Outlay	0.0	4.6	1.5
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,140.6	1,246.2	1,276.4
Funding Sources:			
1004 General Fund Receipts	1,095.7	1,201.3	1,231.5
1005 General Fund/Program Receipts	44.9	44.9	44.9
Funding Totals	1,140.6	1,246.2	1,276.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
General Fund Program Receipts	51060	80.8	0.0	0.0
Unrestricted Fund	68515	43.0	0.0	0.0
Unrestricted Total		123.8	0.0	0.0
Restricted Revenues				
General Fund Program Receipts	51060	44.9	44.9	44.9
Restricted Total		44.9	44.9	44.9
Total Estimated Revenues		168.7	44.9	44.9

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	1,246.2	0.0	0.0	1,246.2
Adjustments which will continue current level of service:				
-CHAPTER 95 SLA 2008 (HB281) An Act relating to extending the statute of limitations... Fiscal Note adjustment	-3.1	0.0	0.0	-3.1
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	33.3	0.0	0.0	33.3
FY2010 Governor	1,276.4	0.0	0.0	1,276.4

**Alaska Public Offices Commission
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	12	12	Annual Salaries	641,784
Part-time	0	0	COLA	25,785
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	348,735
			<i>Less 4.64% Vacancy Factor</i>	<i>(47,204)</i>
			Lump Sum Premium Pay	0
Totals	12	12	Total Personal Services	969,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Assoc Attorney II	0	0	1	0	1
Asst Dir APOC	0	0	1	0	1
Exec Dir APOC	1	0	0	0	1
Information Officer	0	0	1	0	1
Investigator III	1	0	0	0	1
Law Office Assistant I	1	0	1	0	2
Law Office Assistant II	1	0	0	0	1
Paralegal I	0	0	1	0	1
Paralegal II	2	0	0	0	2
Totals	7	0	5	0	12