

State of Alaska FY2011 Governor's Operating Budget

Department of Labor and Workforce Development Administrative Services Results Delivery Unit Budget Summary

Administrative Services Results Delivery Unit

Contribution to Department's Mission

The mission of the Administrative Services RDU is to provide support to the department.

Core Services

- Financial Support Services
- Budget Planning, Monitoring and Reporting
- Procurement and Office Space Management
- Economic and Demographic Statistics and Analysis
- Data Processing Services
- Publication Functions

Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results.>)

END RESULT A: Maximize customer satisfaction with Labor Market Information services

- Customer satisfaction ratings for Labor Market Information services are remaining consistently above the target level of 90%.

Status of Strategies to Achieve End Result

- All Bureau of Labor Statistics program deliverables have been met since 2005.
- All statutorily-required reports were completed on time since 2004.
- Alaska's annual benchmark employment revision since 1999 has been well below the Bureau of Labor Statistics maximum standard for relative error of 2.0%.
- Alaska continues to meet or exceed the minimum response target percentage set for the annual refiling survey.

END RESULT B: Improve customer satisfaction with Data Processing services.

- We have been successful at maintaining a high level of customer satisfaction. Satisfaction has slipped slightly this year due to the heavy workload however it remains in the target range.

Status of Strategies to Achieve End Result

- We have been successful at keeping projects on schedule for the past three years.
- Most of our projects have been small and have been on or under budget.
- Due to the large number of federally mandated system changes in FY2009 the success rate of batch jobs is down slightly.

Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> • Bill for services. • Maintain accurate addresses. • Bill federal agencies promptly. • Submit grant applications timely. • Research available grant programs. • Properly account for revenue received. • Submit department budget accurately and timely. • Develop and present briefing documents. • Establish relationships with key legislators and staff. • Testify at legislative hearings. • Respond to legislative requests for information. | <ul style="list-style-type: none"> • Pay bills not involving discounts within 30 days. • Pay vendors offering discounts within the discount period. • Monitor bills to avoid duplicate payments. • Review internal operations and cross-departmental operations. • Manage all projects by trained project managers using formal and standardized methodology. • Enhance project management skills with a refresher course. • Project managers' skills will be enhanced by use in more smaller projects. • Publish reports. • Respond to information requests. • Data collection and surveys. • Analyze data. |
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Key RDU Challenges

Management Services will continue to revise the department's Indirect Cost Allocation Plan and other allocation methods to minimize complexity while complying with all state and federal accounting requirements.

The department will address net declines in federal funding in the face of increased operating costs, including personal services cost increases and enterprise productivity rate increases.

The ability to recruit and retain Analyst/Programmers remains an ongoing difficulty. A further issue is that a number of senior employees with critical knowledge of department computer systems are on the cusp of retirement. Transitioning new staff in and capturing the knowledge from the outgoing employees is proving challenging. In addition, lack of staff resources is forcing the department to contract out some computer programming projects at a higher cost than would be the case if it could be done in house.

Federal funding from the US Department of Labor's Bureau of Labor Statistics (BLS) and Employment & Training Administration (ETA) is expected to remain constant in fiscal year 2011, and no additional federal funds will be available to offset increased program costs. Unless adequate program efficiencies are implemented to offset the drop in federal funds, the component will have less discretionary staff time to meet state-identified needs such as conducting economic analyses and quickly answering information requests.

Significant Changes in Results to be Delivered in FY2011

The Data Processing section will deliver a new Workers' Compensation System that allows the business unit to better interface with other state and federal agencies in exchanging information and reducing costs.

Also under development by Data Processing is a new Workforce Investment Act System that allows tracking of grants and outcomes to better target the training monies available.

With the requested reallocation of existing general funds within the department, \$47.5 in state general funds will be used to support gasoline activities, the Labor Market Information component will further develop its regional economic analyses capabilities and enhance public access to occupational training information.

The department has received an American Recovery and Reinvestment Act (ARRA) grant and the department is requesting \$750.0 of federal ARRA authorization for a State Labor Market Information Improvement project. Through this grant, the department will identify Alaska's green jobs and skill sets and educate Alaskans on the related training and employment opportunities. The green job labor market information will be incorporated into all major employment information products produced by the department's Labor Market Information program. This information will allow Alaska to better target education and training investments and formulate more effective public policy.

Major RDU Accomplishments in 2009

Processed payments in a timely and efficient manner.

Complied with all federal reporting requirements and deadlines.

Reduced the time between making an expenditure and drawing down the funds from the federal government.

Timely processing of receipts and allocation of pooled costs.

Provided oversight of major renovation projects within leased buildings.

Converted state management accounting reports to the new ALDER system.

Increased outreach in training and oversight of operating divisions.

Deployed a storage area network in Anchorage to serve as a more efficient backup platform, allow virtualization of the majority of the Anchorage servers (lowering the cost of maintaining them), and making the Anchorage site into a Disaster

Recovery site for Juneau and positioning it to be a Disaster Recovery site for some of the Job Service Offices.

Modified, tested, and implemented a multitude of changes to the Unemployment Insurance (UI) systems. This allowed unemployed workers to collect more benefits over a longer period to stimulate the economy and help them through the recession.

Implemented the public phase of the Certified Payroll system. This system is now implemented and any future work will be maintenance or enhancements. This system allows employers working on Davis Bacon projects to submit their wages electronically.

Developed and implemented the Time Distribution and Cost Model Systems. These systems extract data from AKPAY and the Unemployment Insurance systems, perform a series of computations, and formats reports for Federal Reporting. These reports form the basis for the Unemployment Insurance (UI) program getting compensated for administering the UI program.

Developed and implemented the Credentialing Module for the ALEXsys job exchange system. This allows employees and employers to match up based on credentials needed or desired for certain jobs.

Implemented a service desk problem tracking system to improve customer support for desktop and application issues.

Completed the short-term industry employment forecast for 2009 and the long-term (2006-2016) industry and occupational employment forecasts.

Provided labor market information to policymakers, line staff and the public by responding to over 1,000 requests for economic and demographic information and conducting over 75 presentations.

Labor Market Information program met all federal and state deliverables.

Contact Information
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**Administrative Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2009 Actuals				FY2010 Management Plan				FY2011 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
Formula Expenditures												
None.												
Non-Formula Expenditures												
Management Services	170.2	1,808.9	758.1	2,737.2	188.3	2,276.3	792.4	3,257.0	188.4	2,277.7	792.9	3,259.0
Human Resources	241.4	0.0	0.0	241.4	241.4	0.0	605.1	846.5	241.4	0.0	605.1	846.5
Leasing	3,335.5	0.0	0.0	3,335.5	3,335.5	0.0	0.0	3,335.5	3,335.5	0.0	0.0	3,335.5
Data Processing	396.6	4,165.0	1,832.2	6,393.8	501.1	4,240.8	1,758.8	6,500.7	501.1	4,990.8	1,758.8	7,250.7
Labor Market Information	1,335.8	1,122.7	1,258.3	3,716.8	1,470.2	1,610.9	1,643.5	4,724.6	1,372.7	2,360.9	1,643.5	5,377.1
Totals	5,479.5	7,096.6	3,848.6	16,424.7	5,736.5	8,128.0	4,799.8	18,664.3	5,639.1	9,629.4	4,800.3	20,068.8

Administrative Services
Summary of RDU Budget Changes by Component
From FY2010 Management Plan to FY2011 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	5,736.5	8,128.0	4,799.8	18,664.3
Adjustments which will continue current level of service:				
-Management Services	0.1	1.4	0.5	2.0
-Labor Market Information	-97.5	0.0	0.0	-97.5
Proposed budget increases:				
-Data Processing	0.0	750.0	0.0	750.0
-Labor Market Information	0.0	750.0	0.0	750.0
FY2011 Governor	5,639.1	9,629.4	4,800.3	20,068.8