

State of Alaska FY2014 Governor's Operating Budget

Department of Revenue Commissioner's Office Component Budget Summary

Component: Commissioner's Office**Contribution to Department's Mission**

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Major Component Accomplishments in 2012

Please see department accomplishments.

Key Component Challenges

- To provide key decision makers with the information necessary to adopt a fiscal plan to insure that the State of Alaska has the financial resources necessary to provide constitutionally required public services in an era of volatile oil prices and declining production.
- To estimate oil and gas revenues in light of the highly volatile oil and gas market coupled with uncertainties in the U.S. economy.
- To contribute to efforts to start large-scale natural gas development in Alaska and commercialization of North Slope natural gas reserves, in particular, through the Alaska Gasline Inducement Act (AGIA).
- To maintain the integrity of core tax programs in the face of resource demands from major revenue and investment initiatives and aging or nonexistent information management systems.
- To maintain the State of Alaska's credit ratings with Standard and Poor's, Fitch Ratings, and Moody's Investors Service. Regular communication of state current events to the rating analysts, as well as ensuring analysts' concerns are relayed to State leadership, are key to meeting this challenge.
- To respond to rapid changes in the banking industry, including temporary regulation changes for the Federal Depository Insurance Program, permanent changes in the Federal Reserve banking reserve requirements, and uncertainty in the nation's banking system.
- To manage the increase in the total assets in General Fund and Other Non-segregated Investments (GeFONSI), the Constitutional Budget Reserve Fund and other smaller funds managed by Treasury that have grown to the point that they now are larger than the assets of the retirement funds managed by Treasury. At this time, the total assets under management by Treasury are equivalent to those of the Permanent Fund.
- To use technology improvements to process approximately 650,000 Permanent Fund Dividend applications and another 1.5 million supporting documents annually and within a limited budget. The increase in applications and public contact will prove to be a key challenge in communication costs, resource allocation, and timely payment.
- The Child Support Services Division continues to face stringent federal requirements for data reliability that must be met to achieve the highest possible incentive revenue and to avoid possible penalties to the Department of Revenue and the Department of Health and Social Services, Division of Public Assistance.

Significant Changes in Results to be Delivered in FY2014

Please see department changes in results.

Statutory and Regulatory Authority

AS 09.25.100	Public Records
AS 09.50	Code of Civil Procedure
AS 10.25.570	Electric and Telephone Cooperative Act
AS 14.25.180	Teachers' Retirement - Management and Investment of Fund
AS 16.10.265	Purchase of Fish from Permit Holders
AS 16.10.290	Security for Collection of Wages and Payment for Raw Fish
AS.18.26	Alaska Medical Facility Authority
AS 18.56	Alaska Housing Finance Corporation
AS 25.25	Uniform Interstate Family Support Act
AS 25.27	Child Support Service Agency
AS 34.45	Unclaimed Property
AS 37.05	Fiscal Procedures Act
AS 37.07	Executive Budget Act
AS 37.10	Public Funds
AS 37.13	Alaska Permanent Fund and Corporation
AS 37.14	Trust Funds
AS 37.15	State Bonding Act
AS 37.17	Alaska BIDCO Assistance Program
AS 38.05.036	Audit of Royalty and Net Profit Payments and Costs
AS 39.35.110	Public Employees Retirement System of Alaska - Investments
AS 43	Revenue and Taxation
AS 44.25	Department of Revenue
AS 44.83.386	Alaska Energy Authority - Investment of Fund
AS 44.85	Alaska Municipal Bond Bank Authority
AS 45.98.050	Historical District Loan Act - Sale or Transfer of Mortgages and Notes

Contact Information

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**Commissioner's Office
Component Financial Summary**

All dollars shown in thousands

	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	666.3	837.6	840.9
72000 Travel	144.7	34.8	34.8
73000 Services	318.7	81.5	81.5
74000 Commodities	93.7	8.9	8.9
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,223.4	962.8	966.1
Funding Sources:			
1004 General Fund Receipts	210.6	216.3	217.2
1007 Interagency Receipts	478.1	180.0	181.0
1133 CSSD Administrative Cost Reimbursement	534.7	566.5	567.9
Funding Totals	1,223.4	962.8	966.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	534.7	566.5	567.9
Interagency Receipts	51015	478.1	180.0	181.0
Restricted Total		1,012.8	746.5	748.9
Total Estimated Revenues		1,012.8	746.5	748.9

**Summary of Component Budget Changes
From FY2013 Management Plan to FY2014 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2013 Management Plan	216.3	0.0	180.0	566.5	962.8
Adjustments which will continue current level of service:					
-FY2014 Salary and Health Insurance Increases	0.9	0.0	1.0	1.4	3.3
FY2014 Governor	217.2	0.0	181.0	567.9	966.1

**Commissioner's Office
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2013 Management Plan	FY2014 Governor		
Full-time	6	6	Annual Salaries	567,805
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	292,794
			<i>Less 2.29% Vacancy Factor</i>	<i>(19,699)</i>
			Lump Sum Premium Pay	0
Totals	6	6	Total Personal Services	840,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant I	1	0	0	0	1
Commissioner	1	0	0	0	1
Dep Commissioner	1	0	0	0	1
Program Manager	2	0	0	0	2
Special Assistant	0	0	1	0	1
Totals	5	0	1	0	6

Component Detail All Funds
Department of Revenue

Component: Commissioner's Office (AR15310) (123)
RDU: Administration and Support (50)

	FY2012 Actuals	FY2013 Conference Committee	FY2013 Authorized	FY2013 Management Plan	FY2014 Governor	FY2013 Management Plan vs FY2014 Governor	
71000 Personal Services	666.3	682.9	682.9	837.6	840.9	3.3	0.4%
72000 Travel	144.7	44.8	44.8	34.8	34.8	0.0	0.0%
73000 Services	318.7	216.2	216.2	81.5	81.5	0.0	0.0%
74000 Commodities	93.7	18.9	18.9	8.9	8.9	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,223.4	962.8	962.8	962.8	966.1	3.3	0.3%
Fund Sources:							
1004 Gen Fund (UGF)	210.6	216.3	216.3	216.3	217.2	0.9	0.4%
1007 I/A Rcpts (Other)	478.1	180.0	180.0	180.0	181.0	1.0	0.6%
1133 CSSD Reimb (Other)	534.7	566.5	566.5	566.5	567.9	1.4	0.2%
Unrestricted General (UGF)	210.6	216.3	216.3	216.3	217.2	0.9	0.4%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	478.1	180.0	180.0	180.0	181.0	1.0	0.6%
Federal Funds	534.7	566.5	566.5	566.5	567.9	1.4	0.2%
Positions:							
Permanent Full Time	5	5	5	6	6	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2013 Conference Committee To FY2013 Authorized *****												
FY2013 Conference Committee												
ConfCom		962.8	682.9	44.8	216.2	18.9	0.0	0.0	0.0	5	0	0
1004 Gen Fund		216.3										
1007 I/A Rcpts		180.0										
1133 CSSD		566.5										
Reimb												
Subtotal		962.8	682.9	44.8	216.2	18.9	0.0	0.0	0.0	5	0	0
***** Changes From FY2013 Authorized To FY2013 Management Plan *****												
Add Project Manager for Oil & Gas Development												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
The Department of Revenue wishes to establish a permanent full-time exempt Project Manager in the Anchorage Commissioner's Office to work on issues related to oil and gas tax structures.												
Align Authority for Oil and Gas Tax Project Manager												
LIT		0.0	103.6	0.0	-103.6	0.0	0.0	0.0	0.0	0	0	0
Line item transfer to move contractual authorization to personal services to fund new exempt position for project manager for oil & gas tax project.												
Align Authority for Human Resources Positions												
LIT		0.0	51.1	-10.0	-31.1	-10.0	0.0	0.0	0.0	0	0	0
Subtotal		962.8	837.6	34.8	81.5	8.9	0.0	0.0	0.0	6	0	0
***** Changes From FY2013 Management Plan To FY2014 Governor *****												
FY2014 Salary and Health Insurance Increases												
SalAdj		3.3	3.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		0.9										
1007 I/A Rcpts		1.0										
1133 CSSD		1.4										
Reimb												
FY2014 Salary and Health Insurance increase : \$3.3												
FY2014 Health Insurance increase of \$59.00 per month per employee - from \$1,330 to \$1,389 per month Non-covered: \$3.3												

Change Record Detail - Multiple Scenarios With Descriptions
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
	Totals	966.1	840.9	34.8	81.5	8.9	0.0	0.0	0.0	6	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2014 Governor (10289)
Component: Commissioner's Office (123)
RDU: Administration and Support (50)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-0001	Commissioner	FT	A	XE	Anchorage	NAA	30M	12.0		135,000	0	0	61,775	196,775	61,532
04-0003	Special Assistant	FT	A	XE	Juneau	NAA	21D / E	12.0		78,827	0	0	43,769	122,596	38,336
04-3050	Dep Commissioner	FT	A	XE	Anchorage	NAA	28F	12.0		131,016	0	0	60,650	191,666	59,934
04-8008	Administrative Assistant I	FT	A	GP	Anchorage	200	12D / E	12.0		40,442	0	0	30,514	70,956	22,188
04-X068	Program Manager	FT	A	XE	Anchorage	NAA	22A	12.0		77,520	0	0	43,319	120,839	37,786
04-X069	Program Manager	FT	A	XE	Anchorage	NAA	24A	12.0		105,000	0	0	52,767	157,767	0
													Total Salary Costs:	567,805	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	292,794	
													Total Pre-Vacancy:	860,599	
													Minus Vacancy Adjustment of 2.29%:	(19,699)	
													Total Post-Vacancy:	840,900	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	840,900	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	219,776	214,745	25.54%
1007 Interagency Receipts	273,089	266,838	31.73%
1133 CSSD Administrative Cost Reimbursement	367,734	359,317	42.73%
Total PCN Funding:	860,599	840,900	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Revenue
Travel

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
72000	Travel		144.7	34.8	34.8
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
72000 Travel Detail Totals			144.7	44.8	34.8
72110	Employee Travel (Instate)	Instate transportation, lodging, meals and incidentals for staff business and training.	85.7	21.3	16.3
72120	Nonemployee Travel (Instate Travel)	Instate transportation, lodging, meals and incidentals for expert witness and specialized contract services	0.5	0.0	0.0
72410	Employee Travel (Out of state)	Out of state transportation, lodging, meals & incidentals for department business and staff training.	30.1	20.0	15.0
72420	Nonemployee Travel (Out of state Emp)	Out of state transportation, lodging, meals & incidentals for expert witness and specialized contract services.	0.0	3.5	3.5
72900	Other Travel Costs	Other travel costs not covered elsewhere	28.4	0.0	0.0

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
73000	Services		318.7	81.5	81.5
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
73000 Services Detail Totals			318.7	216.2	81.5
73025	Education Services	Training, conferences, memberships, and employee tuition	3.9	5.0	3.9
73050	Financial Services	Accounting, auditing, financial management, and/or consulting services for the Department of Revenue	25.3	44.0	10.0
73050	Financial Services	AGIA Transcanada document review	0.0	0.0	0.0
73075	Legal & Judicial Svc	Transcription/recording services	0.0	0.8	0.0
73150	Information Technlgy	IT costs including training, software licensing, and software maintenance	17.8	3.5	1.5
73156	Telecommunication	Local, long distance, cellular and telecommunications equipment charges; data/network; and television	15.0	16.0	5.0
73225	Delivery Services	Delivery and courier services	0.9	2.0	0.9
73450	Advertising & Promos	Advertising and public notice for contracts, recruitments, and required public notices.	5.0	0.5	0.5
73525	Utilities	Document disposal	0.0	0.2	0.0
73650	Struc/Infstruct/Land	Repairs/maintenance of structures or infrastructure, space rental	7.8	2.8	2.8
73675	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment	5.2	15.0	2.5
73750	Other Services (Non IA Svcs)	Other services including program management/consulting, printing and copying	122.5	2.8	2.8
73805	IT-Non-Telecommunication	Admin ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	2.2	2.3	2.3
73806	IT-Telecommunication	Admin ETS chargeback for telecommunications EPR, line fees and service requests	13.9	14.4	10.0
73809	Mail	Admin Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	0.7	1.3	1.3

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)

RDU: Administration and Support (50)

Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor	
73000 Services Detail Totals			318.7	216.2	81.5	
73810	Human Resources	Admin	Human resource and payroll services provided by the Division of Personnel	3.1	3.1	3.1
73811	Building Leases	Admin	Cost of space in state owned facility	81.9	78.5	25.3
73812	Legal	Law	Regulations review; legal services relating to State Assessment Review Board and other oil and gas issues	11.4	11.4	7.0
73814	Insurance	Admin	Risk Management	0.1	0.1	0.1
73815	Financial	Admin	Division of Finance AKSAS/AKPAY	0.2	0.4	0.4
73816	ADA Compliance	Labor	Share of cost for ADA compliance	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	Admin	State Travel Office fees	1.7	1.9	1.9
73821	Hearing/Mediation (IA Svcs)	Admin	OAH hearing officers for State Assessment Review Board	0.0	10.0	0.0
73827	Safety (IA Svcs)	Admin	Building security services	0.1	0.1	0.1

Line Item Detail
Department of Revenue
Commodities

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
74000	Commodities		93.7	8.9	8.9
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
74000 Commodities Detail Totals			93.7	18.9	8.9
74200	Business	Business supplies including books and educational; equipment and furniture; office supplies; desktop computers, printers and IT equipment less than \$5,000 per item; and subscriptions including electronic access to information	91.4	15.2	5.2
74480	Household & Instit.	Institutional supplies	0.6	0.5	0.5
74600	Safety (Commodities)	Safety supplies	0.0	3.2	3.2
74650	Repair/Maintenance (Commodities)		0.5	0.0	0.0
74970	Commodity Cost Trf		1.2	0.0	0.0

Line Item Detail
Department of Revenue
Capital Outlay

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Line Number	Line Name		FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
75000	Capital Outlay		0.0	0.0	0.0
Expenditure Account	Servicing Agency	Explanation	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
75000 Capital Outlay Detail Totals			0.0	0.0	0.0
75300	Structs & Infrastr	Structure and infrastructure	0.0	0.0	0.0

Restricted Revenue Detail
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51010	Federal Receipts				534.7	566.5	567.9
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51115	Indirect Cost Recov		04001000	11100	0.0	566.5	567.9
	Indirect cost recovery receipts are received from the federal Child Support Enforcement Program and are allocated to agencies that incur overhead costs in support of CSSD.						
51115	Indirect Cost Recov	Child Support Services	04001000	11100	534.7	0.0	0.0

Restricted Revenue Detail
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Master Account	Revenue Description				FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
51015	Interagency Receipts				478.1	180.0	181.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2012 Actuals	FY2013 Management Plan	FY2014 Governor
59040	Revenue Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.	Department-wide	04001000	11100	478.1	180.0	181.0
59040	Revenue FY11 RSA with Criminal Investigations Unit (CIU); in subsequent years the CIU is its own component	Tax Division	04216902	11100	0.0	0.0	0.0
59040	Revenue FY11 RSA with Criminal Investigations Unit (CIU); in subsequent years the CIU is its own component	Child Support Services	04416902	11100	0.0	0.0	0.0
59040	Revenue FY11 RSA with Criminal Investigations Unit (CIU); in subsequent years the CIU is its own component	Permanent Fund Dividend Division	04616902	11100	0.0	0.0	0.0
59100	Natural Resources RSA with DNR for AGIA Transcanada record review	Gas Pipeline Office	04016901	11100	0.0	0.0	0.0

Inter-Agency Services
Department of Revenue

Component: Commissioner's Office (123)
RDU: Administration and Support (50)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2012 Actuals	FY2013		
					Management Plan	FY2014 Governor	
73805	IT-Non-Telecommunication	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	Inter-dept	Admin	2.2	2.3	2.3
73805 IT-Non-Telecommunication subtotal:					2.2	2.3	2.3
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept	Admin	13.9	14.4	10.0
73806 IT-Telecommunication subtotal:					13.9	14.4	10.0
73809	Mail	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	0.7	1.3	1.3
73809 Mail subtotal:					0.7	1.3	1.3
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	3.1	3.1	3.1
73810 Human Resources subtotal:					3.1	3.1	3.1
73811	Building Leases	Cost of space in state owned facility	Inter-dept	Admin	81.9	78.5	25.3
73811 Building Leases subtotal:					81.9	78.5	25.3
73812	Legal	Regulations review; legal services relating to State Assessment Review Board and other oil and gas issues	Inter-dept	Law	11.4	11.4	7.0
73812 Legal subtotal:					11.4	11.4	7.0
73814	Insurance	Risk Management	Inter-dept	Admin	0.1	0.1	0.1
73814 Insurance subtotal:					0.1	0.1	0.1
73815	Financial	Division of Finance AKSAS/AKPAY	Inter-dept	Admin	0.2	0.4	0.4
73815 Financial subtotal:					0.2	0.4	0.4
73816	ADA Compliance	Share of cost for ADA compliance	Inter-dept	Labor	0.0	0.1	0.1
73816 ADA Compliance subtotal:					0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept	Admin	1.7	1.9	1.9
73819 Commission Sales (IA Svcs) subtotal:					1.7	1.9	1.9
73821	Hearing/Mediation (IA Svcs)	OAH hearing officers for State Assessment Review Board	Inter-dept	Admin	0.0	10.0	0.0
73821 Hearing/Mediation (IA Svcs) subtotal:					0.0	10.0	0.0
73827	Safety (IA Svcs)	Building security services	Inter-dept	Admin	0.1	0.1	0.1
73827 Safety (IA Svcs) subtotal:					0.1	0.1	0.1
Commissioner's Office total:					115.3	123.6	51.6
Grand Total:					115.3	123.6	51.6