

State of Alaska
FY2014 Governor's Operating Budget

Department of Transportation/Public Facilities
Administrative Services
Results Delivery Unit Budget Summary

Administrative Services Results Delivery Unit

Contribution to Department's Mission

Provide administrative infrastructure and oversight to enable the department to meet its mission.

Core Services

- Centralized services in the areas of budget, finance, human resource management, procurement, information technology standards and policies, cost allocation plans, collection of federal and other revenue, and web site development and maintenance.
- Ensure compliance with state and federal policies and guidelines across the department.
- Fiscal integrity and accountability.
- Development of department-wide policies and procedures.
- Oversight of the Highway Working Capital Fund.
- Develop the annual operating budget.
- Liaison between the Department of Transportation and Public Facilities (DOT&PF) and the Department of Administration for financial, classification, labor relations, payroll, procurement, risk management, web page development, and information technology directives.
- Liaison with the Office of Management and Budget and the Legislature relating to budget issues.
- Plan, design, implement and maintain information technologies supporting the department's mission.
- Procurement of commodities and services for Southeast Region, Alaska Marine Highway System (AMHS), and Headquarters operations. Conduct commodity procurement activities that are of a statewide nature.
- Workforce Development planning.

Major RDU Accomplishments in 2012

- Began the process of re-integrating Human Resource staff back into the department and finding appropriate office space.
- Completed the annual Indirect Cost Allocation Plan (ICAP) for the department and received FHWA approval of the plan.
- Up time of production computer services was 99%, resulting in the positive integrity and reliability of services, especially in web based services. The Shore-Up Phase of our Data Center Improvements project was completed. This phase has improved server response times as well as reduced outages and decreased the time for restoring services after outages.
- Initiated a complete review of accounting procedures and workflow processes in preparation for the change to the new statewide accounting system – IRIS.
- Continued to transition DOT&PF users/personal computers to a single Active Directory Domain simplifying network support, enhancing security, and allowing users to access statewide resources with single authentication.
- Provided technical and programming support for the electronic timesheet system (TEARS), a collaborative effort with the Department of Fish and Game. As of 7/01/2012 there are 550 DOT&PF employees using the TEARS system.
- Advanced, expanded and facilitated document retrieval in eDocs by training new users, assisting on technical issues, customizing document uploading and query forms, and integrating GIS applications.
- Continued to oversee the conversion of remaining web pages, mostly applications, undergoing redesign in order to comply with Governor's Office mandated look & feel standards. Final deadline of 7/1/2012 has been met with the exception of a couple of websites that were granted extension waivers by the state-level Internet Services Functional Workgroup. Performing a site-wide review which includes code validation and accessibility improvements in order to adhere with Americans with Disabilities Act requirements, as well as Accessibility Guidelines. The next phase of review will involve enhancements which will improve mobile device usability.
- Successfully converted our credit card acceptance from Bank of America to US Bank via Elavon. Staff successfully learned the new online systems Virtual Merchant and Merchant Connect. There were 32 AMHS locations; 22 terminals and 10 vessels, as well as 8 additional merchant locations, MSCVE (InternetSecure),

- and eLeasing.
- Developed Peer to Supervisor leadership course and piloted it in the Central Region.
- Developed online supervisor resources as part of Workforce Planning.

Key RDU Challenges

The division continues to analyze administrative services across the department in an effort to find the most efficient and effective methods of service delivery department-wide. Time, funding and staffing must be reviewed and analyzed to determine our ability and the cost/benefits of pursuing options of improving service delivery.

The Federal Highway Administration's (FHWA) Financial Integrity Review and Evaluation program requires annual certification of internal and financial controls in all aspects of our surface transportation program. The Federal Aviation Administration (FAA) has again increased emphasis on audit and financial oversight of airport sponsors to detect and prevent diversion of airport revenues to non-airport purposes. With all this external scrutiny, as well as the annual Statewide Single Audit, it is critical that financial report procedures are well documented and staff are continually educated on federal, state and Governmental Accounting Standards Board (GASB) reporting requirements.

The FAA has changed their revenue draw system. This new revenue system requires supporting documentation for each expenditure. The State of Alaska receives more grant awards from FAA than any other state in the nation. The new system currently cannot handle revenue requests of more than 20 awards at a time. DOT&PF draws between 30 and 75 awards weekly. The analysis, monitoring and financial management of multiple revenue requests is resource intensive.

The whole technology industry is changing so rapidly, that opportunities for efficiencies in the way we do business continue to change. Efficiencies could be gained if current staffing levels could meet the demand; however this becomes difficult with ongoing maintenance of current systems, limited resources, and necessary implementation or enhancements of systems as needed across the department. As a result, priorities are set, but often change, to meet department needs. Some department technological needs still will not be met.

Administrative Services is working closely with Department of Administration, Division of Finance to prepare for the new statewide accounting system - Integrated Resource Information System (IRIS). This is a significant challenge for a large and complicated department and is taking a significant time commitment of high level staff. Identifying all the data systems that feed into the accounting system and decommissioning or modifying them to interface with IRIS will also be time consuming and expensive as it is anticipated that contractor support will be necessary to meet the aggressive implementation time line.

Administrative Services, like other department programs, is anticipating a number of staff retirements in the next couple of years. Workforce development is of utmost importance and division staff is assigned this department-wide priority effort. Internally within Administrative Services, section managers have begun to plan for future staffing needs and ongoing knowledge transfer.

Significant Changes in Results to be Delivered in FY2014

No significant changes are anticipated.

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

All dollars shown in thousands

	FY2012 Actuals				FY2013 Management Plan				FY2014 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Statewide Admin Services	2,687.9	3,139.3	0.0	5,827.2	3,140.1	3,611.4	0.0	6,751.5	3,070.6	3,548.7	0.0	6,619.3
Statewide Information Systems	2,197.6	2,250.0	0.0	4,447.6	2,631.3	2,517.7	0.0	5,149.0	2,631.3	2,562.7	0.0	5,194.0
Leased Facilities	2,087.1	345.3	0.0	2,432.4	2,084.8	434.7	0.0	2,519.5	2,084.8	434.7	0.0	2,519.5
Human Resources	1,797.4	1,075.8	0.0	2,873.2	1,182.3	964.7	0.0	2,147.0	1,401.7	964.7	0.0	2,366.4
Statewide Procurement	1,168.6	123.8	0.0	1,292.4	1,216.1	149.2	0.0	1,365.3	1,220.2	149.2	0.0	1,369.4
Totals	9,938.6	6,934.2	0.0	16,872.8	10,254.6	7,677.7	0.0	17,932.3	10,408.6	7,660.0	0.0	18,068.6

Administrative Services
Summary of RDU Budget Changes by Component
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	8,013.2	2,241.4	7,677.7	0.0	17,932.3
Adjustments which will continue current level of service:					
-Statewide Admin Services	0.1	0.1	-346.1	0.0	-345.9
-Statewide Information Systems	0.0	0.0	45.0	0.0	45.0
-Statewide Procurement	0.8	3.3	0.0	0.0	4.1
Proposed budget decreases:					
-Statewide Admin Services	0.0	-69.7	0.0	0.0	-69.7
Proposed budget increases:					
-Statewide Admin Services	0.0	0.0	283.4	0.0	283.4
-Human Resources	219.4	0.0	0.0	0.0	219.4
FY2014 Governor	8,233.5	2,175.1	7,660.0	0.0	18,068.6