

**State of Alaska
FY2016 Governor Amended 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 2014

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.
- To maintain the integrity of core tax programs in the face of resource demands from major revenue and investment initiatives.
- 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 is over \$52.1 billion, a total which is double that of FY2006.
- 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 FY2016

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 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

Contact: Dan DeBartolo, Director, Administrative Services
Phone: (907) 465-2312
Fax: (907) 465-1685
E-mail: daniel.debartolo@alaska.gov

**Commissioner's Office
Component Financial Summary**

All dollars shown in thousands

	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	699.1	815.6	708.0
72000 Travel	142.8	38.5	38.5
73000 Services	575.1	108.6	232.6
74000 Commodities	46.3	28.9	28.9
75000 Capital Outlay	282.3	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,745.6	991.6	1,008.0
Funding Sources:			
1004 General Fund Receipts	253.9	230.4	234.4
1007 Interagency Receipts	951.9	186.1	189.6
1133 CSSD Administrative Cost Reimbursement	539.8	575.1	584.0
Funding Totals	1,745.6	991.6	1,008.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	539.8	575.1	584.0
Interagency Receipts	51015	951.9	186.1	189.6
Restricted Total		1,491.7	761.2	773.6
Total Estimated Revenues		1,491.7	761.2	773.6

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

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>
FY2015 Management Plan	230.4	0.0	186.1	575.1	991.6
Adjustments which continue current level of service:					
-FY2016 Salary Increases	4.3	0.0	3.8	9.7	17.8
-FY2016 Health Insurance Rate Reduction	-0.3	0.0	-0.3	-0.8	-1.4
FY2016 Governor Amended	234.4	0.0	189.6	584.0	1,008.0

Commissioner's Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2015 Management Plan	FY2016 Governor Amended		
Full-time	6	5	Annual Salaries	474,064
Part-time	0	0	COLA	15,463
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	240,379
			<i>Less 3.00% Vacancy Factor</i>	(21,906)
			Lump Sum Premium Pay	0
Totals	6	5	Total Personal Services	708,000

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant I	1	0	0	0	1
Commissioner	0	0	1	0	1
Dep Commissioner	1	0	0	0	1
Program Manager	0	0	1	0	1
Spec Asst To The Comm I	0	0	1	0	1
Totals	2	0	3	0	5

Component Detail All Funds
Department of Revenue

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

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
71000 Personal Services	699.1	860.6	860.6	815.6	708.0	-107.6	-13.2%
72000 Travel	142.8	39.4	38.5	38.5	38.5	0.0	0.0%
73000 Services	575.1	63.6	63.6	108.6	232.6	124.0	114.2%
74000 Commodities	46.3	28.9	28.9	28.9	28.9	0.0	0.0%
75000 Capital Outlay	282.3	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	1,745.6	992.5	991.6	991.6	1,008.0	16.4	1.7%
Fund Sources:							
1004Gen Fund (UGF)	253.9	231.3	230.4	230.4	234.4	4.0	1.7%
1007I/A Rcpts (Other)	951.9	186.1	186.1	186.1	189.6	3.5	1.9%
1133CSSD Reimb (Fed)	539.8	575.1	575.1	575.1	584.0	8.9	1.5%
Unrestricted General (UGF)	253.9	231.3	230.4	230.4	234.4	4.0	1.7%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	951.9	186.1	186.1	186.1	189.6	3.5	1.9%
Federal Funds	539.8	575.1	575.1	575.1	584.0	8.9	1.5%
Positions:							
Permanent Full Time	6	6	6	6	5	-1	-16.7%
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 FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
ConfCom		992.5	860.6	39.4	63.6	28.9	0.0	0.0	0.0	6	0	0
1004 Gen Fund		231.3										
1007 I/A Rcpts		186.1										
1133 CSSD		575.1										
Reimb												
Align Authority for Agency-wide Reduction												
Unalloc		-0.9	0.0	-0.9	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-0.9										

The department is reducing its general fund levels in an effort to budget more efficiently and work within existing resources. It is anticipated that this change will have a minimal impact on state services.

Subtotal		991.6	860.6	38.5	63.6	28.9	0.0	0.0	0.0	6	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Align Authority to Comply with Vacancy Factor Guidelines												
LIT		0.0	-45.0	0.0	45.0	0.0	0.0	0.0	0.0	0	0	0
Subtotal		991.6	815.6	38.5	108.6	28.9	0.0	0.0	0.0	6	0	0

The Commissioner's Office is transferring \$45.0 from personal services to contractual services to increase its vacancy factor and meet the division's potential future obligations of legal services costs related to the State Assessment Review Board. Funds are available in personal services due to vacancies.

***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
FY2016 Salary Increases												
SalAdj		17.8	17.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.3										
1007 I/A Rcpts		3.8										
1133 CSSD		9.7										
Reimb												

Cost of living adjustment for certain bargaining units: \$17.8

Year three cost of living adjustment for non-covered employees - 2.5%: \$16.1

Year three cost of living adjustment for Alaska State Employees Association/General Government Unit - 2.5%: \$1.7

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	
FY2016 Health Insurance Rate Reduction												
	SalAdj	-1.4	-1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-0.3										
1007 I/A Rcpts		-0.3										
1133 CSSD		-0.8										
Reimb												
Select Benefits health insurance rate reduction from \$1,371 to \$1,346: \$-1.4												
Delete Position (04-X069)												
	Dec	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
The following position is being deleted as it is no longer part of the staffing strategy of the Commissioner's Office.												
Legislative Liaison (04-X069), range 24, located in Juneau												
Align Authority to Reallocate for Spending Plan												
	LIT	0.0	-124.0	0.0	124.0	0.0	0.0	0.0	0.0	0	0	0
Transfer authority to align FY2016 authorization with the anticipated budget needs.												
Totals		1,008.0	708.0	38.5	232.6	28.9	0.0	0.0	0.0	5	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2016 Governor Amended (12201)
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	UGF Amount
04-0001	Commissioner	FT	A	XE	Juneau	N05	0	12.0		137,712	4,415	0	62,256	204,383	51,791
04-0003	Spec Asst To The Comm I	FT	A	XE	Juneau	N05	21A / B	12.0		76,445	2,568	0	42,468	121,481	30,783
04-3050	Dep Commissioner	FT	A	XE	Anchorage	N00	28F	12.0		163,907	5,255	0	69,653	238,815	60,516
04-8008	Administrative Assistant I	FT	A	GP	Anchorage	200	12A	12.0		37,200	1,250	0	29,599	68,049	17,244
04-X068	Program Manager	FT	A	XE	Juneau	N05	22	12.0		58,800	1,975	0	36,403	97,178	20,582
04-X069	Legislative Liaison	FT	A	XE	Juneau	N05	24	12.0		0	0	0	0	0	0
													Total Salary Costs:	474,064	
													Total COLA:	15,463	
													Total Premium Pay:	0	
													Total Benefits:	240,379	
													Total Pre-Vacancy:	729,906	
													Minus Vacancy Adjustment of 3.00%:	(21,906)	
													Total Post-Vacancy:	708,000	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	708,000	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	180,916	175,486	24.79%
1007 Interagency Receipts	154,740	150,096	21.20%
1133 CSSD Administrative Cost Reimbursement	394,250	382,418	54.01%
Total PCN Funding:	729,906	708,000	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		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000	Travel		142.8	38.5	38.5
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000 Travel Detail Totals			142.8	38.5	38.5
72110	Employee Travel (Instate)	Instate transportation, lodging, meals and incidentals for staff business and training	87.5	20.0	20.0
72120	Nonemployee Travel (Instate Travel)	Instate transportation, lodging, meals and incidentals for expert witness and specialized contract services	3.8	0.0	0.0
72410	Employee Travel (Out of state)	Out of state transportation, lodging, meals & incidentals for department business and staff training	51.2	15.0	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
72930	Cash Advance Fee	Other travel costs not covered elsewhere	0.3	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		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000	Services		575.1	108.6	232.6
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			575.1	108.6	232.6
73025		Education Services Training, conferences, memberships, and employee tuition	15.5	4.0	4.0
73050		Financial Services Accounting, auditing, financial management, and/or consulting services for the Department of Revenue	106.5	7.0	100.0
73075		Legal & Judicial Svc Transcribing	34.4	30.0	30.0
73150		Information Technlgy IT costs including training, software licensing, and software maintenance	175.3	1.1	6.0
73156		Telecommunication Local, long distance, cellular and telecommunications equipment charges; data/network; and television	12.7	3.5	10.0
73225		Delivery Services Delivery and courier services	0.5	0.6	0.6
73650		Struc/Infstruct/Land Repairs/maintenance of structures or infrastructure, space rental	47.4	2.0	2.0
73675		Equipment/Machinery Repairs, maintenance, rentals and/or leases of office furniture and equipment	19.1	1.0	15.0
73750		Other Services (Non IA Svcs) Other services including program management/consulting, printing and copying	0.3	0.2	0.2
73805	IT-Non-Telecommunication	Admin ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	4.0	3.1	3.1
73806	IT-Telecommunication	Admin ETS chargeback for telecommunications EPR, line fees and service requests	14.7	8.0	8.0
73809	Mail	Admin Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	1.0	1.0	1.0
73810	Human Resources	Admin Human resource and payroll services provided by the Division of Personnel	3.9	3.1	3.1
73811	Building Leases	Admin Cost of space in state owned facility	88.7	35.3	35.3
73812	Legal	Law Regulations review; legal services relating to State	11.8	7.0	12.0

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)

RDU: Administration and Support (50)

Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended	
73000 Services Detail Totals			575.1	108.6	232.6	
		Assessment Review Board and other oil and gas issues				
73814	Insurance	Admin	Risk Management	0.1	0.1	0.1
73815	Financial	Admin	Division of Finance AKSAS/AKPAY	0.2	0.3	0.3
73816	ADA Compliance	Labor	Share of cost for ADA compliance	0.1	0.1	0.1
73818	Training (Services-IA Svcs)	Admin	Training provided by state agencies - General Services and Finance training for procurement and fiscal	0.1	0.0	0.1
73819	Commission Sales (IA Svcs)	Admin	State Travel Office fees	1.9	1.0	1.5
73821	Hearing/Mediation (IA Svcs)	Admin	OAH hearing officers for State Assessment Review Board	36.7	0.0	0.0
73827	Safety (IA Svcs)	Admin	Building security services	0.2	0.2	0.2

Line Item Detail
Department of Revenue
Commodities

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

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000	Commodities		46.3	28.9	28.9
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000 Commodities Detail Totals			46.3	28.9	28.9
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	42.5	26.9	26.9
74480	Household & Instit.	Institutional supplies	3.8	2.0	2.0

Line Item Detail
Department of Revenue
Capital Outlay

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

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
75000	Capital Outlay		282.3	0.0	0.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
75000 Capital Outlay Detail Totals			282.3	0.0	0.0
75480	Capital Lease Paymts	Capital lease payments for Universal Space Standards furniture	282.3	0.0	0.0

Restricted Revenue Detail
Department of Revenue

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

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51010	Federal Receipts				539.8	575.1	584.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51115	Indirect Cost Recov	Child Support Services	04001000	11100	539.8	575.1	584.0
	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.						

Restricted Revenue Detail
Department of Revenue

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

Master Account	Revenue Description				FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51015	Interagency Receipts				951.9	186.1	189.6
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
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	575.9	186.1	189.6
59040	Revenue Unbudgeted RSA with DNR AGIA information	Oil & Gas	04001901	11100	151.0	0.0	0.0
59040	Revenue Unbudgeted RSA Natural Gas Commercialization contractor support	Oil & Gas	04001902	11100	100.0	0.0	0.0
59040	Revenue Unbudgeted RSA Natural Gas Commercialization support	Oil & Gas	04001903	11100	125.0	0.0	0.0

Interagency Services
Department of Revenue

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

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended	
73805	IT-Non-Telecommunication	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	Inter-dept	Admin	4.0	3.1	3.1
73805 IT-Non-Telecommunication subtotal:				4.0	3.1	3.1	
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept	Admin	14.7	8.0	8.0
73806 IT-Telecommunication subtotal:				14.7	8.0	8.0	
73809	Mail	Central mailroom services including pick up and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	1.0	1.0	1.0
73809 Mail subtotal:				1.0	1.0	1.0	
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	3.9	3.1	3.1
73810 Human Resources subtotal:				3.9	3.1	3.1	
73811	Building Leases	Cost of space in state owned facility	Inter-dept	Admin	88.7	35.3	35.3
73811 Building Leases subtotal:				88.7	35.3	35.3	
73812	Legal	Regulations review; legal services relating to State Assessment Review Board and other oil and gas issues	Inter-dept	Law	11.8	7.0	12.0
73812 Legal subtotal:				11.8	7.0	12.0	
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	0.3	0.3
73815 Financial subtotal:				0.2	0.3	0.3	
73816	ADA Compliance	Share of cost for ADA compliance	Inter-dept	Labor	0.1	0.1	0.1
73816 ADA Compliance subtotal:				0.1	0.1	0.1	
73818	Training (Services-IA Svcs)	Training provided by state agencies - General Services and Finance training for procurement and fiscal	Inter-dept	Admin	0.1	0.0	0.1
73818 Training (Services-IA Svcs) subtotal:				0.1	0.0	0.1	
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept	Admin	1.9	1.0	1.5
73819 Commission Sales (IA Svcs) subtotal:				1.9	1.0	1.5	
73821	Hearing/Mediation (IA Svcs)	OAH hearing officers for State Assessment Review Board	Inter-dept	Admin	36.7	0.0	0.0
73821 Hearing/Mediation (IA Svcs) subtotal:				36.7	0.0	0.0	
73827	Safety (IA Svcs)	Building security services	Inter-dept	Admin	0.2	0.2	0.2
73827 Safety (IA Svcs) subtotal:				0.2	0.2	0.2	
Commissioner's Office total:				163.4	59.2	64.8	
Grand Total:				163.4	59.2	64.8	