

State of Alaska FY2017 Governor's Operating Budget

Department of Administration Purchasing Component Budget Summary

Component: Purchasing

Contribution to Department's Mission

To assist state agencies and political subdivisions to achieve their public mission and reduce costs by providing professional procurement services.

Results

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

Core Services

- Establish cost-effective multi-agency term contracts for high use supplies and services needed by all agencies.
- Provide training to client agencies on the application of the State Procurement Code (AS 36.30, 2 AAC 12) and the Alaska Administrative Manual.

Measures by Core Service

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

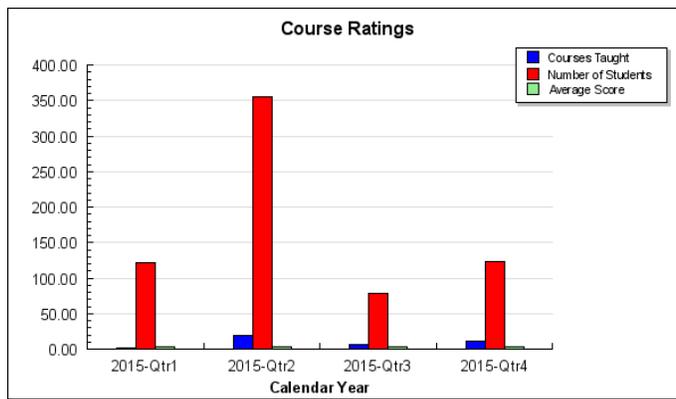
1. Establish cost-effective multi-agency term contracts for high use supplies and services needed by all agencies.

Target: Establish statewide contracts or Purchasing Agreements.

Target: 80% of new contracts executed produce a 5% savings over a current benchmark rate based on estimated volume in the respective solicitation.

Target: Process all Requests for Alternate Procurements (RAPs) within three days of receipt of proper documentation.

2. Provide training to client agencies on the application of the State Procurement Code (AS 36.30, 2 AAC 12) and the Alaska Administrative Manual.



Major Component Accomplishments in 2015

- Several staff members attained Best Value Certification through the Performance Based Research Studies Group at Arizona State University. This certification is based on the Best Value Procurement method that introduces a new and innovative process to procure commodities and services.
- Using the Best Value Procurement method, the division conducted a solicitation on behalf of ETS for Core Telecommunications Services that resulted in the delivery of up to three times the desired service. No protests were filed as a result of this contract award.
- Participated with multiple other states and adopted several new statewide contracts for office supplies, telephone based interpreter services, digital print services, and a variety of hospital-related products.
- New contracts were developed and awarded by DGS for wireless devices and services, micrographic services, and GIS software and services.
- Renewal amendments were developed and processed for various commodities and service contracts, including public safety radio equipment, computers and related services, copiers and related devices, fuel, paper, groceries, flooring products, forensic toxicology, shredding, furniture, travel management, and in-state vehicle rental.
- The division presented 38 procurement training courses to 679 attendees with an average student satisfaction rating of 3.69 out of 4.
- Processed 110 Requests for Alternate Procurement with a total value over \$181 million. In addition, the division provided statewide procurement consulting services.
- A total of 19 waivers were authorized to permit agencies to award contracts to vendors located outside of the United States.
- The division manages over 250 statewide contracts used by the state and its political subdivisions representing a diverse mix of supplies and services. The total annual dollar value of orders placed on General Service's statewide contracts by executive branch agencies is approximately \$150 million and over \$300 million when orders placed by political subdivisions of the state are included.

Key Component Challenges

Procurement Services - The division continues to work towards: automating systems and procurement methods using the newly-implemented IRIS e-procurement system to foster improved efficiency for state agencies; improve access for Alaska vendors to state business; enhance reporting on state purchasing activities as more data becomes available; continually improve the statewide procurement officer certification and training program based on feedback from students; maintain and enhance the web-based system to track state procurement officer certifications, training records, and delegations of purchasing authority; increase employee access to procurement laws, regulations, and policies via mobile device applications; increase the number of statewide term contracts available for all state agencies and political subdivisions; and, improve outreach to state political subdivisions to ensure rural communities and other State of Alaska subdivisions have access to cost effective and efficient contracts.

New Staff - Integration of new procurement staff into the Division of General Services.

Significant Changes in Results to be Delivered in FY2017

No significant changes in results to be delivered in FY2017.

Statutory and Regulatory Authority

AS 36.30	State Procurement Code
AS 44.21.020(1),(4)	Duties of the Department
AS 44.99.200-240	State Publications
2 AAC 12	Procurement

Contact Information
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Purchasing Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2016 Management Plan	FY2017 Governor		
Full-time	14	13	Annual Salaries	954,360
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	541,940
			<i>Less 1.46% Vacancy Factor</i>	(21,800)
			Lump Sum Premium Pay	0
Totals	14	13	Total Personal Services	1,474,500

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant II	0	0	1	0	1
Administrative Officer II	0	0	1	0	1
Chief Procurement Off	0	0	1	0	1
Contracting Officer II	0	0	1	0	1
Contracting Officer III	0	0	5	0	5
Contracting Officer IV	0	0	1	0	1
Procurement Spec II	0	0	2	0	2
Procurement Spec IV	0	0	1	0	1
Totals	0	0	13	0	13

Component Detail All Funds
Department of Administration

Component: Purchasing (60)
RDU: General Services (17)

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	1,728.5	1,558.6	1,528.6	1,487.3	1,474.5	-12.8	-0.9%
72000 Travel	19.5	4.0	4.0	4.0	4.0	0.0	0.0%
73000 Services	115.3	57.1	14.7	56.0	68.8	12.8	22.9%
74000 Commodities	6.3	7.1	7.1	7.1	7.1	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	1,869.6	1,626.8	1,554.4	1,554.4	1,554.4	0.0	0.0%
Fund Sources:							
1004Gen Fund (UGF)	1,412.1	1,036.5	964.1	964.1	964.1	0.0	0.0%
1007I/A Rcpts (Other)	457.5	590.3	590.3	590.3	590.3	0.0	0.0%
Unrestricted General (UGF)	1,412.1	1,036.5	964.1	964.1	964.1	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	457.5	590.3	590.3	590.3	590.3	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	19	19	19	14	13	-1	-7.1%
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 Administration

Component: Purchasing (60)
RDU: General Services (17)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee												
ConfCom		1,626.8	1,558.6	4.0	57.1	7.1	0.0	0.0	0.0	19	0	0
1004 Gen Fund		1,036.5										
1007 I/A Rcpts		590.3										
Increase Vacancy and Reinstate Chargeback Revenue												
Unalloc		-72.4	-30.0	0.0	-42.4	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-72.4										
A reduction to this component will result in potentially laying off a support position and holding positions vacant for longer periods. While this will not make up the full reduction, the Division of General Services (DGS) is considering reinstating the cost for use of the task order system and the staff that process those requests. The cost for this program was not being allocated due to a reorganization of staff that transferred from Enterprise Technology Services to DGS Facilities. This should be a net zero to the rate but after review of the process it was determined that this should be included in the methodology.												
Subtotal		1,554.4	1,528.6	4.0	14.7	7.1	0.0	0.0	0.0	19	0	0
***** Changes From FY2016 Authorized To FY2016 Management Plan *****												
Align Authority to Meet Projected Expenditures												
LIT		0.0	-41.3	0.0	41.3	0.0	0.0	0.0	0.0	0	0	0
Transfer from personal services to services to comply with vacancy factor guidelines and meet projected expenditures. Authority is available to transfer from the personal services line due to a true up of allocations across all General Services components. This true up aligns with work performed by administrative and accounting staff in support of each component.												
Split Position Count Adjustment												
Trout		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5	0	0
Adjust position count within the Division of General Services due to a true up of personal services allocations across the General Services appropriation. This true up aligns work performed by administrative and accounting staff in support of each General Services component.												
*02-5001 counted in Facilities Administration												
*02-5155 counted in Facilities Administration												
*02-5158 counted in Central Mail Services												
*02-5175 counted in Facilities Administration												
*02-5182 counted in Facilities Administration												
Subtotal		1,554.4	1,487.3	4.0	56.0	7.1	0.0	0.0	0.0	14	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
Delete Publications Technician II (02-5139)												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0

Change Record Detail - Multiple Scenarios with Descriptions
Department of Administration

Component: Purchasing (60)
RDU: General Services (17)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
A full-time Publications Technician II (02-5139) is being deleted to meet projected expenditures.												
This position is split across the following components:												
Purchasing - 6 months												
Facilities Administration - 3 months												
Lease Administration - 2.4 months												
Property Management - .6 months												
Align Authority to Meet Projected Expenditures												
	LIT	0.0	-12.8	0.0	12.8	0.0	0.0	0.0	0.0	0	0	0
Transfer of authority from personal services to services to align the budget with projected expenditures.												
Transfer Out FY2016 One-Time Salary Reductions to Unallocated in FY2017												
	SalAdj	22.4	22.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		22.4										
Restore UGF FY2016 Salary Increases because cuts taken in other expenditure lines.												
Reverse FY2016 One-Time Unrestricted General Fund Salary Adjustments in FY2017 Budget Request												
	SalAdj	-22.4	-22.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-22.4										
Cost of living adjustment for certain bargaining units: \$28.9												
Year three cost of living adjustment for non-covered employees - 2.5%: \$4.5												
Year three cost of living adjustment for Alaska State Employees Association/General Government Unit - 2.5%: \$17.6												
Year three cost of living adjustment for Alaska Public Employees Association/Supervisory Unit - 2.5%: \$6.8												
Totals		1,554.4	1,474.5	4.0	68.8	7.1	0.0	0.0	0.0	13	0	0

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2017 Governor (12995)
Component: Purchasing (60)
RDU: General Services (17)

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
02-3009	Procurement Spec IV	FT	A	SS	Juneau	205	20C / D	12.0		78,440	0	0	43,329	121,769	0
02-3026	Contracting Officer III	FT	1	GP	Juneau	205	19A / B	12.0		66,144	0	0	39,574	105,718	0
02-5001	Division Operations Manager	FT	A	SS	Juneau	205	24C	2.4	*	20,542	0	0	10,336	30,878	23,159
02-5005	Chief Procurement Off	FT	A	XE	Juneau	N05	25C / D	9.6	**	89,424	0	0	43,726	133,150	117,172
02-5009	Contracting Officer IV	FT	A	SS	Juneau	205	22B / C	12.0		87,541	0	0	46,461	134,002	66,331
02-5012	Contracting Officer III	FT	A	GP	Juneau	405	19L / M	12.0		90,555	0	0	47,974	138,529	138,529
02-5017	Contracting Officer II	FT	1	GP	Juneau	205	16A / B	12.0		53,646	0	0	35,273	88,919	88,919
02-5019	Contracting Officer III	FT	A	GP	Juneau	205	19C / D	12.0		69,322	0	0	40,668	109,990	109,990
02-5068	Accounting Clerk	FT	A	GP	Juneau	205	10G	0.6	*	2,132	0	0	1,574	3,706	3,706
02-5108	Administrative Officer II	FT	A	SS	Juneau	205	19J	4.6	**	31,510	0	0	17,105	48,615	42,295
02-5126	Contracting Officer III	FT	A	GP	Juneau	205	19F / G	12.0		78,538	0	0	43,839	122,377	122,377
02-5128	Contracting Officer III	FT	A	GP	Juneau	205	19E / F	12.0		74,843	0	0	42,567	117,410	117,410
02-5138	Administrative Assistant II	FT	1	GP	Juneau	205	14E	5.2	**	22,752	0	0	15,115	37,867	33,323
02-5139	Publications Tech II	FT	1	GP	Juneau	205	13B / C	6.0	**	0	0	0	0	0	0
02-5155	Accounting Tech III	FT	A	GP	Juneau	205	16J	0.6	*	3,358	0	0	1,996	5,354	5,354
02-5158	Accountant III	FT	A	GP	Juneau	205	18D	0.2	*	1,125	0	0	667	1,792	1,792
02-5162	Accountant IV	FT	A	SS	Juneau	405	20L	0.6	*	5,237	0	0	2,619	7,856	7,856
02-5170	Accountant IV	FT	1	SS	Juneau	205	20D	1.2	*	8,170	0	0	4,445	12,615	12,615
02-5173	Office Assistant II	FT	A	GP	Juneau	405	10L	2.4	*	9,513	0	0	6,636	16,149	16,149
02-5177	Accounting Tech I	FT	1	GP	Juneau	205	12G	3.4	*	13,780	0	0	9,506	23,286	20,725
02-5182	Division Director	FT	A	XE	Juneau	N05	27E	3.0	*	31,308	0	0	14,822	46,130	36,904
02-6411	Procurement Spec II	FT	1	GP	Juneau	205	16A	12.0		52,260	0	0	34,796	87,056	0
02-6530	Procurement Spec II	FT	1	GP	Juneau	205	16F / G	12.0		64,220	0	0	38,912	103,132	0
													Total Salary Costs:	954,360	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	541,940	
													Total Pre-Vacancy:	1,496,300	
													Minus Vacancy Adjustment of 1.46%:	(21,800)	
													Total Post-Vacancy:	1,474,500	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	1,474,500	
		Total	New	Deleted											
Full Time Positions:		13	0	1											
Part Time Positions:		0	0	0											
Non Permanent Positions:		0	0	0											
Positions in Component:		13	0	1											
Total Component Months:		153.8													

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.

Personal Services Expenditure Detail
Department of Administration

Scenario: FY2017 Governor (12995)
Component: Purchasing (60)
RDU: General Services (17)

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	964,605	950,551	64.47%
1007 Interagency Receipts	531,695	523,949	35.53%
Total PCN Funding:	1,496,300	1,474,500	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 Administration
Travel

Component: Purchasing (60)
RDU: General Services (17)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000	Travel		19.5	4.0	4.0
			FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
Expenditure Account	Servicing Agency	Explanation			
72000 Travel Detail Totals			19.5	4.0	4.0
72110	Employee Travel (Instate)	Employee instate travel	19.5	4.0	4.0

Line Item Detail
Department of Administration
Services

Component: Purchasing (60)
RDU: General Services (17)

Line Number	Line Name			FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services			115.3	56.0	68.8
Expenditure Account	Servicing Agency	Explanation		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals				115.3	56.0	68.8
73025	Education Services	Employee training and conference fees		1.5	2.0	2.0
73150	Information Technlgy	Information technology services costs		4.5	3.0	4.5
73156	Telecommunication	Telecommunication services costs		1.0	1.3	1.3
73451	Advertising	Advertising		0.6	0.5	0.0
73675	Equipment/Machinery	Service fees for equipment repair and maintenance		5.6	5.6	5.6
73750	Other Services (Non IA Svcs)	Other external services		15.0	15.0	0.0
73756	Print/Copy/Graphics			0.1	0.0	0.0
73805	IT-Non-Telecommunication	Enterprise Technology Services	Enterprise Productivity Rate (EPR) - Computer Services	12.8	5.0	12.8
73806	IT-Telecommunication	Enterprise Technology Services	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	28.7	10.0	28.7
73809	Mail	Central Mail	Costs for central mail room services	4.6	3.0	3.8
73811	Building Leases	Leases	Chargeback for building leases	11.5	0.0	8.1
73814	Insurance	Risk Management	Services provided by Risk Management	0.0	0.3	0.3
73815	Financial	Finance	Chargeback costs from the Division of Finance	0.3	0.4	0.4
73816	ADA Compliance	Personnel	ADA Compliance charges from the Department of Admin, Division of Personnel	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	E-Travel	US Travel service fees	0.1	0.1	0.1
73827	Safety (IA Svcs)		Safety services	0.8	0.0	0.8
73913	Employee Tuition		Employee tuition	0.3	0.0	0.3
73970	Contractual Cost Trf			-23.4	0.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Admin	Commissioner's Office, Administrative Services and	51.3	9.7	0.0

Line Item Detail
Department of Administration
Services

Component: Purchasing (60)
RDU: General Services (17)

Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals			115.3	56.0	68.8
		Information Technology (IT) desktop chargeback for services			

Line Item Detail
Department of Administration
Commodities

Component: Purchasing (60)
RDU: General Services (17)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000	Commodities		6.3	7.1	7.1
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000 Commodities Detail Totals			6.3	7.1	7.1
74200	Business	Business and office supplies for internal use and supplies used for procurement training	7.1	7.1	7.1
74236	Subscriptions		1.2	0.0	0.0
74970	Commodity Cost Trf		-2.0	0.0	0.0

Unrestricted Revenue Detail
Department of Administration

Component: Purchasing (60)
RDU: General Services (17)

Master Account	Revenue Description		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor		
68515	Unrestricted Fund		111.0	52.6	52.6		
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
65040	Judgment Settlement Court ordered judgement				64.9	43.5	43.5
65395	Minimum Royalty Alaska Mint				0.0	9.1	9.1
66190	Py Reimburse Recvry				45.3	0.0	0.0
66370	Misc Rev				0.8	0.0	0.0

Restricted Revenue Detail
Department of Administration

Component: Purchasing (60)
RDU: General Services (17)

Master Account	Revenue Description				FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51015	Interagency Receipts				457.5	590.3	590.3
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51015	Interagency Receipts	Statewide	2509302	11100	457.5	590.3	590.3
	Interagency receipt authority for Department of Administration procurement staff						

Interagency Services
Department of Administration

Component: Purchasing (60)
RDU: General Services (17)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2015 Actuals	FY2016		
					Management Plan	FY2017 Governor	
73805	IT-Non-Telecommunication	Enterprise Productivity Rate (EPR) - Computer Services	Intra-dept	Enterprise Technology Services	12.8	5.0	12.8
				73805 IT-Non-Telecommunication subtotal:	12.8	5.0	12.8
73806	IT-Telecommunication	Enterprise Productivity Rate (EPR) - Telecommunications and telephone line costs	Intra-dept	Enterprise Technology Services	28.7	10.0	28.7
				73806 IT-Telecommunication subtotal:	28.7	10.0	28.7
73809	Mail	Costs for central mail room services	Intra-dept	Central Mail	4.6	3.0	3.8
				73809 Mail subtotal:	4.6	3.0	3.8
73811	Building Leases	Chargeback for building leases	Inter-dept	Leases	11.5	0.0	8.1
				73811 Building Leases subtotal:	11.5	0.0	8.1
73814	Insurance	Services provided by Risk Management	Intra-dept	Risk Management	0.0	0.3	0.3
				73814 Insurance subtotal:	0.0	0.3	0.3
73815	Financial	Chargeback costs from the Division of Finance	Intra-dept	Finance	0.3	0.4	0.4
				73815 Financial subtotal:	0.3	0.4	0.4
73816	ADA Compliance	ADA Compliance charges from the Department of Admin, Division of Personnel	Intra-dept	Personnel	0.0	0.1	0.1
				73816 ADA Compliance subtotal:	0.0	0.1	0.1
73819	Commission Sales (IA Svcs)	US Travel service fees	Intra-dept	E-Travel	0.1	0.1	0.1
				73819 Commission Sales (IA Svcs) subtotal:	0.1	0.1	0.1
73827	Safety (IA Svcs)	Safety services	Inter-dept		0.8	0.0	0.8
				73827 Safety (IA Svcs) subtotal:	0.8	0.0	0.8
73979	Mgmt/Consulting (IA Svcs)	Commissioner's Office, Administrative Services and Information Technology (IT) desktop chargeback for services	Intra-dept	Admin	51.3	9.7	0.0
				73979 Mgmt/Consulting (IA Svcs) subtotal:	51.3	9.7	0.0
				Purchasing total:	110.1	28.6	55.1
				Grand Total:	110.1	28.6	55.1