

State of Alaska FY2017 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 2015

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. and global economies
- 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.
- State assets managed by Treasury staff, including the GeFONSI and the Constitutional Budget Reserve Fund, totaled \$18.6 billion at June 30, 2015; bringing total assets managed by Treasury to \$47.8 billion, a total which is double that of FY2006. Market volatility, increasingly complex and growing investment mandates and lagging growth in the number of Treasury staff continue to provide investment challenges.
- 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.
- Meeting stringent federal requirements for data reliability that must be met to achieve the highest possible incentive revenue and 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 FY2017

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

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Commissioner's Office Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2016</u> <u>Management</u> <u>Plan</u>	<u>FY2017</u> <u>Governor</u>		
Full-time	5	5	Annual Salaries	572,616
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	272,371
			<i>Less 2.80% Vacancy Factor</i>	(23,687)
			Lump Sum Premium Pay	0
Totals	5	5	Total Personal Services	821,300

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

Component Detail All Funds
Department of Revenue

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

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	566.5	708.7	708.7	708.7	821.3	112.6	15.9%
72000 Travel	97.8	38.5	38.5	38.5	38.5	0.0	0.0%
73000 Services	520.1	232.6	232.6	232.6	118.6	-114.0	-49.0%
74000 Commodities	30.9	28.9	28.9	28.9	28.9	0.0	0.0%
75000 Capital Outlay	237.7	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	1,453.0	1,008.7	1,008.7	1,008.7	1,007.3	-1.4	-0.1%
Fund Sources:							
1004Gen Fund (UGF)	229.2	235.1	235.1	235.1	233.7	-1.4	-0.6%
1007I/A Rcpts (Other)	702.0	189.6	189.6	189.6	189.6	0.0	0.0%
1133CSSD Reimb (Fed)	521.8	584.0	584.0	584.0	584.0	0.0	0.0%
Unrestricted General (UGF)	229.2	235.1	235.1	235.1	233.7	-1.4	-0.6%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	702.0	189.6	189.6	189.6	189.6	0.0	0.0%
Federal Funds	521.8	584.0	584.0	584.0	584.0	0.0	0.0%
Positions:							
Permanent Full Time	6	5	5	5	5	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 FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee												
ConfCom		1,008.7	708.7	38.5	232.6	28.9	0.0	0.0	0.0	5	0	0
1004 Gen Fund		235.1										
1007 I/A Rcpts		189.6										
1133 CSSD		584.0										
Reimb												
Subtotal		1,008.7	708.7	38.5	232.6	28.9	0.0	0.0	0.0	5	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
Furlough for Exempt and Partially-Exempt Employees												
Dec		-1.4	-1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-1.4										
The Department of Revenue will implement partial furloughs for exempt and partially-exempt positions. Furloughs will be necessary for the department to meet budgetary constraints.												
Align Authority to Continue Existing Service Levels												
LIT		0.0	114.0	0.0	-114.0	0.0	0.0	0.0	0.0	0	0	0
Align authority to continue existing service levels.												
Transfer Out FY2016 One-Time Salary Reductions to Unallocated in FY2017												
SalAdj		4.3	4.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.3										
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		-4.3	-4.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-4.3										
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												
Totals		1,007.3	821.3	38.5	118.6	28.9	0.0	0.0	0.0	5	0	0

Personal Services Expenditure Detail
Department of Revenue

Scenario: FY2017 Governor (12995)
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		141,156	0	0	63,221	204,377	51,789
04-0003	Spec Asst To The Comm I	FT	A	XE	Juneau	N05	21B / C	12.0		80,901	0	0	43,943	124,844	31,636
04-0032	Exec Secretary II	FT	A	XE	Anchorage	N00	14F / J	12.0		54,572	0	0	34,912	89,484	22,675
04-3050	Dep Commissioner	FT	A	XE	Anchorage	N00	28F	12.0		168,005	0	0	70,785	238,790	60,509
04-X068	Program Manager	FT	A	XE	Anchorage	N00	22	12.0		127,982	0	0	59,510	187,492	0
Total													Total Salary Costs:	572,616	
Positions													Total COLA:	0	
Full Time Positions:													Total Premium Pay:	0	
Part Time Positions:													Total Benefits:	272,371	
Non Permanent Positions:															
Positions in Component:													Total Pre-Vacancy:	844,987	
													Minus Vacancy Adjustment of 2.80%:	(23,687)	
													Total Post-Vacancy:	821,300	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	821,300	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 General Fund Receipts	166,609	161,939	19.72%
1007 Interagency Receipts	326,881	317,718	38.68%
1133 CSSD Administrative Cost Reimbursement	351,497	341,644	41.60%
Total PCN Funding:	844,987	821,300	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		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000	Travel		97.8	38.5	38.5
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000 Travel Detail Totals			97.8	38.5	38.5
72110	Employee Travel (Instate)	In state transportation, lodging, meals and incidentals for staff business and training	55.4	20.0	20.0
72120	Nonemployee Travel (Instate Travel)	In state transportation, lodging, meals and incidentals for expert witness and specialized contract services	19.2	10.5	10.5
72410	Employee Travel (Out of state)	Out of state transportation, lodging, meals & incidentals for department business and staff training	15.7	8.0	8.0
72700	Moving Costs	Move costs	7.5	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			FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services			520.1	232.6	118.6
Expenditure Account	Servicing Agency	Explanation		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals				520.1	232.6	118.6
73025	Education Services	Training, conferences, memberships, and employee tuition		1.6	1.6	1.6
73075	Legal & Judicial Svc	Transcribing		26.2	24.2	5.0
73150	Information Technlgy	IT costs including training, software licensing, and software maintenance		7.1	7.1	7.1
73156	Telecommunication	Local, long distance, cellular and telecommunications equipment charges; data/network; and television		14.3	14.3	14.3
73225	Delivery Services	Delivery and courier services		2.2	2.2	2.2
73450	Advertising & Promos	Advertising and public notice for contracts, recruitments, and required public notices.		0.7	0.7	0.7
73525	Utilities	Document disposal		0.1	0.1	0.1
73650	Struc/Infstruct/Land	Repairs/maintenance of structures or infrastructure, space rental		270.7	1.0	1.0
73675	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment		12.7	1.0	1.0
73750	Other Services (Non IA Svcs)	Other services including program management/consulting, printing and copying		2.5	2.6	2.6
73805	IT-Non-Telecommunication	Admin	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	4.0	4.0	4.0
73806	IT-Telecommunication	Admin	ETS chargeback for telecommunications EPR, line fees and service requests	15.1	15.1	15.1
73808	Building Maintenance	Admin	DGS Building maintenance	0.3	0.3	0.3
73809	Mail	Admin	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	1.1	1.1	1.1
73810	Human Resources	Admin	Human resource and payroll services provided by the Division of Personnel	3.7	3.7	3.7

Line Item Detail
Department of Revenue
Services

Component: Commissioner's Office (123)

RDU: Administration and Support (50)

Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor	
73000 Services Detail Totals			520.1	232.6	118.6	
73811	Building Leases	Admin	Cost of space in state owned facility	74.2	70.0	20.0
73812	Legal	Law	Regulations review; legal services relating to State Assessment Review Board and other oil and gas issues	12.5	12.5	30.3
73814	Insurance	Admin	Risk Management	0.1	0.1	0.1
73815	Financial	Admin	Division of Finance IRIS and AKPAY	0.3	0.3	0.3
73819	Commission Sales (IA Svcs)	Admin	State Travel Office fees	1.2	1.2	1.2
73821	Hearing/Mediation (IA Svcs)	Admin	OAH hearing officers for State Assessment Review Board	62.6	62.6	0.0
73822	Construction (IA Svcs)	Admin	Office construction and renovation	6.6	6.6	6.6
73824	Aircraft (Interagency Services)	PubSaf	Transportation costs	0.2	0.2	0.2
73827	Safety (IA Svcs)	Admin	DGS Parking Enforcement	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		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000	Commodities		30.9	28.9	28.9
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000 Commodities Detail Totals			30.9	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	28.2	26.2	26.2
74480	Household & Instit.	Institutional supplies	2.7	2.7	2.7

Line Item Detail
Department of Revenue
Capital Outlay

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

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
75000	Capital Outlay		237.7	0.0	0.0
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
75000 Capital Outlay Detail Totals			237.7	0.0	0.0
75480	Capital Lease Paymts	Capital lease payments for Universal Space Standards furniture	237.7	0.0	0.0

Restricted Revenue Detail
Department of Revenue

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

Master Account	Revenue Description				FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51010	Federal Receipts				521.8	584.0	584.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51115	Indirect Cost Recov	Child Support Services	04001000	11100	521.8	584.0	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				FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51015	Interagency Receipts				702.0	189.6	189.6
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
59040	Revenue	Department-wide	04001000	11100	702.0	189.6	189.6
	Support services provided by the Commissioner's Office are billed through the department's internal administrative cost allocation plan.						

Interagency Services
Department of Revenue

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

Expenditure Account		Service Description	Service Type	Servicing Agency	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73805	IT-Non-Telecommunication	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)	Inter-dept	Admin	4.0	4.0	4.0
73805 IT-Non-Telecommunication subtotal:					4.0	4.0	4.0
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept	Admin	15.1	15.1	15.1
73806 IT-Telecommunication subtotal:					15.1	15.1	15.1
73808	Building Maintenance	DGS Building maintenance	Inter-dept	Admin	0.3	0.3	0.3
73808 Building Maintenance subtotal:					0.3	0.3	0.3
73809	Mail	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	1.1	1.1	1.1
73809 Mail subtotal:					1.1	1.1	1.1
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	3.7	3.7	3.7
73810 Human Resources subtotal:					3.7	3.7	3.7
73811	Building Leases	Cost of space in state owned facility	Inter-dept	Admin	74.2	70.0	20.0
73811 Building Leases subtotal:					74.2	70.0	20.0
73812	Legal	Regulations review; legal services relating to State Assessment Review Board and other oil and gas issues	Inter-dept	Law	12.5	12.5	30.3
73812 Legal subtotal:					12.5	12.5	30.3
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 IRIS and AKPAY	Inter-dept	Admin	0.3	0.3	0.3
73815 Financial subtotal:					0.3	0.3	0.3
73819	Commission Sales (IA Svcs)	State Travel Office fees	Inter-dept	Admin	1.2	1.2	1.2
73819 Commission Sales (IA Svcs) subtotal:					1.2	1.2	1.2
73821	Hearing/Mediation (IA Svcs)	OAH hearing officers for State Assessment Review Board	Inter-dept	Admin	62.6	62.6	0.0
73821 Hearing/Mediation (IA Svcs) subtotal:					62.6	62.6	0.0
73822	Construction (IA Svcs)	Office construction and renovation	Inter-dept	Admin	6.6	6.6	6.6
73822 Construction (IA Svcs) subtotal:					6.6	6.6	6.6
73824	Aircraft (Interagency Services)	Transportation costs	Inter-dept	PubSaf	0.2	0.2	0.2
73824 Aircraft (Interagency Services) subtotal:					0.2	0.2	0.2
73827	Safety (IA Svcs)	DGS Parking Enforcement	Inter-dept	Admin	0.1	0.1	0.1
73827 Safety (IA Svcs) subtotal:					0.1	0.1	0.1
Commissioner's Office total:					182.0	177.8	83.0

Interagency Services
Department of Revenue

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

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
			Grand Total:	182.0	177.8	83.0