

# **State of Alaska FY2017 Governor's Operating Budget**

## **Department of Revenue Unclaimed Property Component Budget Summary**

**Component: Unclaimed Property**

**Contribution to Department's Mission**

The mission of the Unclaimed Property program is to administer Alaska's Uniform Unclaimed Property Act (AS 34.45).

**Core Services**

- Receive and account for unclaimed property in the form of cash, securities, and safe deposit boxes from companies, organizations (profit and non-profit) and government agencies throughout the United States in accordance with Alaska's Unclaimed Property Act
- Provide services to reunite owners, heirs or legal representatives with their unclaimed property
- Determine entitlement by analyzing statutes, court orders, legal cases, and reviewing evidence
- Promote unclaimed property reporting
- Account for and post liability accruals such as; mergers, splits, dividends, security proceeds and interest

**Major Component Accomplishments in 2015**

- Increased audit/compliance/outreach to educate holders and owners about Alaska's Uniform Property Unclaimed Act.
- Identified electronic reporting vehicle for unclaimed property holders to be used for November 2015 reporting. This will improve productivity. Continue to educate and encourage the use of electronic reporting tools.
- Transferred \$8.0 million into the state general fund for FY2015 collections in excess of refunds. Since the inception of the program in 1986, a total of \$104 million has been transferred to the state general fund from the Unclaimed Property Trust account.
- During the past five years approximately \$29.3 million dollars has been returned to current or former Alaska owners and businesses.
- During the past five years \$31.5 million has been transferred to the general fund.

**Key Component Challenges**

- Continue to align unclaimed property practices with banking and business transactions utilizing electronic deposits, payments, and debit cards for credit balances, payroll, and social services programs. Re-evaluate last known contact other than a mailing address.
- Increase productivity and continue to move towards paperless environment, via secure online reporting, and remit payment portal.
- Improve online claim verifications and process payments electronically.
- Uniform Unclaimed Property Act revisions may impact current State laws.
- New property types such as Health Savings and College Savings Plans create challenges in establishing procedures that will not diminish the property value under Federal Tax laws for early withdrawals and transfers.
- Identity theft and fraud contribute to the challenges of determining and validating entitlement to unclaimed property accounts.

- Property accounts are held in trust, currently totaling \$39.9 million dollars.

### Significant Changes in Results to be Delivered in FY2017

No changes in results delivered.

### Statutory and Regulatory Authority

AS 34.45 Alaska's Uniform Unclaimed Property Act

Contact Information
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Unclaimed Property 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	4	4	Annual Salaries	270,839
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	159,678
			<i>Less 3.00% Vacancy Factor</i>	(12,917)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>4</b>	<b>4</b>	<b>Total Personal Services</b>	<b>417,600</b>

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	2	0	2
Unclaimed Property Agent	0	0	1	0	1
Unclaimed Property Manager	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>

**Component Detail All Funds**  
**Department of Revenue**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	408.0	411.7	411.7	411.7	417.6	5.9	1.4%
72000 Travel	4.9	7.6	7.6	7.6	7.6	0.0	0.0%
73000 Services	116.2	154.7	154.7	154.7	148.8	-5.9	-3.8%
74000 Commodities	0.5	7.7	7.7	7.7	7.7	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%
<b>Totals</b>	<b>529.6</b>	<b>581.7</b>	<b>581.7</b>	<b>581.7</b>	<b>581.7</b>	<b>0.0</b>	<b>0.0%</b>
<b>Fund Sources:</b>							
1004Gen Fund (UGF)	345.3	4.5	4.5	4.5	0.0	-4.5	-100.0%
1005GF/Prgm (DGF)	184.3	577.2	577.2	577.2	581.7	4.5	0.8%
<b>Unrestricted General (UGF)</b>	<b>345.3</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>0.0</b>	<b>-4.5</b>	<b>-100.0%</b>
<b>Designated General (DGF)</b>	<b>184.3</b>	<b>577.2</b>	<b>577.2</b>	<b>577.2</b>	<b>581.7</b>	<b>4.5</b>	<b>0.8%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	4	4	4	4	4	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:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

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 *****												
<b>FY2016 Conference Committee</b>												
	ConfCom	581.7	411.7	7.6	154.7	7.7	0.0	0.0	0.0	4	0	0
1004 Gen Fund		4.5										
1005 GF/Prgm		577.2										
<b>Subtotal</b>		<b>581.7</b>	<b>411.7</b>	<b>7.6</b>	<b>154.7</b>	<b>7.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
<b>Maintain Unclaimed Property Program with Program Receipts</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-4.5										
1005 GF/Prgm		4.5										
This change is will allow the Unclaimed Property Program to run solely on program receipts.												
<b>Align Authority to Continue Existing Service Levels</b>												
	LIT	0.0	5.9	0.0	-5.9	0.0	0.0	0.0	0.0	0	0	0
Align authority to continue existing service levels.												
<b>Reverse to Correct for Negative Fund Source</b>												
	SalAdj	4.5	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4.5										
Restore UGF FY2016 Salary Increases because cuts taken in other expenditure lines.												
<b>Reverse FY2016 One-Time Unrestricted General Fund Salary Adjustments in FY2017 Budget Request</b>												
	SalAdj	-4.5	-4.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-4.5										
Cost of living adjustment for certain bargaining units: \$8.4												
Year three cost of living adjustment for Alaska State Employees Association/General Government Unit - 2.5%: \$5.4												
Year three cost of living adjustment for Alaska Public Employees Association/Supervisory Unit - 2.5%: \$3.0												
<b>Totals</b>		<b>581.7</b>	<b>417.6</b>	<b>7.6</b>	<b>148.8</b>	<b>7.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4</b>	<b>0</b>	<b>0</b>

**Personal Services Expenditure Detail**  
**Department of Revenue**

**Scenario:** FY2017 Governor (12995)  
**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

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
04-3053	Accounting Tech II	FT	A	GP	Juneau	405	14P / Q	12.0		72,830	0	0	41,795	114,625	0
04-3202	Unclaimed Property Agent	FT	A	GP	Juneau	205	15D / E	12.0		55,811	0	0	35,957	91,768	0
04-3232	Unclaimed Property Manager	FT	A	SS	Juneau	405	18O / P	12.0		94,816	0	0	48,860	143,676	0
04-8049	Accounting Tech II	FT	A	GP	Juneau	205	14B / C	12.0		47,382	0	0	33,066	80,448	0
<b>Total</b>													<b>Total Salary Costs:</b>	270,839	
<b>Positions</b>													<b>Total COLA:</b>	0	
<b>Full Time Positions:</b>													<b>Total Premium Pay:</b>	0	
<b>Part Time Positions:</b>													<b>Total Benefits:</b>	159,678	
<b>Non Permanent Positions:</b>															
<b>Positions in Component:</b>													<b>Total Pre-Vacancy:</b>	430,517	
													<b>Minus Vacancy Adjustment of 3.00%:</b>	(12,917)	
													<b>Total Post-Vacancy:</b>	417,600	
<b>Total Component Months: 48.0</b>													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	417,600	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1005 General Fund/Program Receipts	430,517	417,600	100.00%
<b>Total PCN Funding:</b>	<b>430,517</b>	<b>417,600</b>	<b>100.00%</b>

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:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000	Travel		4.9	7.6	7.6
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
<b>72000 Travel Detail Totals</b>			<b>4.9</b>	<b>7.6</b>	<b>7.6</b>
72410	Employee Travel (Out of state)	Out of state airfare, surface transportation, lodging, meals & incidentals	4.9	7.6	7.6

**Line Item Detail**  
**Department of Revenue**  
**Services**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

Line Number	Line Name			FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services			116.2	154.7	148.8
				FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
Expenditure Account	Servicing Agency	Explanation		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
<b>73000 Services Detail Totals</b>				<b>116.2</b>	<b>154.7</b>	<b>148.8</b>
73025	Education Services	Training, conferences, memberships, and employee tuition		3.4	4.0	4.0
73052	Mgmt/Consulting (Non IA Svcs Financial)	Custodial Services		0.0	37.9	32.0
73150	Information Technlgy	Software maintenance		30.3	30.3	30.3
73156	Telecommunication	Local, long distance, cellular and telecommunications equipment charges; data/network charges		0.2	0.2	0.2
73525	Utilities	Disposal of confidential material		0.5	0.5	0.5
73650	Struc/Infstruct/Land	Repairs, maintenance of structures or infrastructure; room or space rental		1.0	1.0	1.0
73675	Equipment/Machinery	Repairs, maintenance, rentals and/or leases of office furniture and equipment		2.1	2.1	2.1
73750	Other Services (Non IA Svcs)	Other services such as program management/consulting, printing/copying		4.6	4.6	4.6
73805	IT-Non-Telecommunication	ETS chargeback for computer services (including EPR, MICS charges for mainframe usage, and VPN)		2.7	2.7	2.7
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests		6.2	6.2	6.2
73809	Mail	Admin	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	6.5	6.5	6.5
73810	Human Resources	Admin	Human resource and payroll services provided by the Division of Personnel	2.5	2.5	2.5
73811	Building Leases	Admin	State facility rent	20.2	20.2	20.2
73814	Insurance	Admin	Risk Management	0.1	0.1	0.1
73815	Financial	Admin	Division of Finance IRIS/AKPAY	1.9	1.9	1.9
73827	Safety (IA Svcs)	Admin	DGS Parking Enforcement	0.2	0.2	0.2

**Line Item Detail**  
**Department of Revenue**  
**Services**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor	
<b>73000 Services Detail Totals</b>			<b>116.2</b>	<b>154.7</b>	<b>148.8</b>	
73979	Mgmt/Consulting (IA Svcs)	DOR-ASD	Administrative Services Division support including fiscal, budget, IT, contract management, and procurement	27.1	27.1	27.1
73979	Mgmt/Consulting (IA Svcs)	DOR-CO	Commissioner's Office support services	6.7	6.7	6.7

**Line Item Detail**  
**Department of Revenue**  
**Commodities**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000	Commodities		0.5	7.7	7.7
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
<b>74000 Commodities Detail Totals</b>			<b>0.5</b>	<b>7.7</b>	<b>7.7</b>
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	0.4	7.7	7.7
74650	Repair/Maintenance (Commodities)		0.1	0.0	0.0

**Restricted Revenue Detail**  
**Department of Revenue**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

<b>Master Account</b>	<b>Revenue Description</b>				<b>FY2015 Actuals</b>	<b>FY2016 Management Plan</b>	<b>FY2017 Governor</b>
51060	General Fund Program Receipts				184.3	577.2	581.7
<b>Detail Information</b>							
<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2015 Actuals</b>	<b>FY2016 Management Plan</b>	<b>FY2017 Governor</b>
55500	Other Prog Rec GF		04703100	11100	184.3	577.2	581.7
	Program receipts are received from the Unclaimed Property Trust to support the operation of the Unclaimed Property Program. All funds received as unclaimed property are deposited into the Unclaimed Property Trust account in the general fund. Amounts received from property holders exceed refunds to owners because not all unclaimed property owners are located. A minimum balance is maintained in the trust account and excess funds are periodically transferred to the general fund. This program was transferred to its own component in FY2010						

**Interagency Services**  
**Department of Revenue**

**Component:** Unclaimed Property (2938)  
**RDU:** Taxation and Treasury (510)

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		2.7	2.7	2.7
<b>73805 IT-Non-Telecommunication subtotal:</b>					<b>2.7</b>	<b>2.7</b>	<b>2.7</b>
73806	IT-Telecommunication	ETS chargeback for telecommunications EPR, line fees and service requests	Inter-dept		6.2	6.2	6.2
<b>73806 IT-Telecommunication subtotal:</b>					<b>6.2</b>	<b>6.2</b>	<b>6.2</b>
73809	Mail	Central mailroom services including pickup and delivery of U.S. mail, postage, mailing of state warrants	Inter-dept	Admin	6.5	6.5	6.5
<b>73809 Mail subtotal:</b>					<b>6.5</b>	<b>6.5</b>	<b>6.5</b>
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept	Admin	2.5	2.5	2.5
<b>73810 Human Resources subtotal:</b>					<b>2.5</b>	<b>2.5</b>	<b>2.5</b>
73811	Building Leases	State facility rent	Inter-dept	Admin	20.2	20.2	20.2
<b>73811 Building Leases subtotal:</b>					<b>20.2</b>	<b>20.2</b>	<b>20.2</b>
73814	Insurance	Risk Management	Inter-dept	Admin	0.1	0.1	0.1
<b>73814 Insurance subtotal:</b>					<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
73815	Financial	Division of Finance IRIS/AKPAY	Inter-dept	Admin	1.9	1.9	1.9
<b>73815 Financial subtotal:</b>					<b>1.9</b>	<b>1.9</b>	<b>1.9</b>
73827	Safety (IA Svcs)	DGS Parking Enforcement	Inter-dept	Admin	0.2	0.2	0.2
<b>73827 Safety (IA Svcs) subtotal:</b>					<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
73979	Mgmt/Consulting (IA Svcs)	Administrative Services Division support including fiscal, budget, IT, contract management, and procurement	Intra-dept	DOR-ASD	27.1	27.1	27.1
73979	Mgmt/Consulting (IA Svcs)	Commissioner's Office support services	Intra-dept	DOR-CO	6.7	6.7	6.7
<b>73979 Mgmt/Consulting (IA Svcs) subtotal:</b>					<b>33.8</b>	<b>33.8</b>	<b>33.8</b>
<b>Unclaimed Property total:</b>					<b>74.1</b>	<b>74.1</b>	<b>74.1</b>
<b>Grand Total:</b>					<b>74.1</b>	<b>74.1</b>	<b>74.1</b>