

# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

### Division of Legislative Finance



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### MEMORANDUM

DATE: October 5, 2012

TO: Legislative Budget and Audit Committee

FROM: David Teal, Director

SUBJECT: Preparation for the October 16, 2012 LB&A Meeting

OMB submitted the following FY13 RPLs for consideration at the October 16, 2012 Legislative Budget and Audit Committee meeting. These RPLs, along with Legislative Finance comments, are posted on our web site at <http://www.legfin.state.ak.us/>.

RPL#	Agency	Subject	Amount	Fund Source
06-3-0192 <b>FY13 Capital</b>	Health and Social Services	Eligibility Information System Replacement	\$65,826,669	Federal (1002)
07-3-1043 <b>FY13 Operating</b>	Labor and Workforce Development	State Energy Sector Partnership Grant	\$820,810	Federal ARRA (1212)

If you have any questions that you want an agency to address at the meeting, please call us so we can help ensure the agency has a response prepared.

**Department of Health and Social Services  
Department Support Service, Facilities Services**

<b>Subject of RPL:</b> Eligibility Information System Replacement	<b>ADN/RPL #:</b> 06-03-0192
<b>Amount requested:</b> \$65,826,669	<b>Appropriation Authority:</b> Sec1 Ch17 SLA2012 pg 118 ln 17
<b>Funding source:</b> \$65,826,669 Fed Rcpts (1002) Capital	<b>Statutory Authority:</b> AS 45.05.010

**PURPOSE**

To ensure that the State will be compliant with Medicaid provisions of the Affordable Care Act of 2010, portions of the Division of Public Assistance's 28-year old Eligibility Information System must be replaced. This Revised Program Legislative (RPL) requests the federal funds necessary to complete the Medicaid Eligibility portion and all related eligibility system components. The RPL will allow the Department to create an integrated eligibility determination system for many programs in the department. The Medicaid Eligibility determination is a function performed by Eligibility Information System.

General funds in the amount of \$8,738,478 required to match the federal funds are already appropriated and will be sufficient for the life of the project. There are no anticipated future requests for general funds for this project.

An enhanced federal financial participation match rate of 90/10 for all costs attributed to the design, development, and implementation of the project is available (instead of the 75/25 rate) if a fully operational Medicaid Eligibility determination component of the new system is implemented by October 1, 2013 and the entire project completed by December 31, 2015. An enhanced match rate of 75/25 applies to all costs attributed to the maintenance and operations of the project for the life of the system (instead of the 50/50 match rate) if the timelines above are met.

The differences between the two match rates will cost the state an additional \$8,206,092 in general funds if this RPL is not approved and the system milestones are not completed by the deadlines.

**Legislative Fiscal Analyst Comment:** The savings estimate assumes cost projections are accurate. As with all major systems, the cost of the eligibility system at this point in the process is a rough estimate. The point is not to dispute the amount of savings identified, but to emphasize that delay in approving this RPL increases the probability that deadlines will be missed. At any total project cost, missed deadlines will result in a higher mix of general funds. As always, the key issue on "savings" of this kind is the merit of the project; true savings occur only when a necessary purchase occurs at a reduced cost.

Note that the amount of federal funds requested is the maximum that can be obtained under current cost projections and available (enhanced) match rates. That makes sense; approval of the RPL will be the last appropriation for the project if all goes as planned. Higher-than-anticipated

total cost (or a greater share of cost on the portions with a 75/25 match) will require more general and federal funds, and that would require future legislative action.

A modernized system will enable the Division to leverage current technology, address increased work and caseload demands, improve operational efficiency and effectiveness, and improve overall program administration and accountability. In state fiscal year 2012, the current Eligibility Information System was used to provide Public Assistance benefits to more than 194,000 Alaskans. It must interface with a variety of data systems to support the Division of Public Assistance's early fraud detection, verification of eligibility determination, birth records, citizenship, and Social Security beneficiary information and provide eligibility data to the Medicaid Management Information System.

The Eligibility Information System is currently functioning well beyond the capacity for which it was originally designed and requires a tremendous amount of manual intervention from the Division's staff. It does not provide the flexibility needed to meet future demands or current federal and departmental expectations for system integration and modularity.

In 2011, the Division procured the services of First Data and conducted an extensive feasibility study regarding potential Eligibility Information System replacement options. Eligibility systems were evaluated from four states. The study quantified the operational efficiencies gained by modernizing the current Eligibility Information System. Once completely implemented and transitioned to the state, the modernized system could offer an estimated payback ranging from 30% to 38% of the Division's operational costs.

Relying upon the study's recommended approach for moving forward, the Division intends to outsource the project work in the form of two contracts. Each contract will provide services that span the Design, Development, and Implementation timeframe; and the Maintenance & Operations timeframe. The project work began in SFY 2012 and will occur over a four year period. Each contract is described below:

1. Technical Services Contract: The vendor selected under this contract will provide the actual replacement Eligibility Information System. This will include:
  - a. System design and development, hardware and software implementation, and all training (technical, end-user, and program administration) to support the new system; and
  - b. A brief period of time (Maintenance & Operations) to transition the technical support of the new system from the vendor to the state's technical support staff.
2. Quality Assurance Contract: The vendor selected under this contract will conduct independent validation and verification of the deliverables provided by the technical services vendor throughout the life of the project. The amount of support provided by this vendor will decrease during the latter portion of the project.

The total costs for the Eligibility Information System Replacement Project have been recently evaluated and revised. The current estimated cost for the project is \$74,565,147. The individual funding sources are provided in Table 1.

**Table 1 – Individual Fund Source**

<b>Funding Source</b>	<b>Design, Development, &amp; Implementation (90/10 blended rate - 75/25 rate if timeline not met)</b>	<b>Maintenance &amp; Operations (75/25 blended rate - 50/50 rate if timeline not met)</b>	<b>Total</b>
Total Federal	\$56,837,558	\$8,989,110	<b>*\$65,826,669</b>
Total GF	\$5,580,142	\$3,158,336	<b>\$8,738,478</b>
<b>Total</b>	<b>\$62,417,700</b>	<b>\$12,147,446</b>	<b>\$74,565,147</b>

**\*Required amount of federal authority.**

As depicted by an asterisk in Table 1, the required amount of federal authority for this project is \$65,826,669.

**Legislative Fiscal Analyst Comment:** Although the numbers in Table 1 imply that potential general fund savings attributable to timely progress exceed \$12 million, the Department estimates savings of \$8.2 million (see backup provided by the Department). As noted in the prior comment, the focus should be on the fact that rapid progress on this project can result in large savings to the state, not only in project development costs, but also in future operations costs.

The Committee may wish to have the Department quantify future operational savings, perhaps addressing the recovery of the investment in capital.

#### **PREVIOUS LEGISLATIVE CONSIDERATION**

A prior appropriation of \$8,738,478 was appropriated by Sec. 1, Ch17, SLA2012, page 118, line 17 for the required state match needed for the Eligibility Information System Replacement Project.

#### **TIMING ISSUES**

The enhanced federal match rate and general fund savings of approximately \$8,206,092 for this project are tied to the accomplishment of two time-sensitive milestones. If these milestones are not achieved, the federal financial participation match rate will be reduced. The milestones are provided in Table 2.

**Table 2 – Key Project Milestones**

<b>Date</b>	<b>Milestone</b>	<b>Impact If Not Met</b>
October 1, 2013	Implement a fully operational Medicaid Eligibility determination component of the new system	Federal financial participation match rate will revert from 90/10 to 75/25 for the entire project, and create an additional GF expense of \$8,206,092
December 31, 2015	Complete the design, development, and implementation portion of the entire project	Same as above

The Division is currently on schedule to meet these critical milestones. In order to complete the work prior to the deadlines, the procurements outlined in the project plan must begin immediately. The RFP's have been drafted and are ready to be released. Upon RPL approval, the Division can start drawing federal financial participation funds.

### **BUDGETARY ISSUES**

This project supports the long-term plans and mission of the Department. The project will serve as a platform for the ongoing integration of systems and services within the Department. The federal financial participation has included the opportunity for states to modernize their information systems beyond the scope of Medicaid eligibility determination to include other public assistance programs. Without the enhanced federal support the Division will not have the resources to modernize mission critical technology, requiring an additional estimated \$8,206,092 in general funds at a minimum.

As part of the work of the project, performance measures will be developed. Currently, the department has not spent funds for this project. The legislature has appropriated the general fund match. With approval of this request, no additional general funds will be needed to complete the project.

The department is utilizing existing positions for this work. No new positions will be needed for the project.



# LAWS OF ALASKA

2012

**Source**

HCS CSSB 160(FIN) am H

**Chapter No.**

17

**AN ACT**

Making and amending appropriations, including capital appropriations, supplemental appropriations, and other appropriations; making appropriations to capitalize funds; and providing for an effective date.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1

	Appropriation	General	Other
	Allocations	Funds	Funds
*****		*****	
***** Department of Health and Social Services *****			
*****		*****	
Alaska eHealth Network -	3,300,000	3,300,000	
Health Information			
Exchange Deployment (HD			
1-40)			
Alaska Land Mobile Radio	297,500	297,500	
Emergency Response			
Narrowband Compliance (HD			
1-40)			
Bethel Youth Facility	10,000,000	10,000,000	
Expansion - Phase 1 (HD			
36-38)			
17 Eligibility Information	8,738,478	8,738,478	
System (HD 1-40)			
Emergency Medical Services	450,000	450,000	
Match for Code Blue			
Project (HD 1-40)			
Girdwood Health Clinic	400,000	400,000	
Services Expansion (HD			
16-32)			
International	4,707,000	901,600	3,805,400
Classification of Diseases			
Version 10 - Phase 2 (HD			
1-40)			
Patient Centered Medical	437,500	437,500	
Home Implementation			
Planning for CHC Clinics			
(HD 1-40)			
State Improvements to	3,641,400	364,140	3,277,260

## EIS Replacement Request

### Design, Development, and Implementation

	<u>75 - 25 Blended Match</u>	<u>90 - 10 Blended Match</u>	<u>GF Savings</u>
Total Fed	\$48,631,466	\$56,837,558	
Total GF	13,786,234	5,580,142	<u>\$8,206,092</u>
Total Cost	<u>\$62,417,700</u>	<u>\$62,417,700</u>	

### **Assumptions:**

The State has a tested and approved Medicaid Elig Info System by October 2013 as required to apply development costs against the 90/10 FFP Rate.

At least 85% of the costs associated with the development of the EIS Replacement will be eligible for 90/10 Medicaid Match.

### Maintenance and Operations

	<u>75 - 25 Blended Match</u>
Total Fed	\$8,989,110
Total GF	3,158,336
Total Cost	<u>\$12,147,446</u>

Total Project	\$74,565,147
Less Appropriated	<b>-\$8,738,478</b>
Total RPL Ask	<u>\$ 65,826,669</u>

### Eligibility Information System Replacement - \$74,565,147

This project is essential to the future operation of our eligibility programs as well as our ability to meet federal mandates for both Medicaid Management Information System (MMIS) and Health Information Exchange (HIX). The existing system is nearly 30 years old and its aging technology requires extensive patches and fixes to sustain its functionality. A breakdown of the system will cause irreparable damage to our ability to provide benefits to needy Alaskans. We have the opportunity now to receive a 90/10 match of federal dollars for Design, Development and Implementation or 84% of the project. In order to capture this higher rate of federal financial participation (FFP) states must have a tested and approved Medicaid Eligibility Information System by October 2013. This enhanced FFP expires December of 2015.

Prepared by H&SS 9.6.12



EIS Replacement Project Cost Allocation Project - DDI		
90/10 Blended Match		
Program	Percentage	Cost
Medicaid	25%	15,298,456
Medicaid - SNAP	24%	14,686,518
Medicaid - ATAP	5%	3,059,691
Medicaid - SCHIP	6%	3,671,629
SNAP	16%	9,791,012
ATAP	4%	2,447,753
Child Care	7%	4,038,792
State Programs	13%	8,199,972
<b>Total</b>	<b>100%</b>	<b>\$61,193,824</b>
CIP 2%	2%	1,223,876

EIS Replacement Project - DDI		
Program	Federal Receipts	General Fund Match
Medicaid (90% rate)	13,768,610	1,529,846
Medicaid - SNAP (90% rate)	13,217,866	1,468,652
Medicaid - ATAP (90% rate)	2,753,722	305,969
SCHIP (90% rate)	3,304,466	367,163
SNAP (90% rate)	8,811,911	979,101
TANF Block Grant	2,447,753	0
Child Care Block Grant	4,038,792	0
State Programs	7,379,975	819,997
<b>Totals:</b>	<b>\$5,773,096</b>	<b>5,470,728</b>
CIP 2%	1,114,462	109,415
<b>Grand Totals:</b>	<b>\$5,580,142</b>	<b>\$5,580,142</b>

Comparison		
90 - 10 Blended Match		
Total Fed	\$56,837,557	\$48,631,466
Total GF	5,580,142	13,786,234
Total Cost	\$62,417,700	\$62,417,700

**Assumptions:** The State has a tested and approved Medicaid Elig Info System by October 2013 as required to apply development costs against the 90/10 FFP Rate.  
At least 60% of the costs associated with the development of the EIS Replacement will be eligible for 90/10 Medicaid Match.

Prepared By H&SS 9.6.12

EIS Replacement Project Cost Allocation Project - M&O		
75/25 Blended Match		
Program	Percentage	Cost
Medicaid	34%	4,049,149
Medicaid - SNAP	32%	3,810,964
Medicaid - ATAP	10%	1,190,926
Medicaid - SCHIP	8%	952,741
SNAP	8%	952,741
ATAP	2%	238,185
Child Care	5%	595,463
State Programs	1%	119,093
<b>Total</b>	<b>100%</b>	<b>\$11,909,261</b>
CIP 2%	2%	238,185

EIS Replacement Project		
Program	Federal Receipts	General Fund Match
Medicaid (75% rate)	3,036,862	1,012,287
Medicaid - SNAP (75% rate)	2,858,223	952,741
Medicaid - ATAP (75% rate)	893,195	297,732
SCHIP (75% rate)	714,556	238,185
SNAP (50% rate)	476,370	476,370
TANF Block Grant	238,185	---
Child Care Block Grant	595,463	---
State Programs	---	119,093
<b>Totals:</b>	<b>8,812,853</b>	<b>3,096,408</b>
CIP 2%	176,257	61,928
<b>Grand Totals:</b>	<b>\$8,989,110</b>	<b>\$3,158,336</b>

Comparison		
75 - 25 Blended Match		
Total Fed	\$56,837,557	\$8,989,110
Total GF	5,580,142	3,158,336
Total Cost	\$62,417,700	\$12,147,446

**Assumptions:** The State has a tested and approved Medicaid Elig Info System by October 2013 as required to apply development costs against the 90/10 FFP Rate.  
At least 60% of the costs associated with the development of the EIS Replacement will be eligible for 90/10 Medicaid Match. M&O program percentage reflects capital costs for day 2.

**Department of Labor and Workforce Development**  
**Business Partnerships**  
**Business Services**

<b>Subject of RPL:</b> State Energy Sector Partnership Grant	<b>ADN/RPL #:</b> 07-3-1043
<b>Amount requested:</b> \$820,810	<b>Appropriation Authority:</b> Sec1 Ch 15 SLA 2012 pg24 ln 21; Sec 30 Ch 15 SLA 2012 pg 93 ln 21
<b>Funding source:</b> \$820,810 Fed ARRA (1212) Operating	<b>Statutory Authority:</b> AS 44.31.020

**PURPOSE**

The Department of Labor and Workforce Development requests \$820,810 in additional federal American Recovery and Reinvestment Act (ARRA) authorization. The additional authorization will allow the department to fully expend the federal ARRA funded State Energy Sector Partnership grant. This grant program is aimed at upgrading the skills of workers in green occupations, reducing energy consumption through weatherization, and developing and delivering green job education and occupational training throughout the state. The grant funds expire June 30, 2013. Without this additional authorization, the department will be unable to expend available revenue to train 347 Alaskans by the end of the year and will not meet all of the grant deliverables.

**PREVIOUS LEGISLATIVE CONSIDERATION**

The Business Services component was appropriated \$9,161,900 of federal ARRA authorization in FY2009 under Sec. 1, Ch. 17, SLA 2009, pg 3, ln 32 (HB 199). This authorization was primarily used to expend Workforce Investment Act (WIA) federal ARRA funding. The WIA ARRA funds were used to increase workforce development training opportunities for Alaskan adults, dislocated workers and youth and expired in FY2011.

The Business Services component was appropriated \$3,600,000 in additional federal ARRA authorization in FY2011 under Sec. 1, Ch 41, SLA 2010, pg 29, ln 19 (HB 300) to accommodate the National Emergency Grant On-the-Job Training (NEG OJT) and the State Energy Sector Partnership Program (SESP) federal ARRA grants. The department has not submitted any previous Revised Program Legislation (RPLs) for federal ARRA authorization.

**TIMING ISSUES**

The department did not know that actual federal ARRA revenue available would exceed the federal ARRA carry forward authorization when the FY2013 Governor's budget was prepared and anticipated that the carry forward authorization would be sufficient. On August 31, 2012, after the federal ARRA carry forward authorization and available revenue for FY2013 was finalized it was determined that additional authorization is needed in order to expend the grant funding available.

If this request is not approved the department will be unable to provide grants to train 347 Alaskans in high growth occupations in FY2013. A supplemental request will occur too late to obligate the funds with training providers. The grant agreement ends June 30, 2013.

### **BUDGETARY ISSUES**

Federal grant funding of \$1,312,161 is available for the NEG OJT and SESP grants for FY2013. The department's federal ARRA carry forward authorization for FY2013 is \$491,351. The carryforward authorization was sufficient to close the NEG OJT grant which expired September 30, 2012. An additional \$820,810 of federal ARRA authorization is needed to be able to fully expend the SESP federal grant award.

With this funding, 347 Alaskans will be trained in high growth occupations. To date, 553 Alaskans have been trained through the SESP program. The last of the federal ARRA grants awarded to the Business Services component expires at the end of FY2013. Therefore, there will not be an FY2014 operating budget request related to this item. No general funds are used in support of this program, and the department will not be seeking a general fund increment in the FY2014 operating budget to replace the exhausted federal ARRA funds.

***Legislative Fiscal Analyst Comment:*** There are no technical issues with this request.



# LAWS OF ALASKA

2009

**Source**

SCS CSHB 199(FIN)

**Chapter No.**

\_\_\_\_\_

**AN ACT**

Making appropriations, including supplemental appropriations and capital appropriations; amending appropriations; and providing for an effective date.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1

1   \* **Section 1.** The following appropriation items are for operating expenditures associated with  
 2   the American Recovery and Reinvestment Act of 2009 from the general fund or other funds  
 3   as set out in section 2 of this Act.

	Appropriation	General	Other
	Allocations	Funds	Funds
*****	*****		
***** <b>Department of Administration</b> *****			
*****	*****		
9 <b>Centralized Administrative</b>	<b>1,489,000</b>		<b>1,489,000</b>
10 <b>Services</b>			
11    Finance	1,489,000		
12 <b>Violent Crimes Compensation</b>	<b>149,400</b>		<b>149,400</b>
13 <b>Board</b>			
14    Violent Crimes	149,400		
15      Compensation Board			
16       *****		*****	
17   ***** <b>Department of Commerce, Community and Economic Development</b> *****			
18       *****		*****	
19 <b>Serve Alaska</b>	<b>1,500,000</b>		<b>1,500,000</b>
20    Serve Alaska	1,500,000		
21       *****		*****	
22   ***** <b>Department of Education and Early Development</b> *****			
23       *****		*****	
24 <b>Teaching and Learning Support</b>	<b>78,227,500</b>		<b>78,227,500</b>
25    Student and School	77,838,000		
26      Achievement			
27    Child Nutrition	389,500		
28 <b>Commissions and Boards</b>	<b>300,000</b>		<b>300,000</b>
29    Alaska State Council on the	300,000		
30      Arts			

		Appropriation	General	Other
		Allocations	Funds	Funds
	*****		*****	
	***** Department of Health and Social Services *****			
	*****		*****	
6	Children's Services	2,139,800		2,139,800
7	Infant Learning Program	2,139,800		
8	Grants			
9	Health Care Services	2,040,000	40,000	2,000,000
10	Medical Assistance	2,040,000		
11	Administration			
12	Public Assistance	5,275,700		5,275,700
13	Child Care Benefits	4,036,000		
14	Public Assistance	462,000		
15	Administration			
16	Women, Infants and	777,700		
17	Children			
18	Public Health	2,000,000		2,000,000
19	Chronic Disease Prevention	2,000,000		
20	and Health Promotion			
21	Senior and Disabilities	485,000		485,000
22	Services			
23	Senior Community Based	485,000		
24	Grants			
	*****		*****	
	***** Department of Labor and Workforce Development *****			
	*****		*****	
28	Workforce Development	15,439,600		15,439,600
29	Employment and Training	5,162,000		
30	Services			
31	Unemployment Insurance	1,115,700		
32	Business Services	9,161,900		
33	Vocational Rehabilitation	2,046,200		2,046,200



# LAWS OF ALASKA

2010

Source  
CCS HB 300

Chapter No.  
\_\_\_\_\_

## AN ACT

Making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

		Appropriation	General	Other
		Allocations	Funds	Funds
3	Administration			
4	Mechanical Inspection	2,745,100		
5	Occupational Safety and	5,714,400		
6	Health			
7	Alaska Safety Advisory	125,800		
8	Council			
9	The amount allocated for the Alaska Safety Advisory Council includes the unexpended and			
10	unobligated balance on June 30, 2010, of the Department of Labor and Workforce			
11	Development, Alaska Safety Advisory Council receipts under AS 18.60.840.			
12	<b>Employment Security</b>		<b>61,643,400</b>	<b>3,978,500</b>
13	Employment and Training	29,461,000		
14	Services			
15	Unemployment Insurance	28,658,900		
16	Adult Basic Education	3,523,500		
17	<b>Business Partnerships</b>		<b>49,194,400</b>	<b>19,084,100</b>
18	Workforce Investment Board	950,100		
19	<b>Business Services</b>	<b>40,782,300</b>		
20	Kotzebue Technical Center	1,536,300		
21	Operations Grant			
22	Southwest Alaska Vocational	507,100		
23	and Education Center			
24	Operations Grant			
25	Yuut Elitnaurviat, Inc.	936,300		
26	People's Learning Center			
27	Operations Grant			
28	Northwest Alaska Career and	712,100		
29	Technical Center			
30	Delta Career Advancement	312,100		
31	Center			
32	New Frontier Vocational	208,100		
33	Technical Center			



			New	
	Funding Source	Operating	Legislation	Total
	Receipts			
1098	Children's Trust Earnings	399,300	0	399,300
1099	Children's Trust Principal	149,900	0	149,900
1108	Statutory Designated Program	20,462,000	13,800	20,475,800
	Receipts			
1168	Tobacco Use Education and Cessation Fund	9,935,500	1,800	9,937,300
1212	Federal Stimulus: ARRA 2009	118,886,600	0	118,886,600
***	Total Agency Funding ***	\$2,064,549,000	\$9,706,800	\$2,074,255,800
<b>Department of Labor and Workforce Development</b>				
1002	Federal Receipts	97,538,800	11,600	97,550,400
1003	General Fund Match	6,758,700	500	6,759,200
1004	Unrestricted General Fund Receipts	22,521,300	20,800	22,542,100
1005	General Fund/Program Receipts	2,878,500	8,800	2,887,300
1007	Interagency Receipts	25,791,700	13,300	25,805,000
1031	Second Injury Fund Reserve Account	3,985,200	500	3,985,700
1032	Fishermen's Fund	1,625,800	400	1,626,200
1049	Training and Building Fund	816,500	100	816,600
1054	State Training & Employment Program	8,549,500	400	8,549,900
1061	Capital Improvement Project Receipts	326,000	0	326,000
1108	Statutory Designated Program Receipts	598,900	0	598,900
1117	Vocational Rehabilitation Small Business Enterprise Fund	325,000	0	325,000
1151	Technical Vocational	5,295,900	100	5,296,000

			New	
	Funding Source	Operating	Legislation	Total
3	Education Program Receipts			
4	1157 Workers Safety and	8,933,700	85,600	9,019,300
5	Compensation Administration Account			
6	1172 Building Safety Account	1,987,100	900	1,988,000
7	1203 Workers Compensation	280,000	0	280,000
8	Benefits Guarantee Fund			
9	1212 Federal Stimulus: ARRA	5,342,000	0	5,342,000
10	2009			
11	*** Total Agency Funding ***	\$193,554,600	\$143,000	\$193,697,600
12	Department of Law			
13	1002 Federal Receipts	2,107,600	2,200	2,109,800
14	1003 General Fund Match	183,200	700	183,900
15	1004 Unrestricted General Fund	58,490,800	502,800	58,993,600
16	Receipts			
17	1005 General Fund/Program	667,200	1,600	668,800
18	Receipts			
19	1007 Interagency Receipts	21,531,900	216,500	21,748,400
20	1055 Inter-Agency/Oil & Hazardous	554,400	7,200	561,600
21	Waste			
22	1061 Capital Improvement Project	106,200	0	106,200
23	Receipts			
24	1105 Permanent Fund Gross	1,477,600	0	1,477,600
25	Receipts			
26	1108 Statutory Designated Program	646,700	3,500	650,200
27	Receipts			
28	1141 Regulatory Commission of	1,565,200	8,100	1,573,300
29	Alaska Receipts			
30	1168 Tobacco Use Education and	164,900	0	164,900
31	Cessation Fund			
32	*** Total Agency Funding ***	\$87,495,700	\$742,600	\$88,238,300
33	Department of Military and Veterans Affairs			

**2010 Legislature - Operating Budget  
Statewide Totals - Conf Comm Structure**  
11Budget Column

Numbers and Language

**Agency: Department of Labor and Workforce Development**

Business Partnerships (continued)											
Workforce Investment Board (continued)											
FY 2011 GGU Year 1 Health Insurance											
increase (continued)											
1004 Gen Fund (UGF)	3.9										
1007 I/A Rcpts (Other)	6.6										
Ch. 56, SLA 2010 (HB 421) FY 2011 Noncovered Employees											
Salary Increase		4.6	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 Gen Fund (UGF)	2.2										
1007 I/A Rcpts (Other)	2.4										
* Allocation Total *		954.7	687.1	93.1	147.5	27.0	0.0	0.0	7	0	0
Business Services											
ADN0701008 Gas Pipeline Activity Sec 9(c), CH 14, SLA 2009, P 16, L 14 (HB 113) Lapse Date 6/30/10	CarryFwd	80.0	0.0	0.0	0.0	0.0	0.0	80.0	0.0	0	0
1004 Gen Fund (UGF)											
ADN 0701011 ARRA Sec 1, CH 17, SLA 2009, P 3, L 32 (HB 199) Lapse Date 06/30/10	CarryFwd	8,658.1	766.0	29.4	362.0	17.5	0.0	7,483.2	0.0	0	0
1212 Stimulus09 (Fed)											
ADN 0701011 ARRA Sec 1, CH 17, SLA 2009, P 3, L 32 (HB 199) Lapse Date 06/30/10	CarryFwd	428.6	0.0	0.0	0.0	0.0	0.0	428.6	0.0	0	0
1212 Stimulus09 (Fed)											
FY10 Conference Committee	ConfCom	37,410.5	2,532.8	173.2	4,578.0	63.1	0.0	30,063.4	0.0	28	0
1002 Fed Rcpts (Fed)											
1004 Gen Fund (UGF)											
1007 I/A Rcpts (Other)											
1054 STEP (DGF)											
1151 VoTech Ed (DGF)											
ADN0701050 Add Short-Term Non-Permanent Position (PCN 07-#001) for Website Update	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	1
ADN0701051 Add Short-Term Non-Permanent Position (PCN 07-#002) for Data Validation	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	1
ADN0701052 To Align Authorization with Anticipated Expenditures	LIT	0.0	-711.1	20.0	0.0	3.1	0.0	688.0	0.0	0	0
Delete One Non-Permanent Internet Specialist Position (PCN 07-#001) no Longer Needed	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-1
Add Short-Term Non-Permanent Administrative Assistant Position (PCN 07-#022) for Data Validation	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	1
To Align Authorization with Anticipated Expenditures	LIT	0.0	674.3	-20.0	-56.2	-3.1	0.0	-595.0	0.0	0	0
Reverse ARRA Sec 1, CH 17, SLA 2009, P 3, L 32 (HB 199) Lapse Date 06/30/10	OTI	-9,086.7	-766.0	-29.4	-362.0	-17.5	0.0	-7,911.8	0.0	0	0
1212 Stimulus09 (Fed)											
Reverse Gas Pipeline Activity Sec 9(c), CH 14, SLA 2009, P 16, L 14 (HB 113)	OTI	-80.0	0.0	0.0	0.0	0.0	0.0	-80.0	0.0	0	0
1004 Gen Fund (UGF)											
Reverse AGIA related training and instruction for 70 apprentices at Regional Training Centers and OJT for 125 workers	OTI	-505.0	-60.0	-17.1	-3.0	-3.1	0.0	-421.8	0.0	0	0

**2010 Legislature - Operating Budget  
Statewide Totals - Conf Comm Structure  
11 Budget Column**

**Numbers and Language**

**Agency: Department of Labor and Workforce Development**

	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
Business Partnerships (continued)												
Business Services (continued)												
Reverse AGIA related training and instruction for 70 apprentices at Regional Training Centers and OJT for 125 workers (continued)												
1004 Gen Fund (UGF) -505.0												
FY2011 Health Insurance Cost Increase Non-Covered Employees												
1002 Fed Rcpts (Fed) 2.3												
1004 Gen Fund (UGF) 0.5												
1007 I/A Rcpts (Other) 0.2												
1054 STEP (DGF) 0.4												
1151 VoTech Ed (DGF) 0.1												
1212 Stimulus09 (Fed) 0.6												
Transfer Apprenticeship Coordinator Position (PCN 07-T004) to Workforce Investment Board for Training Plan Oversight												
Funds to support training and apprenticeships. A companion decrement was requested in Employment & Training Svcs												
1004 Gen Fund (UGF) 585.0												
Correct Unrealizable Fund Sources in the Health Insurance increases for Noncovered Employees												
1002 Fed Rcpts (Fed) 0.6												
1212 Stimulus09 (Fed) -0.6												
Increase State Training and Employment Program Authorization to Provide Additional Training Opportunities to Alaskans												
1054 STEP (DGF) 1,089.9												
Add One-Time Carry Forward ARRA Federal Authorization for Workforce Training												
1212 Stimulus09 (Fed) 2,778.1												
AMD: Add One-Time ARRA Federal Authorization for Alaska												
1212 Stimulus09 (Fed) 3,600.0												
Energy Sector Partnership Grant												
1212 Stimulus09 (Fed) 3,600.0												
AMD: Decrease State Training and Employment Program Authorization to Align with Planned Expenditures												
1054 STEP (DGF) -1,500.0												
Replace 4s CF w/Lang—One-Time Carry Forward ARRA Federal Authorization for Workforce Training												
1212 Stimulus09 (Fed) -2,778.1												
Reduce general fund travel line item by 10 percent.												
1004 Gen Fund (UGF) -0.6												
1054 STEP (DGF) -2.1												
FY2011 GGU Salary increase Year 1												
1002 Fed Rcpts (Fed) 8.2												
1004 Gen Fund (UGF) 1.8												
1007 I/A Rcpts (Other) 0.1												
1054 STEP (DGF) 2.1												
1151 VoTech Ed (DGF) 0.3												

# 2010 Legislature - Operating Budget Statewide Totals - Conf Comm Structure 11Budget Column

Numbers and Language

Agency: Department of Labor and Workforce Development

Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
SalAdj	39.1	39.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SalAdj	16.1	16.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SalAdj	32.8	32.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FisNot	2.9	2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	40,785.2	2,603.5	180.5	4,636.8	67.6	0.0	33,296.8	0.0	27	0	2
ConfCom	1,450.2	0.0	0.0	0.0	0.0	0.0	1,450.2	0.0	0	0	0
Inc	86.1	0.0	0.0	0.0	0.0	0.0	86.1	0.0	0	0	0
	1,536.3	0.0	0.0	0.0	0.0	0.0	1,536.3	0.0	0	0	0
ConfCom	478.4	0.0	0.0	0.0	0.0	0.0	478.4	0.0	0	0	0
Inc	28.7	0.0	0.0	0.0	0.0	0.0	28.7	0.0	0	0	0
	507.1	0.0	0.0	0.0	0.0	0.0	507.1	0.0	0	0	0

## Business Partnerships (continued)

### Business Services (continued)

FY 2011 GGU Year 1 Health Insurance increase

1002 Fed Rcpts (Fed) 25.2

1004 Gen Fund (UGF) 6.1

1007 I/A Rcpts (Other) 0.3

1054 STEP (DGF) 6.5

1151 VoTech Ed (DGF) 1.0

FY 2011 SU Year 1 Salary increase

1002 Fed Rcpts (Fed) 10.6

1004 Gen Fund (UGF) 2.5

1007 I/A Rcpts (Other) 0.4

1054 STEP (DGF) 2.0

1151 VoTech Ed (DGF) 0.6

FY 2011 SU Year 1 Health Insurance increase

1002 Fed Rcpts (Fed) 21.7

1004 Gen Fund (UGF) 5.0

1007 I/A Rcpts (Other) 0.9

1054 STEP (DGF) 4.1

1151 VoTech Ed (DGF) 1.1

Ch. 56, SLA 2010 (HB 421) FY 2011 Noncovered Employees

Salary Increase

1002 Fed Rcpts (Fed) 1.8

1004 Gen Fund (UGF) 0.4

1007 I/A Rcpts (Other) 0.2

1054 STEP (DGF) 0.4

1151 VoTech Ed (DGF) 0.1

\* Allocation Total \*

## Kotzebue Technical Center Operations Grant

FY10 Conference Committee

1004 Gen Fund (UGF) 600.0

1151 VoTech Ed (DGF) 850.2

Increase Alaska Technical Vocational Education Program

Authorization to Align with Available Revenue

1151 VoTech Ed (DGF) 86.1

\* Allocation Total \*

## Southwest Alaska Vocational and Education Center Operations Grant

FY10 Conference Committee

1004 Gen Fund (UGF) 195.0

1151 VoTech Ed (DGF) 283.4

Increase Alaska Technical Vocational Education Program

Authorization to Align with Available Revenue

1151 VoTech Ed (DGF) 28.7

\* Allocation Total \*



# **LAWS OF ALASKA**

**2012**

**Source**  
CCS HB 284

**Chapter No.**  
\_\_\_\_\_

## **AN ACT**

Making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, amending appropriations, and making reappropriations; and providing for an effective date.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1



	Appropriation		General	Other
	Allocations	Items	Funds	Funds
Administration				
Mechanical Inspection	2,867,100			
Occupational Safety and Health	6,048,600			
Alaska Safety Advisory Council	125,800			
The amount allocated for the Alaska Safety Advisory Council includes the unexpended and unobligated balance on June 30, 2012, of the Department of Labor and Workforce Development, Alaska Safety Advisory Council receipts under AS 18.60.840.				
<b>Employment Security</b>		<b>63,528,700</b>	<b>4,009,800</b>	<b>59,518,900</b>
Employment and Training Services	30,688,400			
Of the combined amount of all federal receipts in this appropriation, the amount of \$3,645,300 is appropriated for the Unemployment Insurance Modernization account.				
Unemployment Insurance	29,433,600			
Adult Basic Education	3,406,700			
<b>Business Partnerships</b>		<b>42,513,600</b>	<b>20,103,300</b>	<b>22,410,300</b>
Workforce Investment Board	1,628,400			
<b>Business Services</b>	<b>33,279,900</b>			
Kotzebue Technical Center	1,580,800			
Operations Grant				
Southwest Alaska Vocational and Education Center	521,900			
Operations Grant				
Yuut Elitnaurviat, Inc.	980,800			
People's Learning Center				
Operations Grant				
Northwest Alaska Career and Technical Center	726,900			
Delta Career Advancement Center	326,900			





## Change Record Detail with Description

### Department of Labor and Workforce Development

Scenario: FY2013 Authorized (9896)

Component: Business Services (2658)

RDU: Business Partnerships (481)

Title: ARRA Sec30(c)CH15SLA2012P93L21 (HB284) Lapse Date 06/30/13 (ADN: 7-2013-1006)

Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
									PFT	PPT	NP
CarryFwd	491.3	4.2	2.6	48.1	2.2	0.0	434.2	0.0	0	0	0
1212 Fed ARRA	491.3										

This transaction will carry forward American Recovery and Reinvestment Act (ARRA) authorization.

Section 30(c) of the operating budget bill states that the unexpended and unobligated balance on June 30, 2012, of federal funding available under P.L. 111-5 (American Recovery and Reinvestment Act of 2009) and appropriated to the Department of Labor and Workforce Development is reappropriated to the Department of Labor and Workforce Development for the administration and operation of departmental programs, for the fiscal year ending June 30, 2013.

#### Authorization History:

Section 1, ch. 17, SLA2009, as amended by  
sec. 35(c), ch. 41, SLA2010,  
sec. 33(e), ch. 3, FSSLA2011, and  
sec. 30(c), ch. 15, SLA2012

**FY2013 Authorized**  
**ADN 07-2013-1006 DOLWD ARRA Carry Forward**

AR 28889  
 Prepared 8/31/2012

Fiscal Year	Initial Authorization	Carry Forward Authorization	Expenditures	Authorization Changes	Balance
2009	9,161.9	-	75.2	-	9,086.7
2010	-	9,086.7	6,533.6	-	2,553.1
2011	-	2,553.1	3,574.7	3,600.0	2,578.4
2012	-	2,578.4	2,087.1	-	491.3
2013	-	491.3	-	-	-

**Grant Modification / Notice of Obligation**

**U.S. DEPARTMENT OF LABOR / EMPLOYMENT AND TRAINING ADMINISTRATION**

<b>GRANT MODIFICATION</b>		<b>No. 2</b>	<b>PROJECT:</b> Recovery Act Green Jobs	
<b>GRANT NUMBER:</b> GJ-19959-10-60-A-2	<b>EIN:</b> 926001185	<b>EFFECTIVE DATE:</b> 07/02/2012	<b>PAGE 1</b>	
<b>GRANTEE:</b> ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT 1111 WEST 8TH AVENUE JUNEAU, ALASKA 99811		<b>ISSUED BY</b> U.S. DEPARTMENT OF LABOR / ETA DIVISION OF FEDERAL ASSISTANCE 200 CONSTITUTION AVENUE NW - ROOM N-4716 WASHINGTON, DC 20210		

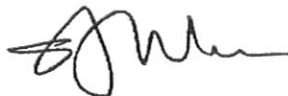
**Action:**

This action is a period of performance extension to June 30, 2013 without change to the scope or statement of work. See pages 2 - 4 of this modification.

YEAR / CFDA PROGRAM ACCOUNT ID	Mod 0-1 CURRENT LEVEL	Mod 2 MODIFICATION	NEW LEVEL	PMS DOC #
FY 09 / 17.275 RECOVERY ACT-HIGH GROWTH-GREEN JOBS <small>09-1630-2009-0501840910BD200901840015095HG0R1A0000A00000A00000-A00200-410023--</small>	\$3,600,000.00	\$0.00	\$3,600,000.00	GJ199595R0
<b>TOTAL FUND AVAILABILITY</b>	<b>\$3,600,000.00</b>	<b>\$0.00</b>	<b>\$3,600,000.00</b>	

Except as modified, all terms and conditions of said grant /agreement remain unchanged and in full effect.

Approved  
by



**STEVE MALLIARAS**

**Grant Officer**

**Date Signed**      **07/17/2012**

*Grant Modification / Notice of Obligation*

**U.S. DEPARTMENT OF LABOR / EMPLOYMENT AND TRAINING ADMINISTRATION**

<b>GRANT MODIFICATION</b>		<b>No. 3</b>	<b>PROJECT:</b> NEG	
			Project No.	
<b>GRANT NUMBER:</b> EM-20478-10-60-A-2	<b>EIN:</b> 926001185	<b>EFFECTIVE DATE:</b> 06/06/2012	<b>PAGE 1</b>	
<b>GRANTEE:</b> AK DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT/ESD P.O. BOX 115509 JUNEAU, ALASKA 99811-5509		<b>ISSUED BY</b> U.S. DEPARTMENT OF LABOR / ETA DIVISION OF FEDERAL ASSISTANCE 200 CONSTITUTION AVENUE NW - ROOM N-4716 WASHINGTON, DC 20210		

**Action:**

This action is a period of performance extension to September 30, 2012 without change to the scope or statement of work. See pages 2 -3 of this modification.

YEAR / CFDA PROGRAM ACCOUNT ID	Mod 0-2 CURRENT LEVEL	Mod 3 MODIFICATION	NEW LEVEL	PMS DOC #
FY 09 / 17.260 RECOVERY ACT-WIA DIS WKRS NAT RES-EMERG <small>10-1630-2010-0501840910BD201001840003105DWGR31041GAONR00AONR00-A90184-410023-ETA-DEFAULT TASK-</small>	\$715,684.00	\$0.00	\$715,684.00	EM204786B1
<b>TOTAL FUND AVAILABILITY</b>	\$715,684.00	\$0.00	\$715,684.00	

Except as modified, all terms and conditions of said grant /agreement remain unchanged and in full effect.

Approved  
by

  
**STEVE MALLIARAS**

Date Signed 06/06/2012

Grant Officer

Division of Business Partnerships Federal ARRA Funding Available in FY2013

DIVISION	CFDA	GRANT/DOC #	PR #	TITLE	PERIOD	MATCH	FEDERAL AUTHORITY	PY EXPENDITURES	PY ENCUMBRANCES	FY2013 BALANCE AS OF 8/29/2012
DBP (ARRA)	17.200	EM-20478-10-60-A-2/EM20478B1	50214	ARRA -WIA DIS WKRS NAT RES-EMERG (NEG OUT)	6/30/10-9/30/12	N	715,684.00	711,127.85	0.00	4,556.15
DBP (ARRA)	17.275	GJ-19959-10-60-A-2	50307	ARRA-State Energy Sector Prg High Growth/GJ	1/29/10-6/30/13	N	3,600,000.00	2,292,394.73	0.00	1,307,605.27
					Total DBP (ARRA)		4,315,684.00	3,003,522.58	0.00	1,312,161.42