

**2012 Legislature - Operating Budget
Transaction Compare - Governor Structure
Between Adj Base and Gov Amd**

Numbers and Language Differences Agencies: Rev

Agency: Department of Revenue

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
Taxation and Treasury													
Tax Division													
Replace Interagency Receipts with CIP Receipts	Gov Amd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>The Tax Division has budgeted interagency receipts (I/A) that were used in previous years but are not currently collectible. This fund change replaces the unusable funding with capital improvement project (CIP) receipts, which will be used in conjunction with capital projects related to the Tax Revenue Management System.</i>													
1007 I/A Rcpts (Other)			-37.0										
1061 CIP Rcpts (Other)			37.0										
IT Positions for Tax Revenue Management System	Gov Amd	Inc	500.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0	5	0	0
<i>IT positions are needed to support implementation of the Tax Revenue Management System (TRMS). All current systems will need to be maintained until the new system is fully implemented. It is anticipated that the current IT staff will need to be augmented with the following five positions:</i>													
<i>1 - Analyst/Programmer II/III/IV/V</i>													
<i>2 - Analyst/Programmer III/IV/V</i>													
<i>2 - Systems Programmer II</i>													
1061 CIP Rcpts (Other)			500.0										
Cigarette Tax Stamp Rate Increase	Gov Amd	IncM	120.0	0.0	0.0	120.0	0.0	0.0	0.0	0.0	0	0	0
<i>Contract costs to manufacture Alaska's cigarette tax stamps have increased. This additional funding is necessary to meet the division's statutory responsibility for the sales of tobacco tax stamps, per AS 43.50.500.</i>													
1004 Gen Fund (UGF)			120.0										
AMD: Transfer From Office of Administrative Hearings for Oil and Gas, Property Tax, and Gaming Hearing Costs	Gov Amd	ATrIn	45.6	0.0	0.0	45.6	0.0	0.0	0.0	0.0	0	0	0
<i>Transfer general fund credit from the Department of Administration Office of Administrative Hearings and bill all hearing services to the existing reimbursable services agreement. After the December 15th budget release it was determined that this transfer would provide billing efficiencies.</i>													
<i>This is a new request for FY2013.</i>													
<i>FY2013 December budget -- \$16,204.4</i>													
<i>FY2013 Amendments -- \$46.5</i>													
<i>TOTAL FY2013 -- \$16,250.9</i>													
1004 Gen Fund (UGF)			45.6										
AMD: Reverse Cigarette Tax Stamp Rate Increase	Gov Amd	Dec	-120.0	0.0	0.0	-120.0	0.0	0.0	0.0	0.0	0	0	0
<i>Eliminate request in the FY2013 Governor's budget released December 15, 2011 for increased contract costs to manufacture Alaska's cigarette tax stamps. The manufacturer has agreed to delay the increase in price due to push back from state governments. The Tax Division anticipates that the increase will be implemented in 2014.</i>													
<i>FY2013 December budget -- \$16,204.4</i>													
<i>FY2013 Amendments -- \$-120.0</i>													
<i>TOTAL FY2013 -- \$16,084.4</i>													
1004 Gen Fund (UGF)			-120.0										

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Taxation and Treasury (continued)													
Tax Division (continued)													
* Allocation Difference *			545.6	500.0	0.0	45.6	0.0	0.0	0.0	0.0	5	0	0
Treasury Division													
Investment Management of Constitutional Budget Reserve Fund	Gov Amd	IncM	399.6	0.0	0.0	399.6	0.0	0.0	0.0	0.0	0	0	0
<i>This is the amount necessary for FY2013 operating costs related to investment management of the Constitutional Budget Reserve Fund (CBRF).</i>													
1004 Gen Fund (UGF)			399.6										
Investment Management of Power Cost Equalization Endowment Fund	Gov Amd	IncM	80.4	0.0	0.0	80.4	0.0	0.0	0.0	0.0	0	0	0
<i>This is the amount necessary for FY2013 operating costs related to investment management of the Power Cost Equalization Endowment Fund (PCE).</i>													
1169 PCE Endow (DGF)			80.4										
Eliminate Unrealizable Funding	Gov Amd	Dec	-289.2	0.0	0.0	-289.2	0.0	0.0	0.0	0.0	0	0	0
<i>The Children's Trust is no longer under the fiduciary management of the Treasury Division and the division will have no additional investment management costs.</i>													
<i>The Mine Trust continues to be under the fiduciary management of Treasury, however the costs allocable to this fund source are very minimal, and declining as other funds grow. At this time the amount is not collectible and is not projected to be collectible in the near future. Likewise, \$250.0 in statutory designated program receipts are not collectible.</i>													
1099 ChildTrPrn (DGF)			-15.2										
1108 Stat Desig (Other)			-250.0										
1192 Mine Trust (Other)			-24.0										
AMD: Statewide Bankcard Compliance Costs	Gov Amd	Inc	77.0	0.0	0.0	77.0	0.0	0.0	0.0	0.0	0	0	0
<i>Replace FY 2013 Governor's budget released December 15, 2011 language section below with appropriation in Section 1.</i>													
<i>[Sec. 27. BANKCARD SERVICE FEES. (d) The amount necessary to compensate the Department of Revenue for compliance costs required for the state to accept bankcard or credit card payments during the fiscal year ending June 30, 2013, is appropriated for that purpose to the Department of Revenue.]</i>													
<i>FY2013 December budget -- \$9,589.4</i>													
<i>FY2013 Amendment -- \$77.0</i>													
<i>TOTAL FY2013 -- \$9,666.4</i>													
1004 Gen Fund (UGF)			77.0										
* Allocation Difference *			267.8	0.0	0.0	267.8	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			813.4	500.0	0.0	313.4	0.0	0.0	0.0	0.0	5	0	0
Child Support Services													
Child Support Services Division													
L Reverse (CH20 FSSLA2011) sec20(a)(c) Child Support Enforcement Efforts (Language)	Gov Amd	OTI	-824.7	0.0	0.0	-824.7	0.0	0.0	0.0	0.0	0	0	0

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Child Support Services (continued)													
Child Support Services Division (continued)													
Reverse (CH20 FSSLA2011) sec20(a)(c) Child Support Enforcement Efforts (Language) (continued)													
778.7 for 34% state match of federal receipts for child support enforcement													
46.0 paternity testing program receipts													
1004 Gen Fund (UGF) -778.7													
1005 GF/Prgm (DGF) -46.0													
L	Child Support Enforcement Efforts Federal Match	Gov Amd	IncM	778.7	0.0	0.0	778.7	0.0	0.0	0.0	0	0	0
\$778.7 for 34% state match of federal receipts for child support enforcement													
1003 G/F Match (UGF) 778.7													
L	AMD: LFD Correction to GF/Mtch: Delete Language Section 19(a) & (b) - Child Support Enforcement Efforts Federal Match	Gov Amd	Dec	-778.7	-778.7	0.0	0.0	0.0	0.0	0.0	0	0	0
This amendment deletes section 19(a) and (b) for federal incentive payments to be used as state matching funds. The appropriation for state match will be requested in section 1 and increased by \$265.3 for a total request of \$1,044.0 to recalculate the 34% match rate.													
Amend * Sec. 19. DEPARTMENT OF REVENUE., as follows:													
[(a) THE SUM OF \$778,700 IS APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF REVENUE, CHILD SUPPORT SERVICES AGENCY, FOR THE REQUIRED 34 PERCENT STATE MATCH OF FEDERAL RECEIPTS RECEIVED FOR CHILD SUPPORT ENFORCEMENT EFFORTS FOR THE FISCAL YEAR ENDING JUNE 30, 2013.													
(b) IF ANY AMOUNT OF THE FEDERAL INCENTIVE PAYMENTS RECEIVED UNDER AS 25.27.125 BY THE DEPARTMENT OF REVENUE, CHILD SUPPORT SERVICES AGENCY, DURING THE FISCAL YEAR ENDING JUNE 30, 2013, MAY BE USED AS THE REQUIRED 34 PERCENT STATE MATCH OF OTHER FEDERAL RECEIPTS RECEIVED FOR CHILD SUPPORT ENFORCEMENT EFFORTS, THE APPROPRIATION MADE IN (A) OF THIS SECTION IS REDUCED BY THE AMOUNT BY WHICH THE FEDERAL INCENTIVE PAYMENTS MAY BE USED AS THE REQUIRED 34 PERCENT STATE MATCH.]													
(a) [(c)] Program receipts collected as cost recovery for paternity testing administered by the child support services agency, as required under AS 25.27.040 and 25.27.165, and as collected under AS 25.20.050(f), estimated to be \$46,000, are appropriated to the Department of Revenue, child support services agency, for child support activities for the fiscal year ending June 30, 2013.													
FY2013 December budget -- \$28,096.5													
FY2013 Amendment -- \$265.3													
TOTAL FY2013 -- \$28,361.8													
1003 G/F Match (UGF) -778.7													
AMD:	Child Support Enforcement Efforts Federal Match	Gov Amd	IncM	1,044.0	1,044.0	0.0	0.0	0.0	0.0	0.0	0	0	0
This amendment deletes section 19(a) and (b) for federal incentive payments to be used as state matching funds.													

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Child Support Services (continued)													
Child Support Services Division (continued)													
AMD: Child Support Enforcement Efforts													
Federal Match (continued)													
<i>The appropriation for state match will be requested in section 1 and increased by \$265.3 for a total request of \$1,044.0 to recalculate the 34% match rate.</i>													
<i>FY2013 December budget -- \$28,096.5</i>													
<i>FY2013 Amendment -- \$265.3</i>													
<i>TOTAL FY2013 -- \$28,361.8</i>													
			1003 G/F Match (UGF)	1,044.0									
L	Gov Amd	IncM	FY13 Estimate of Cost Recovery for Paternity Testing	46.0	0.0	0.0	46.0	0.0	0.0	0.0	0	0	0
			<i>\$46.0 paternity testing program receipts</i>										
			1005 GF/Prgm (DGF)	46.0									
			* Allocation Difference *	265.3	265.3	0.0	0.0	0.0	0.0	0.0	0	0	0
			** Appropriation Difference **	265.3	265.3	0.0	0.0	0.0	0.0	0.0	0	0	0
Administration and Support													
Administrative Services													
	Gov Amd	IncM	Maintain Budgeted Vacancy with Current Staffing	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0	0	0
			<i>This increment request adds interagency funding in order to fund the division at its current staffing level while remaining within OMB's guidelines for vacancy. Receipts are collected department-wide based on the Department of Revenue's Administrative Cost Allocation Plan.</i>										
			1007 I/A Rcpts (Other)	120.0									
			* Allocation Difference *	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0	0	0
			** Appropriation Difference **	120.0	120.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Natural Gas Development Authority													
ANGDA Operations													
	Gov Amd	IncM	Capital Improvement Project Receipts to Fund Operating Costs for Alaska Natural Gas Development Authority	110.0	110.0	0.0	0.0	0.0	0.0	0.0	0	0	0
			<i>The Alaska Natural Gas Development Authority (ANGDA) staff includes positions currently funded by unbudgeted capital improvement project (CIP) receipts. This adds CIP receipt authority to the ANGDA operating budget to more accurately reflect funding for budgeted positions. Receipts are collected from ongoing capital projects in support of ANGDA's mission.</i>										
			1061 CIP Rcpts (Other)	110.0									
			* Allocation Difference *	110.0	110.0	0.0	0.0	0.0	0.0	0.0	0	0	0
			** Appropriation Difference **	110.0	110.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Alaska Mental Health Trust Authority													

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Alaska Mental Health Trust Authority (continued)													
Mental Health Trust Operations													
MH Trust Cont - Trust Authority Admin Budget	Gov Amd	Inc	88.9	144.0	5.0	-62.6	2.5	0.0	0.0	0.0	0	0	0
Increases													
1094 MHT Admin (Other)			88.9										
Match Trustee Authorized Funding	Gov Amd	Dec	-118.7	-104.1	16.0	-28.5	-2.1	0.0	0.0	0.0	0	0	0
<i>The FY2013 MH Trust Recommendation includes the expenditures that were associated with statutory designated program receipt (SDPR) funding anticipated in FY2012. This record removes the SDPR funding, the duplicated personal services increase, and aligns the expenditure lines to Trustee approved amounts.</i>													
1094 MHT Admin (Other)			-36.9										
1108 Stat Desig (Other)			-81.8										
* Allocation Difference *			-29.8	39.9	21.0	-91.1	0.4	0.0	0.0	0.0	0	0	0
Long Term Care Ombudsman Office													
MH Trust - Long Term Care Ombudsman Office	Gov Amd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Technical Adjustment													
<i>Technical adjustment to reflect general fund as general fund mental health receipts.</i>													
1004 Gen Fund (UGF)			-14.1										
1037 GF/MH (UGF)			14.1										
MH Trust: Cont - Long Term Care Ombudsman's Office Increases	Gov Amd	Inc	25.9	13.2	4.7	8.8	-0.8	0.0	0.0	0.0	0	0	0
<i>In FY 2013, the Office of the Long Term Care Ombudsman (LTCO) requests an additional \$25,900 increment for: (a) development and maintenance of an online Learning Management System, giving staff and volunteers access to high quality ongoing training relevant to the Ombudsman's responsibilities, (b) maintaining a minimum vacancy rate, and (c) rising travel costs. The LTCO is a small stand-alone program with only five full-time positions, all of which must be kept filled to meet its statutory mandate.</i>													
1037 GF/MH (UGF)			25.9										
* Allocation Difference *			25.9	13.2	4.7	8.8	-0.8	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			-3.9	53.1	25.7	-82.3	-0.4	0.0	0.0	0.0	0	0	0
Alaska Housing Finance Corporation													
AHFC Operations													
Third Year of funding for Veterans Bonds Fiscal Note (CH 46 SLA2010)(SB217)	Gov Amd	IncOTI	45.3	0.0	0.0	0.0	0.0	0.0	0.0	45.3	0	0	0
<i>(Per OMB - Technical correction changing transaction from Language to Numbers 12/16/11.)</i>													
1103 AHFC Rcpts (Other)			45.3										
HUD Funding Conversion	Gov Amd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>The US Department of Housing and Urban Development (HUD) has converted Public Housing Authorities to the Project-based Asset Management (AMP) format.</i>													
<i>AHFC's Central Office Cost Center (COCC) provides management, supervision and oversight of all AHFC's rental housing developments. To cover the management costs, it receives a management fee from each individual Asset Management Project (AMP). In the past, these have been recorded as federal receipts.</i>													
<i>HUD now considers the Central Office Cost Center to be its own AMP. They are requiring any fee received from another AMP to be recorded as corporate receipts, not federal receipts.</i>													

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Alaska Housing Finance Corporation (continued)													
AHFC Operations (continued)													
HUD Funding Conversion (continued)													
<i>Once the fee is paid there are no longer any federal restrictions attached to the funds received as management fees. Because of this conversion, it is no longer necessary to allocate expenses, such as salaries, to each housing program/project, thus reducing the need to split accounting transactions across the various HUD programs administered by AHFC. AHFC is not replacing HUD funding, just the way for which it is accounted.</i>													
<i>This is an adjustment to the original conversion done in FY2008. Since then, HUD has made adjustments that require AHFC to have certain employees be paid under the COCC, rather than directly to the AMP. The positions are paid for through the Management Fees, which have a Corporate Receipt designation; however, the original source of the funds are from Federal Receipts.</i>													
			1002 Fed Rcpts (Fed)	-598.2									
			1103 AHFC Rcpts (Other)	598.2									
L	FY2012 Conference Committee - FSSLA2011	Gov Amd	OTI	-32,000.0	0.0	0.0	0.0	0.0	-32,000.0	0.0	0	0	0
	<i>CH 3 Sec 9(h) (Reverse Language)</i>												
			1002 Fed Rcpts (Fed)	-32,000.0									
L	FY2013 Funding for Federal Housing Assistance Payments (HAP)	Gov Amd	IncM	32,000.0	0.0	0.0	0.0	0.0	32,000.0	0.0	0	0	0
	<i>Landlords in the private rental market enter into a Housing Assistance Payment (HAP) contract with AHFC. Rental units that meet HUD housing quality standards (HQS) and rent reasonableness criteria are likely to be considered eligible rental properties. The amount of rent AHFC may subsidize is based upon the unit size, the community in which the unit is located, and the comparable market conditions.</i>												
			1002 Fed Rcpts (Fed)	32,000.0									
	Federal Housing Program Expense Increases	Gov Amd	Inc	812.6	0.0	60.0	631.8	55.8	65.0	0.0	0	0	0
	<i>This increment is to increase federal receipts funding levels for the Multifamily Section 8 New Construction and the Conventional Low Rent programs. Funds are anticipated to be added in order to take advantage of HUD's inflation factors used in developing the upcoming year's funding levels to continue to administer, operate, and maintain AHFC's rental housing units throughout the State.</i>												
	<i>Travel -- \$35.0 for In-State Administrative Travel, \$25.0 for Out of State Administrative Travel related to training.</i>												
	<i>Contractual -- \$381.8 for increases in Utility expenses, \$250.0 for maintenance and service contracts for rental units owned by the Corporation.</i>												
	<i>Supplies -- \$55.8 for Maintenance Materials related to rental units owned by the Corporation.</i>												
			1002 Fed Rcpts (Fed)	812.6									
	LFD Reconciliation: Correct OMB flag error.	Gov Amd	MisAdj	-5.3	0.0	0.0	40.0	0.0	0.0	-45.3	0	0	0
	<i>Delete transaction in subcommittee</i>												
			1103 AHFC Rcpts (Other)	-5.3									
	AMD: Technical Correction - Veterans Bonds Year 3 (CH46 SLA2010)(SB217)	Gov Amd	IncOTI	45.3	0.0	0.0	45.3	0.0	0.0	0.0	0	0	0
	<i>In the FY2013 Governor's budget released December 15, 2011 the increment for the Veterans Bonds year two was incorrectly placed in the language section of the bill. This corrects the improper placement and adds the amount to the proper numbers section.</i>												

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Alaska Housing Finance Corporation (continued)													
AHFC Operations (continued)													
AMD: Technical Correction - Veterans Bonds Year 3 (CH46 SLA2010)(SB217) (continued)													
FY2013 December budget -- \$90,283.8													
FY2013 Amendment --\$0.0													
TOTAL FY2013 -- \$90,283.8													
1103 AHFC Rcpts (Other) 45.3													
L	Gov Amd	OTI	-45.3	0.0	0.0	0.0	0.0	0.0	0.0	-45.3	0	0	0
AMD: Technical Correction - Reverse Veterans Bonds Year 3 (CH 46 SLA2010)(SB217)													
Included as Language													
<i>In the FY2013 Governor's budget released December 15, 2011 the increment for the Veterans Bonds year two was incorrectly reflected as in a language section of the bill. This corrects the improper placement and adds the amount to the proper numbers section.</i>													
FY2013 December budget -- \$90,283.8													
FY2013 Amendment --\$0.0													
TOTAL FY2013 -- \$90,283.8													
1103 AHFC Rcpts (Other) -45.3													
L	Gov Amd	OTI	-40.0	0.0	0.0	-40.0	0.0	0.0	0.0	0.0	0	0	0
AMD: Technical Correction - Reverse Veterans Bonds Year 2 (CH46 SLA2010)(SB217)													
Included as Language													
<i>In the FY2013 Governor's budget released December 15, 2011 the increment for the Veterans Bonds year two was incorrectly reflected as in a language section of the bill. This corrects the improper placement and adds the amount to the proper numbers section.</i>													
FY2013 December budget -- \$90,283.8													
FY2013 Amendment --\$0.0													
TOTAL FY2013 -- \$90,283.8													
1103 AHFC Rcpts (Other) -40.0													
L	Gov Amd	OTI	40.0	0.0	0.0	40.0	0.0	0.0	0.0	0.0	0	0	0
AMD: Technical Correction - Reverse Veterans Bonds Year 2 (CH46 SLA2010)(SB217)													
Included as Language													
<i>In the FY2013 Governor's budget released December 15, 2011 the increment for the Veterans Bonds year two was incorrectly reflected as in a language section of the bill. This corrects the improper placement and adds the amount to the proper numbers section.</i>													
FY2013 December budget -- \$90,283.8													
FY2013 Amendment --\$0.0													
TOTAL FY2013 -- \$90,283.8													
1103 AHFC Rcpts (Other) 40.0													
L	Gov Amd	MisAdj	5.3	0.0	0.0	-40.0	0.0	0.0	0.0	45.3	0	0	0
LFD Reconciliation: Correct OMB flag error. Delete transaction in subcommittee													
1103 AHFC Rcpts (Other) 5.3													

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Alaska Housing Finance Corporation (continued)													
AHFC Operations (continued)													
* Allocation Difference *			857.9	0.0	60.0	677.1	55.8	65.0	0.0	0.0	0	0	0
Alaska Gasline Development Corporation													
Operating Costs for Alaska Gasline Development Corporation	Gov Amd	IncM	2,476.3	54.1	0.0	2,422.2	0.0	0.0	0.0	0.0	0	0	0
<i>AGDC request to fund/employ their work through the completion of FEL 2</i>													
1061 CIP Rcpts (Other)			2,476.3										
* Allocation Difference *			2,476.3	54.1	0.0	2,422.2	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			3,334.2	54.1	60.0	3,099.3	55.8	65.0	0.0	0.0	0	0	0
Alaska Permanent Fund Corporation													
APFC Operations													
Merit Based and Vacancy Management Increases	Gov Amd	Inc	185.0	185.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>Alaska Statute 39.25.110(11)(B) exempts the APFC from the State Personnel Act. As a result, the Board is authorized to design and implement a salary management program that will attract and retain staff with the specialized knowledge and skills necessary to prudently manage the Permanent Fund.</i>													
<i>The requested increment will allow the Corporation to maintain a reasonable vacancy rate, fill all current positions, and meet its stated obligations to current staff that have met or exceeded their annual performance goals.</i>													
1105 PF Gross (Other)			185.0										
Due Diligence Increases	Gov Amd	Inc	155.0	0.0	0.0	155.0	0.0	0.0	0.0	0.0	0	0	0
<i>This increment is for increases in several areas of professional services: auditing, external legal services, and investment performance and risk measurement. These services are necessary components of APFC's due diligence program to monitor our investments and control investment and operational risk.</i>													
1105 PF Gross (Other)			155.0										
AMD: Increase In-House Investment Management	Gov Amd	Inc	295.0	295.0	0.0	0.0	0.0	0.0	0.0	0.0	2	0	0
<i>This request is for two new exempt positions at the Alaska Permanent Fund Corporation (APFC): a fixed income investment officer and an accountant. Together, these positions will allow the APFC to bring in-house the direct investment of the Fund's international fixed income portfolio. Both of the positions described below are required for the APFC to take on this new mandate.</i>													
<i>APFC's fixed income staff directly invests nearly \$5 billion of the Fund in domestic fixed income securities. The internal staff consistently achieves competitive returns, while saving millions of dollars in management fees compared to our external managers.</i>													
<i>APFC wishes to expand the internal staff's mandate to include direct investment of international fixed income. Currently, this portfolio is managed externally at an annual cost of about \$1.6 million. Moving these assets to our internal portfolio is expected to save a minimum of \$1.3 million annually over the cost of the two new requested positions.</i>													
<i>The new fixed income investment officer will perform the analysis, oversight, and direct investment activities for this new mandate. The APFC's current team is at capacity, so a new position is required in order to perform these</i>													

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Transaction Compare - Governor Structure
Between Adj Base and Gov Amd**

Numbers and Language Differences Agencies: Rev

Agency: Department of Revenue

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
Alaska Permanent Fund Corporation (continued)													
APFC Operations (continued)													
AMD: Increase In-House Investment Management (continued) <i>tasks in-house.</i>													
<i>A new accountant will be required to handle the additional accounting tasks associated with this new mandate. Increasing in-house trading volume will directly increase the amount of review, compliance and accounting tasks that APFC's finance section must perform for the fixed income portfolio. In addition, internal fixed income trading comes with added complexities, such as foreign currencies, forward contract maintenance, and foreign brokers. The current accounting staff does not have the capacity to take on these new tasks.</i>													
<i>FY2013 December budget -- \$11,116.1 FY2013 Amendments -- \$525.0 TOTAL FY2013 -- \$11,411.1</i>													
1105 PF Gross (Other)			295.0										
AMD: Co-Investment Position	Gov Amd	Inc	230.0	230.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
<i>The Alaska Permanent Fund Corporation currently has programs to invest in private equity and absolute return funds, but they rely exclusively on costly external management firms. One of the features APFC includes in manager contracts in these two asset classes is "co-investment rights." These rights allow the APFC to invest more money in a particular investment, should staff think it prudent to do so, eliminating additional fees to the manager.</i>													
<i>APFC needs to develop the staff internally to be able to independently review these investments in order to take advantage of the co-investment rights. Bringing on an investment officer to begin reviewing investments in this area will lower the cost of this program in future years.</i>													
<i>FY2013 December budget -- \$11,116.1 FY2013 Amendments -- \$525.0 TOTAL FY2013 -- \$11,346.1</i>													
1105 PF Gross (Other)			230.0										
* Allocation Difference *			865.0	710.0	0.0	155.0	0.0	0.0	0.0	0.0	3	0	0
** Appropriation Difference **			865.0	710.0	0.0	155.0	0.0	0.0	0.0	0.0	3	0	0

Alaska Permanent Fund Corporation Custody and Management Fees

APFC Custody and Management Fees

L	FY2012 Conference Committee - Reversal of Custody/Mng. Fees	Gov Amd	OTI	-95,300.0	0.0	0.0	-95,300.0	0.0	0.0	0.0	0	0	0
	1105 PF Gross (Other)			-95,300.0									
L	Custody and Management fee (estimated)	Gov Amd	IncM	108,200.0	0.0	0.0	108,200.0	0.0	0.0	0.0	0	0	0
<i>Management fees were moved from number section to language section in FY12, in an attempt to provide a range in which fees can be paid. The estimated amounts for the range were 90.3 to 130.0. The legislature opposed the use of fee range. Therefore the question remains as to whether or not this should be a language item.</i>													

(e) The amount necessary to pay the custody, investment management, and third-party fiduciary fees of the

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	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
Alaska Permanent Fund Corporation Custody and Management Fees (continued)													
APFC Custody and Management Fees (continued)													
Custody and Management fee (estimated)													
(continued)													
<i>Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska), ESTIMATED TO BE \$108,200,000, is appropriated for that purpose from the receipts of the Alaska Permanent Fund Corporation to the Alaska Permanent Fund Corporation for the fiscal year ending June 30, 2013.</i>													
	1105 PF Gross (Other)		108,200.0										
	* Allocation Difference *		12,900.0	0.0	0.0	12,900.0	0.0	0.0	0.0	0.0	0	0	0
	** Appropriation Difference **		12,900.0	0.0	0.0	12,900.0	0.0	0.0	0.0	0.0	0	0	0
	*** Agency Difference ***		18,404.0	1,812.5	85.7	16,385.4	55.4	65.0	0.0	0.0	8	0	0
	**** All Agencies Difference ****		18,404.0	1,812.5	85.7	16,385.4	55.4	65.0	0.0	0.0	8	0	0

Column Definitions

Adj Base (FY13 Adjusted Base) - FY2012 Management Plan less one-time items, plus FY2013 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY2013 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

Gov Amd (FY13 Governor Amended) - FY13 Governor's Amended Budget (Includes Governor's Dec 15th budget AND the Governor's Amendments submitted on February 17th)