

**State of Alaska
FY2003 Governor's Operating Budget**

**Department of Labor and Workforce Development
Job Training Programs
Component Budget Summary**

Component: Job Training Programs

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Component Mission

To exceed the expectations of Alaskan employers, workers and job seekers by meeting the unique training needs of Alaskans wanting to enter or re-enter the job market.

Component Services Provided

1) The Alaska Workforce Investment Office (AWIO), based in Anchorage, is responsible for statewide planning, administration and grant management of all federal Workforce Investment Act (WIA) of 1998 Title IB programs, the federal Welfare to Work (WtW) program under the Balanced Budget Act of 1997, the State Training and Employment Program (STEP), and the Denali Commission Training fund.

- Under WIA Title I, funds are available for Youth, Adult and Dislocated Worker activities at both the state and local levels.
- At the state level, WIA Title I funds are also available for responding to worker dislocations, and for statewide activities, such as providing technical assistance and conducting special projects.
- Welfare to Work and STEP activities in this component occur at both the state and local levels.
- Denali Commission training fund is operated at the statewide level.
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2) The State Training and Employment Program (STEP), administered by AWIO, provides Alaskan workers access to state and employer sponsored training programs and services including:

- Industry specific on-the-job and classroom training.
- Job search assistance and other supportive services.
- Vocational counseling and career guidance.
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3) The Balance of State Service Delivery Office, based in Juneau, administers WIA Title I federal funds received through the AWIO to implement employment-training programs in the Balance of State (all of Alaska except Anchorage/Mat-Su). The component coordinates with related programs, such as vocational education, school-to-work, and employment services to ensure maximum efficiency in serving participants.

- At the local level, "front line" delivery of services such as assessment, case management, job training and supportive services are provided by Balance of State staff in partnership with Employment Service staff and other collocated Alaska Job Center Network (AJCN) staff, and selected grantees. These services are offered through local centers, with advice and oversight from local advisory committees and a statewide Local Workforce Investment Board (LWIB). Additionally, services are provided through grant funding of projects chosen in a competitive bid process
- administered by central and regional offices.

Component Goals and Strategies

1) Provide more high quality training opportunities to Alaskans; and to increase the number trained, the number placed in jobs, the number of trainees who are satisfied with their training, increase the average annual earnings per trainee, and reduce the average cost per trainee and per placement. In order to accomplish these goals ESD will:

- Conduct employer and participant focus groups on each deliverable.
- Collect private sector baseline data to formulate aggressive targets.
- Write and implement a simple, easy to use On-the-Job training agreement for employers.
- Promote the referral to job training through Unemployment Insurance program.
- Develop and issue a new individual Training Account voucher that provides for redeemable training at local training facilities.
- Train ES and JT staff on Workforce Investment Act and State Training Employment Program training benefits and

opportunities.

Develop appropriate Employment Development Plans with realistic local labor market specific goals.

- Form a vendor/trainer advisory committee to promote and enhance training capacity.
- Develop and implement data collection policies that ensure a high degree of data integrity and usefulness.
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2) Provide effective administration and oversight of Workforce Investment Act (WIA Title I), State Training Employment Program (STEP), Denali Commission Training fund, and Welfare to Work (WtW) programs marshalling resources to realize efficiencies. The following strategies will be used to accomplish these goals:

Provide financial and technical assistance to the Alaska Human Resource Investment Council (AHRIC), Local

- Workforce Investment Boards (LWIB), other state and local agencies, grantees and contractors.
- Provide accurate and timely reporting of financial and participant activities to the federal funding agencies and Commissions.
- Provide technical support and financial resources to appropriate businesses, communities and agencies in response to business closures and layoffs.

3) Reduce unemployment among Alaska's underemployed and unemployed.

Target services to the unemployed among economically disadvantaged and dislocated workers.

- Assist clients to obtain higher wages upon job placement.
- Increase job retention of trained workers.
- Increase Alaska hire through creation of a skilled worker pool.
- Increase basic work readiness and occupational skill level for youth.
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4) Make full and effective use of STEP funds for training of Alaskans.

Exercise stringent grant management policies with Alaskan service providers/grantees and aggressively reallocate unobligated funds on a quarterly basis.

- Foster new jobs by encouraging businesses to locate in Alaska due to the availability of a skilled labor force and low unemployment costs.
- Increase the training opportunities to those workers severely affected by fluctuations in the state economy or technological changes in the workplace.
- Provide supplementary training resources for Alaska's employers, which complement federal programs and offer greater flexibility.

5) Effectively coordinate resources and staff with Employment Services activity by:

Developing prototype job classifications for smaller offices that integrate job training and employment service responsibilities.

- Co-funding and integrating program support for new, shared job classifications.
- Developing common measures between the programs.
- Developing common strategies for collecting data and evaluating performance data.
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Key Component Issues for FY2002 – 2003

1) Complete the final accounting and reporting on the Welfare to Work (WtW) program.

2) Enhance and improve coordination and collaboration with Alaska Job Center Network (AJCN) one-stop centers and cooperative agencies.

3) Expand dislocated worker services to affected industries and regions.

4) Explore an expanded and integrated Management Information System (MIS) both for case management as well as performance reporting, for all major AJCN partner programs.

5) Advocate for following AS 23.15.830 on the Technical and Vocational Education Program (TVEP) by establishing a competitive training grant process to target eligible clients as defined under this state law. Currently, the Legislature appropriates designated grants to entities without addressing these state requirements.

6) The State Training and Employment Program (STEP) is scheduled to sunset. The Department will introduce legislation to continue STEP.

Major Component Accomplishments in 2001

- 1) Completed the final accounting of the Job Training Partnership Act programs.
- 2) Negotiated, awarded and administered over \$15M in WIA Title I and WtW and over \$3.6M in STEP financial assistance agreements.
- 3) Provided technical assistance to the Alaska Human Resource Investment Council, the Local Workforce Investment Boards, other workforce development agencies and organizations.
- 4) Successfully delivered dislocated worker services to affected timber workers in Southeast Alaska, retail workers in Southcentral and Interior Alaska, and civilians at Fort Greeley.
- 5) Provided outreach and grants for approximately \$1,800,000 in special rural Denali Commission projects, which resulted in training opportunities for over 600 rural Alaska residents.
- 6) Provided expanded WIA youth services with \$250,000 in Project Renew Hope grants to Western Alaskan communities.
- 7) Provided financial assistance in the analysis of the employment related impact of the Stellar Sea Lion decision on the coastal communities of western Alaska and Kodiak Island.
- 8) Assisted in the preparation of the Annual STEP Report in December. The latest available program information is for FY 1998 - 2000, indicating STEP achieved the following:
 - In FY00, over 1,440 new clients were enrolled in the program.
 - Expenditures per STEP client fell from \$1,950 in FY99 to \$1,859 in FY00, realizing certain efficiencies through the one stop system.
 - FY99 UI claims were reduced from over \$2,440,000 (783 claims) in the 12 months prior to their participation to under \$901,000 (446 claims) in the year after they completed STEP.

Statutory and Regulatory Authority

- 1) Federal
 - Public Law 104-193
 - Public Law 105-33
 - Public Law 105-220
 - 20 CFR parts 660-671
 - 29 CFR part 37
- 2) State
 - AS 44.31
 - AS 23.15.620-660
 - AS 23.15.700-810
 - 8 AAC 87.010-87.180
 - Admin Order # 113
 - Admin Order # 182
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Job Training Programs

Component Financial Summary

All dollars in thousands

Non-Formula Program:	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Component Expenditures:			
71000 Personal Services	0.0	2,937.4	3,544.9
72000 Travel	0.0	384.7	346.2
73000 Contractual	0.0	5,882.4	4,395.9
74000 Supplies	0.0	112.2	177.7
75000 Equipment	0.0	177.6	102.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	20,798.0	22,034.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	30,292.3	30,602.2
Funding Sources:			
1002 Federal Receipts	0.0	22,450.6	24,369.9
1004 General Fund Receipts	0.0	493.7	503.4
1005 General Fund/Program Receipts	0.0	43.7	43.7
1007 Inter-Agency Receipts	0.0	2,244.2	899.9
1054 State Employment & Training Program	0.0	5,060.1	4,785.3
Funding Totals	0.0	30,292.3	30,602.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	0.0	22,450.6	22,308.5	24,369.9	24,369.9
Interagency Receipts	51015	0.0	2,244.2	1,644.2	899.9	899.9
General Fund Program Receipts	51060	0.0	43.7	43.7	43.7	43.7
State Employment and Training Program	51394	0.0	5,060.1	4,775.1	4,785.3	4,785.3
Restricted Total		0.0	29,798.6	28,771.5	30,098.8	30,098.8
Total Estimated Revenues		0.0	29,798.6	28,771.5	30,098.8	30,098.8

Job Training Programs

Proposed Changes in Levels of Service for FY2003

Increased services to rural Alaskans through Denali Commission grants. The Denali Commission has made a commitment to rural residents to recruit and hire locally for the infrastructure projects it funds. As the Denali Commission expands into new areas, such as health care facilities, there will be an increased demand for additional training to those needs.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	537.4	22,450.6	7,304.3	30,292.3
Adjustments which will continue current level of service:				
-Transfer I/A Auth from Job Training Programs to Employment Services ADN 0721009	0.0	0.0	-600.0	-600.0
-Transfer STEP Auth from Job Training Programs to Unemployment Insurance ADN 0721020	0.0	0.0	-125.0	-125.0
-Transfer Federal Auth from Job Training Programs to Employment Service ADN 0721010	0.0	-20.0	0.0	-20.0
-Transfer Federal & STEP Auth from Job Training Programs to Employment Services ADN 0721011	0.0	-160.0	-160.0	-320.0
-Transfer Federal Auth from Employment Services to Job Training Programs ADN 0721012	0.0	95.0	0.0	95.0
-Transfer Federal Auth from Job Training Programs to Employment Services ADN 0721014	0.0	-57.1	0.0	-57.1
-Year 3 Labor Costs - Net Change from FY2002	9.7	61.4	15.9	87.0
-Transfer I/A Auth from Job Training to Employ Svcs for the Automated Worker Skills Inventory Program	0.0	0.0	-750.0	-750.0
Proposed budget increases:				
-Increase federal authorization to provide Denali Commission grant funding	0.0	2,000.0	0.0	2,000.0
FY2003 Governor	547.1	24,369.9	5,685.2	30,602.2

Job Training Programs
Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	51	58	Annual Salaries	2,684,313
Part-time	0	0	COLA	62,347
Nonpermanent	1	5	Premium Pay	0
			Annual Benefits	945,991
			<i>Less 4.00% Vacancy Factor</i>	<i>(147,707)</i>
			Lump Sum Premium Pay	0
Totals	52	63	Total Personal Services	3,544,944

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Administrative Assistant	0	0	1	1	2
Administrative Clerk I	0	1	0	0	1
Administrative Clerk III	2	2	1	3	8
Administrative Coordinator	0	0	1	0	1
Asst Dir Employ Security	0	0	1	0	1
Community Devel Spec I	0	2	1	3	6
Community Devel Spec II	1	5	2	3	11
Community Devel Spec III	0	1	1	3	5
Employ Counselor I	0	0	0	1	1
Employ Counselor II	2	0	0	0	2
Employ Sec Analyst I	1	0	1	0	2
Employ Sec Analyst II	0	0	1	0	1
Employ Sec Analyst III	6	0	2	0	8
Grants Administrator I	1	0	0	0	1
Grants Administrator II	2	0	2	0	4
Grants Administrator III	1	0	0	0	1
Prog Coordinator	1	0	2	0	3
Program Services Aide	0	0	2	2	4
Totals	18	11	18	16	63