

**State of Alaska
FY2007 Governor's Operating Budget**

**Department of Labor and Workforce Development
Alaska Vocational Technical Center
Component Budget Summary**

Component: Alaska Vocational Technical Center

Contribution to Department's Mission

The Alaska Vocational Technical Center contributes to the department's mission by providing market-driven vocational and technical training to prepare state residents for jobs that are Alaska's future.

Core Services

The Alaska Vocational Technical Center (AVTEC) is the public post-secondary vocational technical education and training agency of the Department of Labor & Workforce Development that provides vocational technical education programs for Alaskans across the state. AVTEC offers 16 long-term vocational technical training programs in occupations relating to Alaska's expanding and unique economy. In addition, AVTEC provides a wide variety of short-term training and education programs to hundreds of Alaskans in many communities annually. Short-term training is generally customized industry-specific training that varies in length from one day to six weeks.

Construction Industry - Structural and Pipe Welding Technology Programs use the latest equipment found in today's workplace to provide skills and abilities in demand in Alaska's construction industry. The Industrial Electrical Program is the only one of its kind in Alaska. Its graduates are highly sought after by employers for their technical skills and knowledge from basic electrical principles to their ability to troubleshoot and maintain the most advanced programmable logic controllers found in process technology and construction industries. Facility Maintenance Programs, both mechanical and construction, are building houses from the foundation up, to graduate students ready to tackle the demands of our high-tech construction and maintenance industries, both residential and commercial.

Health Care Industry - AVTEC's Anchorage-based Allied Health Department's Certified Nurse Assistant (CNA) and Licensed Practical Nurse (LPN) courses are nationally accredited and approved by the State of Board of Nursing. These programs operate in a collaborative effort between AVTEC and Providence Health System Alaska to increase the number of entry-level CNAs and professional level LPNs to alleviate severe staffing shortages in Alaska. The career ladder approach used by AVTEC provides opportunities for Alaskans to progress in their profession to become registered nurses.

Information Technology Industry - The industry certifications students can receive through this program include A+, Microsoft MCSE, Cisco CCNA, and CompTIA Net+. The Web Development Technology program, the only program of its kind in Alaska, was developed at the request of the industry advisory board to prepare students as Certified Internet Webmasters. Customized information technology training is also being delivered to State of Alaska employees to introduce new computer software skills or upgrade skills to meet new and emerging information technology needs.

Transportation Industry - Alaska Maritime Training Center incorporates its state-of-the-art multi-bridge maritime simulator to provide a wide variety of Coast Guard approved licensing classes for incumbent and new mariners. Maritime training programs include OUPV/Master Mate, Master 100 Ton, Master Unlimited, and Merchant Mariner's Document. The Heavy and Diesel Technology and Automotive Technology programs provide nationally recognized training to gain employment within the automotive and diesel/heavy maintenance and repair industries.

Hospitality Industry - AVTEC's Alaska Culinary Academy is nationally certified and accredited by the American Culinary Federation. Graduates are prepared and certified to work in the best restaurants in Alaska or to start their own businesses to meet Alaska's growing hospitality needs. AVTEC is also home for the only approved practical testing facility in the State to provide certification evaluation for Alaska's chefs.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$10,324,700	Personnel:	
	Full time	28
	Part time	54
	Total	82

Key Component Challenges

The key issues facing AVTEC are first, instructor professional development; second, expand and add training programs, and third upkeep and maintenance of facilities.

First, AVTEC must provide its newly hired industry technicians with the instructional skills essential to be effective in the classroom. AVTEC must develop and deliver in-house instructional professional development training to its staff in order to ensure the continued quality of its training. There are no alternative training opportunities in the state. In addition to training AVTEC staff, programs will be available statewide for Subject Matter Experts teaching vocational programs in Alaska's secondary schools or other postsecondary technical schools with similar needs.

Second, expand capability (infrastructure, instructional staff, and programs) to meet the increasing workforce development needs of the State. AVTEC will meet these workforce challenges in the construction industry with expanded pipe welding and facility maintenance programs. Distance programs and staff will deliver training to anyone anywhere in Alaska that has a computer connected to the Internet. Transportation industry needs will be met with expanded maritime programs for all levels of maritime training inside the state, and a commercial drivers license program to meet the increasing demand for long-haul trucking in support of construction, mining, and pipeline industries. Due to industry demand, AVTEC will expand nurse training to all parts of the state through distance delivery methods.

Third, AVTEC has 12 buildings that range in age from 25-55 years, one 2 year old 48-bed dormitory, and one leased building in Seward. Some of these buildings have exceeded their useful life or were built to accommodate temporary purposes but are still in use. Roof replacements, boiler replacements, sewer, plumbing, and electrical upgrades are ongoing to keep facilities useful and up to current codes. Continued appropriations of deferred maintenance and capital funds are needed to keep AVTEC from diverting its operational training funds to keep facilities safe and functional. Separate capital funding requests are being submitted to achieve this goal.

Significant Changes in Results to be Delivered in FY2007

Professional Development

This is needed for AVTEC to continue to provide high quality training programs and meet national accreditation (AVTEC), and industry standards (Instructional staff). Maintaining national accreditation is essential to the success of AVTEC and placement of current and future graduates. Many industry standard minimum qualifications in the career fields of AVTEC graduates require graduation from a nationally accredited program.

Funding - Total request \$85.0, \$77.0 GF, \$8.0 RSS

Background - AVTEC hires experienced industry technicians/professionals to fill its instructor positions. While these industry technicians have years of valuable experience and a wealth of knowledge, they very seldom have any teaching and curriculum development experience or training, or the skills associated with classroom presentation and management, audiovisual presentations, etc. To ensure credibility and quality of programs, it falls to AVTEC to provide this training. There is no other means or opportunity in Alaska where this training is offered. To meet this challenge, AVTEC must develop its own instructor professional development path for its newly hired staff. Methods of Instruction, Curriculum Development, Distance Delivery Methods and Techniques, Computer and Software Technologies, Program Advisory Committees, Grant Writing/Management are a few of the areas in which instructors must be proficient to be effective in their positions.

Results - Instructor training to continue 96% placement of students trained into related jobs.

Pipe Welding Program Expansion

Pipe welding program expansion will allow for an additional 45-trained structural and pipe welders annually to meet a critical high demand, in a high growth profession.

Funding - Total request \$311.0, \$280.0 GF, \$31.0 RSS

Background - Currently AVTEC is only able to train 4 to 6 pipe welders per year due to facility limitations and staffing. This expansion will allow for an additional 45 trained and employed welders and pipe welders annually from AVTEC. Funds will be used to staff the program with a full time instructor and an instructional assistant. The instructional assistant is needed due to the intensive amount of pipe preparation and mock-ups that need to be done in preparation for instruction. Automatic welders, such as those to be used on the future gas pipeline construction, will be leased instead of purchased due to high cost and the need to stay current with ever evolving technologies. Welding has been identified as one of Alaska's "top jobs" - those with higher than average wages and good job prospects, based on projected employment growth and the number of positions through 2012.

Results - 45 Alaskans trained and placed into jobs annually.

Maritime Training Program

To meet the demand of this critical industry that fuels the economic growth of Alaska, AVTEC will expand an Alaskan Maritime program to train Alaskans.

Funding - Total request \$576.0, \$518.0 GF, \$58.0 RSS

Background - Transportation is identified as a critical industry for Alaska's economic growth, and especially, maritime transportation given the vast amount of coastline in Alaska. In order to support this vital industry with a steady supply of trained Alaskans, AVTEC is expanding our capabilities in direct response to this industry's need. The current Maritime program is limited in its ability to respond by the current number of instructors. The addition of 3 maritime instructors will allow AVTEC to offer a training career ladder for unlimited tonnage officer licenses in both deck and engineering departments.

Funds will also be used for the maintenance and upkeep of both the ship fire training simulator and the ship bridge simulator. Each simulator provides US Coast Guard required training as integral to the licensing process. The fire simulator in particular uses a lot of consumables and requires considerable upkeep due to the "gritty" nature of the training. The bridge simulator is technology intensive and requires us to keep a maintenance agreement with the manufacturer, as well as provide our own level of in-house maintenance expertise and spare parts.

Results - 140 Alaskans trained and placed into jobs annually.

Allied Health Expansion

Because demand exceeds our current capacity to train health care professionals to meet the growing demand in Alaska's health care industry, AVTEC will expand the current program.

Funding - Total request \$231.0, \$208.0 GF, \$23.0 RSS

Background - AVTEC began the Anchorage-based Allied Health training in July 2001. It started with an 8-week Certified Nurse Assistant (CNA) program. The second year a 10-month Licensed Practical Nurse (LPN) program was developed. The enormous demand for, and success of, these two programs has required two expansions of their training facility. In FY03, when the LPN program was developed, it could accommodate 10 students per year. Beginning in FY05, AVTEC offered two LPN programs with 10 students each. In FY06, the program has expanded to accommodate 20 students per class.

The demand for local nurses in rural communities exists and is increasing. Also, the need exists for local training to

meet this demand. Additionally, there is a demand from the industry to provide concurrent education units for existing nurse staff. Nurses are required to obtain 30 Continuing Education Units (CEUs) every two years to maintain their licenses. AVTEC will develop short specific topic classes to help nurses maintain their licenses. For FY06, AVTEC's Anchorage-based Allied Health program expects to train 120 students. That number is expected to climb to 200 for FY07.

Results - 80 Alaskans trained and placed into jobs annually.

Commercial Driver's License Program

Employers are demanding a Commercial Drivers License (CDL) for diesel and heavy equipment technicians as a condition of employment. This program will offer better employability for AVTEC's diesel and heavy equipment technicians.

Funding - Total request \$203.0, \$183.0 GF, \$20.0 RSS

Background - AVTEC offered grant-funded CDL training programs in FY99 and FY00. After FY00, grant funds were no longer available for this program. AVTEC has acquired two tractor rigs for use in its Diesel/Heavy Mechanics program which could also be used for CDL training if funding existed for it. Over the past several years, AVTEC has received increased demand to offer CDL training. This comes from students attending the Diesel/Heavy program and union joint apprenticeship training coordinators. A CDL increases the value and employability of diesel/heavy mechanics, and improves the versatility and production of union apprentices.

The Department of Labor & Workforce Development, Research & Analysis Section lists Truck Drivers in the Top 10 High Growth Occupations with 900 positions. Additionally, it is listed as the occupation with the largest increase that requires On-the-Job Training (OJT). These figures do not account for a further increase in demand as a result of a new gas pipeline or new mines.

Results - 40 Alaskans trained and placed into jobs annually.

Facility Maintenance/Construction Trades Program

Alaska's construction industry is experiencing an acute worker shortage of 1,000 construction workers per year. This program expansion will provide a training opportunity for 115 Alaskans per year in this high demand, high wage industry.

Funding - Total request \$284.0, \$256.0 GF, \$28.0 RSS

Background - Demand for construction related training has long exceeded our capacity. The demand is for short upgrade courses targeting existing workers and for entry-level long-term training. This funding would allow for the establishment of a training program in Anchorage staffed with 2 full time instructors designed to provide long-term training to 15 students and short-term training to 100 students. Discussions have taken place with Ted Stevens Anchorage International Airport about the use or lease of shop and classroom space for this purpose.

Results - 115 Alaskans trained and placed into jobs annually.

Distance Training

Access to high quality distance job training for rural Alaskans is in high demand and addresses the Governor's initiative that jobs are Alaska's future.

Funding - Total request \$93.0, \$84.0GF, \$9.0 RSS

Background - The demand for training anywhere anytime has come of age. Technology is now available to provide a wide variety of training via video-teleconferencing and the Internet. The infrastructure is in place in most Alaskan communities to support distance training. AVTEC has had enough experience in distance training techniques and technologies to determine best practices and applications to support technical training from a distance. We have found

many potential uses for distance training, such as the Certified Nurse Assistant, Licensed Practical Nurse, Related Studies of Apprenticeship training, computer fundamentals, math fundamentals, etc. To implement distance training, instructors must be trained in the software/hardware and learn techniques and methodology unique to distance training. The demand exists for AVTEC to expand training to every area of Alaska. In addition to training AVTEC staff, programs would become available statewide for Subject Matter Experts teaching vocational programs in Alaska's secondary schools or other postsecondary technical schools with similar needs.

Results - 75 Alaskans trained and placed into jobs annually.

Major Component Accomplishments in 2005

Expanded Licensed Practical Nurse training to add 30 graduates per year to help meet demand. Increased class size from 10 to 20 and added a second class of 20.

Articulated LPN program with UAA School of Nursing Associated Degree of Nursing program. AVTEC graduates receive credit for the first year of their two-year degree to become registered nurses.

Partnered with Alaska Maritime Pride to develop and deliver customized apprenticeship deck, engineering, and steward training. Put 6 Alaskans on tankers this year.

Started work on the first maritime specific firefighting training simulator in Alaska in partnership with the City of Seward and Alaska Fire Service.

Developed and delivered the only maritime Tankerman training program in Alaska in partnership with Crowley Marine. Certified 10 Alaskan mariners.

Established the Alaska Culinary Academy to train students in culinary arts. The AVTEC program is the only American Culinary Federation accredited program in Alaska.

Partnered with North Pacific Rim Housing Authority to use AVTEC's Facility Maintenance Construction training program students to build a house per year for the next five years. Graduates will apprentice with Pacific Rim to maintain properties owned throughout their region.

Statutory and Regulatory Authority

Statutory Authority:

AS 14.07.020
AS 44.27.020(1)
AS 37.07.020(e)

Provide Post Secondary Vocational Technical Education
Administer Post Secondary Vocational Technical Education
Propose Budget for Facility Operations, Maintenance, Repairs, and Renewals/Replacements

Contact Information
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**Alaska Vocational Technical Center
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,232.9	4,744.9	6,116.4
72000 Travel	40.9	46.7	74.7
73000 Services	1,899.5	2,030.9	2,540.1
74000 Commodities	1,013.0	846.2	1,205.0
75000 Capital Outlay	49.0	41.5	41.5
77000 Grants, Benefits	257.3	347.0	347.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,492.6	8,057.2	10,324.7
Funding Sources:			
1002 Federal Receipts	248.5	450.0	450.0
1004 General Fund Receipts	2,998.8	3,481.5	5,548.2
1007 Inter-Agency Receipts	815.0	705.6	705.6
1108 Statutory Designated Program Receipts	35.9	0.0	0.0
1151 Technical Vocational Education Program Account	1,413.1	1,129.0	1,152.8
1156 Receipt Supported Services	1,981.3	2,291.1	2,468.1
Funding Totals	7,492.6	8,057.2	10,324.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
Technical Vocational Education Program	51433	1,413.1	1,129.0	1,152.8
Unrestricted Total		1,413.1	1,129.0	1,152.8
Restricted Revenues				
Federal Receipts	51010	248.5	450.0	450.0
Interagency Receipts	51015	815.0	705.6	705.6
Statutory Designated Program Receipts	51063	35.9	0.0	0.0
Receipt Supported Services	51073	1,981.3	2,291.1	2,468.1
Restricted Total		3,080.7	3,446.7	3,623.7
Total Estimated Revenues		4,493.8	4,575.7	4,776.5

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	3,481.5	450.0	4,125.7	8,057.2
Adjustments which will continue current level of service:				
-FY 06 Wage and Health Insurance Increase for AVTEC Teachers Association Contract	166.7	0.0	0.0	166.7
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	69.2	0.0	0.0	69.2
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	12.6	0.0	0.0	12.6
-FY 07 Retirement Systems Cost Increase	180.8	0.0	0.0	180.8
Proposed budget increases:				
-Instructor Training Professional Development and Curriculum Coordinator, 1 PFT PCN 07-037	77.0	0.0	8.0	85.0
-Pipe Welding Program Expansion to Meet Employment Demands, 2 PFT PCNs 07-038 AND 07-039	280.0	0.0	31.0	311.0
-Maritime Program Expansion to Meet Industry Needs, 3 PFT PCNs 07-040, 07-041 and 07-042	518.0	0.0	58.0	576.0
-Allied Health Program Expansion to Meet Industry Needs, 2 PFT PCNs 07-043 and 07-044	208.0	0.0	23.0	231.0
-Commercial Driver's License Program to Meet Employability Demands, 1 PFT PCN 07-045	183.0	0.0	20.0	203.0
-Facility Maintenance/Construction Trades Program Expansion to Meet Industry Demands, 2 PFT PCNs 07-046 & 07-047	256.0	0.0	28.0	284.0
-Distance Training Coordinator and Instructor for Statewide Training, 1 PFT PCN 07-048	84.0	0.0	9.0	93.0
-Alaska Technical Vocational Education Program Authorization to Align with Projected Revenues	0.0	0.0	23.8	23.8
-Risk Management Self-Insurance Funding Increase	31.4	0.0	0.0	31.4
FY2007 Governor	5,548.2	450.0	4,326.5	10,324.7

**Alaska Vocational Technical Center
Personal Services Information**

Authorized Positions		Personal Services Costs		
<u>FY2006</u>				
<u>Management</u>		<u>FY2007</u>		
<u>Plan</u>		<u>Governor</u>		
			Annual Salaries	4,110,420
Full-time	15	28	COLA	73,309
Part-time	55	54	Premium Pay	32,954
Nonpermanent	2	2	Annual Benefits	2,221,526
			<i>Less 5.00% Vacancy Factor</i>	(321,809)
			Lump Sum Premium Pay	0
Totals	72	84	Total Personal Services	6,116,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	0	1	1
Accounting Clerk II	0	0	0	1	1
Accounting Tech II	0	0	0	1	1
Administrative Assistant	0	0	0	1	1
Administrative Clerk II	0	0	0	2	2
Asst.Dir.Instruction & Housing	0	0	0	1	1
Business Svcs Administrator	0	0	0	1	1
Department Head - AVTEC	1	0	0	8	9
Division Director	0	0	0	1	1
Dormitory Attendant	0	0	0	4	4
Education Assoc III	0	0	0	1	1
Education Prog Assistant	1	0	0	3	4
Food Service Journey	0	0	0	3	3
Food Service Lead	0	0	0	1	1
Food Service Sub Journey	0	0	0	2	2
Instructors Aide II	0	0	0	6	6
Micro/Network Tech II	0	0	0	1	1
Recreation Assistant	0	0	0	1	1
Student Worker	0	0	0	1	1
Sub Teacher - AVTEC	0	0	0	1	1
Supply Technician II	0	0	0	1	1
Teacher - AVTEC	8	0	0	31	39
Work Force Dev Spec I	0	0	0	1	1
Totals	10	0	0	74	84