

State of Alaska FY2009 Governor's Operating Budget

Department of Labor and Workforce Development Workforce Investment Board Component Budget Summary

Component: Workforce Investment Board

Contribution to Department's Mission

This component contributes to the department's mission by supporting the Alaska Workforce Investment Board's efforts to forge partnerships with employers to optimize employment and training resources.

Core Services

The component provides staff to the Alaska Workforce Investment Board (AWIB), which is responsible for the oversight and continuous improvement of the federal, state, and local partnerships that implement the workforce investment system, including programs under the Workforce Investment Act (WIA), State Training and Employment Program (STEP), and the Denali Training Fund (DTF).

The board advises the governor, legislature, state and local agencies, the University of Alaska, and other entities on matters regarding human resources training and investments. Additionally, the AWIB develops the statewide workforce investment policy framework and drives coordination and collaboration among programs and agencies. Evaluation of the investment of federal and state funds and training program performance is a key element of the AWIB's duties. The board reports annually to the governor and legislature.

Staff to the business-led board provides research and support to committees and the Youth Council. Staff research emerging priorities and best practices from across the state and around the nation. Through the development of innovative projects and system building initiatives, the board and staff work closely to ensure the various federal, state, local and private resources are invested in the priority industries and emerging markets that drive Alaska's economic growth.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$534,900	Personnel:	
	Full time	4
	Part time	0
	Total	4

Key Component Challenges

The Alaska Workforce Investment Board is carefully monitoring the congressional reauthorization of the federal Workforce Investment Act. Potential changes to performance measures, youth program design, One-Stop partners, and other program integration and alignments could be detrimental to Alaska's program.

As a private sector led advisory body for the governor the AWIB is striving to increase the involvement of business and industry employers in developing Alaska's workforce investment system. Through further regional integration of workforce and economic development partners, the AWIB will continue to play an integral role in advancing the competitiveness of Alaska's workers.

Improving coordination and communication between the AWIB and representatives of regional areas with an emphasis on economic growth is integral to fulfilling the governor's workforce vision. This includes working with communities in establishing regional advisory councils and engaging with the current endorsed regional advisory councils.

Challenges in the Alaska workforce include: an aging workforce, a highly competitive market for workers, the complexity of attracting young workers, a shallow pool of available, skilled workers from which to draw, thousands of projected new

jobs in the future, and historical reliance on a transient workforce, of which approximately 20 percent are nonresident workers.

The AWIB maintains a comprehensive vision focused on developing a workforce system to meet these challenges and that is useful, accessible and understandable to all of the system's customers.

The AWIB intends to highlight the full range of workforce development, education and training investments in Alaska, promoting coordinated investment strategies through rigorous evaluation and technical assistance.

Significant Changes in Results to be Delivered in FY2009

Five principles for workforce development have been adopted. They are: forming partnerships, leveraging resources, developing sustainable activities, designing innovative programs and focusing on outcomes. Forming effective workforce development partnerships and leveraging resources as a means of sustaining effective programs is of paramount importance.

The Alaska Workforce Investment Board and Division of Business Partnerships staff will focus on better coordination of resources between this department, the Departments of Commerce and Economic Development, Education and Early Development and Health and Social Services in the pursuit of an improved quality of life for all Alaskans.

The Alaska Workforce Investment Board and the Division of Business Partnerships will focus on better coordination of regional, local and internal resources and help to leverage and assess statutorily mandated resource allocations.

Major Component Accomplishments in 2007

The AWIB annually establishes priority industries to target for employment training and investment. The priority industries list is instrumental in shaping grant award determinations and in the development of the University of Alaska's budget. In FY07 the priorities were: healthcare, tourism, transportation, construction, information technology, resource development, seafood processing and education.

The AWIB has successfully realigned the Youth Council, in accordance with the requirements of the Workforce Investment Act, to address the needs of the most critical population of Alaska's developing workforce.

The AWIB set a new course in workforce development when it issued a resolution promoting the Alaska Work Ready/College Ready Initiative and endorsed the Departments of Labor and Workforce Development and Education and Early Development collaboration around this initiative. The initiative will connect youth with careers.

Statutory and Regulatory Authority

Federal Authority:

Public Law 104-193	Personal Responsibility and Work Opportunity Reconciliation Act of 1995
Public Law 105-33	Balanced Budget Act of 1997
Public Law 105-220	Workforce Investment Act of 1998
Title III of Public Law 105-227	Denali Commission Act of 1998
20 CFR parts 660-671	WIA Title 1b Regulations
29 CFR part 37	EEO Regulations

Statutory Authority:

AS 23.15.550 - .850	Alaska Workforce Investment Board
AS 23.20	Alaska Employment Security Act
AS 44.31	Department of Labor and Workforce Development

Administrative Regulations:

8 AAC 84	Alaska Human Resource Investment Council
8 AAC 85	Employment Security
8 AAC 86	State Technical and Vocational Education Program
8 AAC 87-89	State Training and Employment Program

Admin Order #113 Alaska Job Training Coordinating Council - Employment and training of Alaska's workforce

Admin Order #182 Designating the AHRIC (now AWIB) as state workforce investment board as required by the Workforce Investment Act of 1998; establishing two local workforce investment areas and boards; and designating the Alaska Job Center Network as the state's one-stop career system.

Admin Order #205 Establishes the Division of Business Partnerships

Admin Order #210 Designates the State of Alaska as a single state workforce investment area, the Alaska Workforce Investment Board as the state's sole workforce investment board and changes Admin Order #205 to modify the reorganization of this department.

Contact Information
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**Workforce Investment Board
Component Financial Summary**

All dollars shown in thousands

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	309.8	411.8	346.4
72000 Travel	37.3	80.1	80.1
73000 Services	93.1	105.0	101.4
74000 Commodities	17.1	7.0	7.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	457.3	603.9	534.9
Funding Sources:			
1004 General Fund Receipts	1.8	3.1	3.2
1007 Inter-Agency Receipts	455.5	600.8	531.7
Funding Totals	457.3	603.9	534.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	455.5	600.8	531.7
Restricted Total		455.5	600.8	531.7
Total Estimated Revenues		455.5	600.8	531.7

**Summary of Component Budget Changes
From FY2008 Management Plan to FY2009 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	3.1	0.0	600.8	603.9
Adjustments which will continue current level of service:				
-FY 09 Health Insurance Increases for Exempt Employees	0.0	0.0	0.2	0.2
-FY 09 Bargaining Unit Contract Terms: General Government Unit	0.1	0.0	20.6	20.7
Proposed budget decreases:				
-Delete 1 PFT and Reduce Interagency Authorization to Align with Anticipated Receipts	0.0	0.0	-89.9	-89.9
FY2009 Governor	3.2	0.0	531.7	534.9

**Workforce Investment Board
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2008</u> <u>Management</u> <u>Plan</u>	<u>FY2009</u> <u>Governor</u>		
Full-time	5	4	Annual Salaries	215,169
Part-time	0	0	COLA	13,458
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	117,815
			<i>Less 0.01% Vacancy Factor</i>	(42)
			Lump Sum Premium Pay	0
Totals	5	4	Total Personal Services	346,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Officer I	1	0	0	0	1
Executive Director	1	0	0	0	1
Project Coord	2	0	0	0	2
Totals	4	0	0	0	4