

# **State of Alaska FY2010 Governor's Operating Budget**

## **Department of Labor and Workforce Development Employment and Training Services Component Budget Summary**

## Component: Employment and Training Services

### Contribution to Department's Mission

Employment & Training Services contributes to the department's mission by connecting qualified workers with businesses to fill job openings and by upgrading skill levels of the workforce to meet current and future employers' demands.

### Core Services

- Strengthen Alaska's workforce by providing vital connections between job openings and qualified, job-ready applicants through the 23 One-Stop Job Centers located throughout the state and via the online Alaska Labor Exchange system (ALEXsys).
- Connect employers with job seekers and provide specialized employment and case management services for veterans, public assistance recipients, older workers, people with disabilities and unemployed workers.
- Provide employment assistance to job seekers to secure employment.
- Provide case management and financial assistance to job seekers who are eligible for state and federal job training programs.
- Administer employment and training federal grant programs to assist workers in advancing job opportunities.

### FY2010 Resources Allocated to Achieve Results

<b>FY2010 Component Budget: \$27,846,900</b>	<b>Personnel:</b>	
	Full time	217
	Part time	0
	<b>Total</b>	<b>217</b>

### Key Component Challenges

Reed Act federal funds will be exhausted in FY2009 resulting in a \$400.0 decrement being included in the FY2010 budget. The Employment and Training Services (ETS) component continues to provide employment and training services to an increased number of customers while operational costs continue to rise. There will be an increased reliance on information technology and web-based consumer tools to meet federal performance measures.

Under-funded or unfunded federal requirements continue to impact the ETS component in the areas of the Work Opportunity Tax Credit federal grant, business relations group work, common performance measures, Workforce Investment Streamlined Performance Reporting and result in difficulties in recruiting and retaining staff.

There has been a substantial increase in interest, usage, and traffic of ALEXsys, the online Alaska Labor Exchange system, since its implementation in April 2006. This increase in internet traffic and spikes at certain times of the day has been identified as potential causes for the system slowing down and other concerns experienced by users of the ALEXsys. The increased traffic to the department's online systems has caused a need to find solutions to address system difficulties. In addition to any system upgrades, ETS is working on needed fixes, changes, updates, and enhancements to meet state and federal performance measures as well as the needs of customer and partner agencies.

### Significant Changes in Results to be Delivered in FY2010

ETS is focusing on strengthening Alaska's workforce to meet the increased demand for skilled workers in 113 occupations related to building a natural gas pipeline. Through a collaborative effort with employers, state and

partner agencies, ETS is developing a number of strategies to not only meet the demand for these occupations but how to back fill any vacated positions as these high demand jobs are filled.

To meet a department priority to increase the number of federally registered apprenticeship programs and the number of apprentices necessitates that ETS staff spend more time meeting with employers to explain the benefits of creating a registered apprenticeship program as well as assisting them with the processes to do so. Staff will also present more pre-apprenticeship workshops for job seekers to improve their chances of being accepted into a program or hired into an apprentice position. Currently there are 75 registered apprenticeship programs in Alaska; nationally there are approximately 950 occupations that offer apprenticeships.

ETS is proactively supporting the Alaska Career Ready Program by offering access to WorkKeys assessments and a Career Readiness Certificate in nine job centers and pre-assessment courseware in all 23 job centers. We will extend access to the assessment and certificate to Nome, Kodiak, and Homer job centers in FY2010.

ETS just recently purchased licenses for Key Train pre-assessment and courseware. Coupled with the WIN product Department of Education and Early Development uses, job centers are now able to offer employability skills to all ages.

## Major Component Accomplishments in 2008

The Alaska Job Center Network, including the web-based labor exchange system, connected 31,274 Alaskans with jobs.

Staff assisted services were delivered to 66,709 job seekers, an increase of 6,326 from the prior year.

Provided job search assistance, facilities, and tools to 226,993 walk-in visitors, an increase of 22,714 from the prior year.

Registered 114,816 job seekers in the Alaska Labor Exchange system (ALEXsys), an increase of 5,251 from the prior year.

Provided career support and training services to 2,473 job workers.

Listed 64,296 job openings from employers using our services in FY2008.

ETS supported the training and credentialing of an ACT-Certified job profiler. Currently the profiler is working with the University of Alaska in a team approach to profiling.

The federal Older American Community Service Employment Program, in Alaska referred to as the Mature Alaskans Seeking Skills Training Program served 422 participants in FY2008. Of these participants, 104 obtained unsubsidized employment at an average salary of \$40,336 per year. The federal participant placement goal was set at 22%. The final placement outcome for Alaska was 48%.

## Statutory and Regulatory Authority

### Federal Authority:

Public Law 73 - 30	Wagner Peyser Act of 1933, Amended by WIA of 1998
Public Law 74 - 271	Social Security Act of 1935
Public Law 93 - 618	Trade Act of 1974
Public Law 103 - 152	Unemployment Compensation Amendments of 1993
Public Law 103 - 182	North American Free Trade Agreement of 1993
Public Law 104 - 193	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
Public Law 105 - 33	Balance Budget Act of 1997
Public Law 105 - 220	Workforce Investment Act of 1998
Public Law 106 - 170	Ticket to Work and Work Incentives Improvement Act of 1999
Public Law 106 - 501	Community Service Employment for Older Americans, as amended in 2006
Public Law 107 - 147	Job Creation and Worker Assistance Act of 2002

Public Law 107 – 210  
Public Law 107 – 288  
Public Law 108 – 311

Trade Adjustment Assistance Reform Act of 2002  
Jobs for Veterans Act of 2002  
Working Families Tax Relief Act of 2004

Statutory Authority:

AS 23.15.550 – .850

Labor & Workers' Compensation, Employment Services (Excludes DVR Sections 10-250)

AS 23.20

Alaska Employment Security Act

AS 44.31

Department of Labor and Workforce Development

Administrative Regulations:

8 AAC 85

Employment Security

8 AAC 87.010 – .180

State Training and Employment Act

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**Employment and Training Services  
Component Financial Summary**

*All dollars shown in thousands*

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	15,763.1	17,422.0	17,461.6
72000 Travel	477.4	333.2	333.2
73000 Services	3,727.5	4,136.7	4,136.7
74000 Commodities	748.5	445.0	445.0
75000 Capital Outlay	55.3	0.0	0.0
77000 Grants, Benefits	6,389.2	5,470.4	5,470.4
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>27,161.0</b>	<b>27,807.3</b>	<b>27,846.9</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	12,481.8	12,292.9	12,103.2
1003 General Fund Match	50.9	50.9	50.9
1004 General Fund Receipts	230.3	1,312.8	1,341.6
1007 Inter-Agency Receipts	13,615.1	13,054.8	13,242.3
1049 Training and Building Fund	760.0	1,035.9	1,048.9
1108 Statutory Designated Program Receipts	22.9	60.0	60.0
<b>Funding Totals</b>	<b>27,161.0</b>	<b>27,807.3</b>	<b>27,846.9</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
<b>Unrestricted Revenues</b>				
Training & Building Fund	51155	760.0	1,035.9	1,048.9
<b>Unrestricted Total</b>		<b>760.0</b>	<b>1,035.9</b>	<b>1,048.9</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	12,481.8	12,292.9	12,103.2
Interagency Receipts	51015	13,615.1	13,054.8	13,242.3
Statutory Designated Program Receipts	51063	22.9	60.0	60.0
<b>Restricted Total</b>		<b>26,119.8</b>	<b>25,407.7</b>	<b>25,405.5</b>
<b>Total Estimated Revenues</b>		<b>26,879.8</b>	<b>26,443.6</b>	<b>26,454.4</b>

**Summary of Component Budget Changes  
From FY2009 Management Plan to FY2010 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2009 Management Plan</b>	<b>1,363.7</b>	<b>12,292.9</b>	<b>14,150.7</b>	<b>27,807.3</b>
<b>Adjustments which will continue current level of service:</b>				
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	28.8	210.3	200.5	439.6
<b>Proposed budget decreases:</b>				
-Delete Federal Reed Act Authorization as the Fund Source is Fully Expended	0.0	-400.0	0.0	-400.0
<b>FY2010 Governor</b>	<b>1,392.5</b>	<b>12,103.2</b>	<b>14,351.2</b>	<b>27,846.9</b>

**Employment and Training Services  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2009 Management Plan	FY2010 Governor		
Full-time	218	217	Annual Salaries	11,615,043
Part-time	0	0	COLA	465,110
Nonpermanent	13	3	Premium Pay	0
			Annual Benefits	6,351,877
			<i>Less 5.26% Vacancy Factor</i>	(970,430)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>231</b>	<b>220</b>	<b>Total Personal Services</b>	<b>17,461,600</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
[No valid job title]	2	0	0	0	2
Accountant III	0	0	1	0	1
Accounting Spvr II	0	0	1	0	1
Accounting Tech II	0	0	1	0	1
Accounting Tech III	0	0	1	0	1
Admin Asst III	1	0	0	0	1
Admin Operations Mgr II	0	0	1	0	1
Administrative Assistant I	0	0	1	1	2
Administrative Assistant II	2	1	4	0	7
Administrative Clerk III	1	1	0	0	2
Asst Dir Employ Security	0	0	2	0	2
College Intern I	0	0	0	1	1
Community Devel Spec I	0	0	1	1	2
Community Devel Spec II	6	6	0	11	23
Community Devel Spec III	2	1	2	3	8
Division Director	0	0	1	0	1
Employ Counselor II	3	2	1	5	11
Employ Sec Analyst I	0	0	2	0	2
Employ Sec Analyst II	0	0	7	0	7
Employ Sec Analyst III	0	0	3	0	3
Employ Sec Spec IA	8	3	4	13	28
Employ Sec Spec IB	23	9	3	28	63
Employ Sec Spec II	6	1	0	9	16
Employ Sec Spec III	1	0	0	2	3
Employ Sec Spec IV	1	2	0	1	4
Employment Service Manager II	0	0	1	2	3
Employment Service Mgr I	1	0	0	7	8
Employment Service Mgr III	2	0	0	1	3
Employment Service Mgr IV	1	1	1	2	5
Micro/Network Tech I	1	0	0	0	1
Policy and Program Specialist	0	0	1	0	1
Prog Coordinator	0	0	4	0	4
Training Specialist II	1	0	0	0	1
Work Force Dev Spec I	0	0	0	1	1
<b>Totals</b>	<b>62</b>	<b>27</b>	<b>43</b>	<b>88</b>	<b>220</b>

