

State of Alaska FY2010 Governor's Operating Budget

Department of Labor and Workforce Development Wage and Hour Administration Component Budget Summary

Component: Wage and Hour Administration

Contribution to Department's Mission

The Wage and Hour component contributes to the department's mission of promoting full employment by providing legal employment conditions and reduces workplace injuries, fatalities and illnesses by providing safe and legal work environments for children.

Core Services

- Ensure employees are paid for wages earned.
- Ensure safe and legal work environments for children.
- Ensure employment preference and prevailing wage law compliance on public construction projects.
- Promote voluntary compliance with laws covering employee wages and conditions of employment, prevailing wages, child labor and Alaska resident hire requirements.
- Enforce Alaska vehicle registration requirements under AS 28.10.121 on public construction projects as a method to focus attention on and improve Alaska resident hire

Major Activities to Advance Strategies

- Conduct on-site inspections at public construction projects to enforce resident hire and prevailing wage requirements.
- Review wage claim caseloads and redistribute cases to promote claim-handling efficiency.
- Audit certified payrolls to ensure compliance with Alaska's resident hire law.
- Conduct on-site inspections and briefings to achieve child labor law compliance.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$2,128,400

Personnel:	
Full time	23
Part time	0
Total	23

Key Component Challenges

Wage and Hour Administration checks project worksites to ensure that information collected on certified payrolls is accurate and to verify compliance with Alaska resident requirements. Current staff are unable to effectively inspect project sites due to workload increases over the past several years. Public construction capital projects have increased by 23% since FY 2003 and the percentage of projects that actually receive a site inspection is currently 18.7%. This leaves significant room for violations with minimal risk of being exposed.

Significant Changes in Results to be Delivered in FY2010

No significant changes to results are anticipated.

Major Component Accomplishments in 2008

Wage and Hour staff collected over \$ 1,085,249.90 in wages, penalties and interest owed to Alaskan workers.

The ratio for Alaska Employment Preference Act violations to on-site inspections is 3% in FY2008. This is a 66% reduction compared to last year, exceeding the 20% target.

Wage and Hour staff monitored over 4,698 public construction projects for prevailing wage enforcement and over 3,252 projects for employment preference compliance.

Wage and Hour ensured that youth workers were employed in safe working conditions by certifying work permits for more than 12,700 workers under the age of 17 and provided briefings and other information on child labor, prevailing wage, and wage claim programs to over 34,900 businesses and individuals.

Statutory and Regulatory Authority

Statutory Authority:

AS 04.16.049	Access of persons under 21 to licensed premises
AS 08.18.010 - .171	Construction Contractors
AS 11.66.300	Minor presence prohibited at Adult Entertainment Business
AS 22.15.040	Small Claims Court Cases
AS 22.15.120	Magistrate Authority
AS 23.05.010 - .340	Administration and Wage Claims
AS 23.10.015 - .045	Wage Payment
AS 23.10.050 - .150	Alaska Wage and Hour Act
AS 23.10.325 - .370	Employment of Children
AS 23.10.375 - .400	Return Transportation
AS 23.10.430	Access to Personnel Files
AS 23.10.500 - .550	Alaska Family Medical Leave Act
AS 23.15.330 - .520	Employment Agencies
AS 28.10.121, .171, .451, and .461	Vehicle Registration
AS 36.05.010 - .110	Public Contracts
AS 36.10.005 - .990	Employment Preference
AS 36.95.010	Public Contracts/Definitions
AS 44.25.040	Security for wage and payment for raw fish

Administrative Regulations:

8 AAC 05.010 - .900	Child Labor
8 AAC 10.010 - .915	Private Employment Agencies
8 AAC 15.010 - .910	Wages and Hours
8 AAC 20.010 - .030	Transportation of Employees
8 AAC 25.010 - .030	Payment of Wages
8 AAC 27.010 - .900	Fish Processors & Buyers
8 AAC 30.010 - .920	Public Contracts
12 AAC 21.010 - .300	Construction Contractors

Federal Regulations:

(Federal Regulations are adopted by reference under AS 23.10.095)

29 CFR 516.2 – 516.6	Overtime Pay
29 CFR 531.3 – 531.5 & 531.29 – 531.35	Board and Lodging
29 CFR 541.118 & .313	Salary Basis and Fee Basis
29 CFR 541.303	Computer Related Occupations
29 CFR 541.314	Exception for physicians, lawyers, and teachers
29 CFR 778.111	Pieceworker
29 CFR 778.115 - .122	Computation of Overtime
29 CFR 778.208 - .215	Bonuses
29 CFR 778.301 - .302	Workweek
29 CFR 785.11 - .48	Hours Worked

Contact Information

Contact: Grey Mitchell, Director
Phone: (907) 465-4855
Fax: (907) 465-6012
E-mail: grey.mitchell@alaska.gov

**Wage and Hour Administration
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,534.4	1,680.4	1,723.2
72000 Travel	56.2	46.4	46.4
73000 Services	345.8	334.3	334.3
74000 Commodities	47.7	24.5	24.5
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	1,984.1	2,085.6	2,128.4
Funding Sources:			
1004 General Fund Receipts	1,500.7	1,588.8	1,619.0
1007 Inter-Agency Receipts	483.4	496.8	509.4
Funding Totals	1,984.1	2,085.6	2,128.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	483.4	496.8	509.4
Restricted Total		483.4	496.8	509.4
Total Estimated Revenues		483.4	496.8	509.4

**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>
FY2009 Management Plan	1,588.8	0.0	496.8	2,085.6
Adjustments which will continue current level of service:				
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	30.2	0.0	12.6	42.8
FY2010 Governor	1,619.0	0.0	509.4	2,128.4

**Wage and Hour Administration
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	23	23	Annual Salaries	1,107,871
Part-time	0	0	COLA	44,430
Nonpermanent	1	0	Premium Pay	0
			Annual Benefits	634,926
			<i>Less 3.58% Vacancy Factor</i>	<i>(64,027)</i>
			Lump Sum Premium Pay	0
Totals	24	23	Total Personal Services	1,723,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Administrative Clerk III	2	1	1	0	4
Administrative Supervisor	1	0	0	0	1
Wage Hour Invest I	7	2	2	0	11
Wage Hour Invest II	0	1	1	0	2
Wage Hour Invest III	1	0	0	0	1
Wage-Hour Technician	1	1	1	0	3
Totals	13	5	5	0	23