

# **State of Alaska FY2011 Governor's Operating Budget**

## **Department of Labor and Workforce Development Southwest Alaska Vocational and Education Center Operations Grant Component Budget Summary**

**Component: Southwest Alaska Vocational and Education Center Operations Grant**

## **Contribution to Department's Mission**

The Southwest Alaska Vocational and Education Center Operations Grant component contributes to the mission of the department by providing market driven vocational and technical training in rural Alaska and by creating an environment that promotes commitment to education and career opportunities.

This is a pass-through grant. The department has no authority over the management of the program.

## **Core Services**

- The Southwest Alaska Vocational and Education Center (SAVEC) located on the King Salmon Air Force Base provides a variety of occupational courses and programs that lead toward work based certifications and high-demand & high-wage employment.
- SAVEC is a Rapid Response Center for business, industry, and communities who need their workforce trained. The Center provides custom-designed training, distance delivery courses, workshops, seminars, certification courses, and programs that lead towards immediate employment for industries and communities within the region.
- Working with a variety of training partners, SAVEC's areas of specialization include Heavy Equipment Operators Training, General Maintenance Technicians, Pre-Apprenticeship Training, Driver's License, Commercial Driver's License, Construction, Hazwopper 40 & 8 hour courses, First Aid/CPR, North Slope Training Cooperative Certification, Welding, OSHA 10 with Forklift Certification and more.
- SAVEC's facility is one of the most advanced classroom technology centers in the state featuring Smart Board technology in every classroom, Distance Delivery to include Video/Audio/Smart Board, Wireless Networking, and Multi-Media Technology. The Center can house 30 students and 2 instructors in its modern dormitories.
- Business, industry, schools, local and state agencies and organizations also utilize the facility as a training center. In the prior year more than 14 entities such as the Lake & Peninsula School District, Bristol Bay Housing Authority, Lake & Peninsula & Bristol Bay Boroughs, CH2M Hill, Pebble Partnership, University of Alaska and Bristol Bay Native Association have used the SAVEC facility.

## **Key Component Challenges**

In FY2011 SAVEC will receive additional funding of \$28.7 from the Alaska Technical and Vocational Education Program (TVEP) account based on the statutory distribution formula.

SAVEC continues to seek a steady source of operational funding to provide structured courses and programs. Although the TVEP/General Fund helps offset a basic portion of the school's overhead costs (utilities, basic administrative & staff salaries, and building maintenance,) it does not provide for basic instruction. SAVEC has no faculty or instructional staff and the majority of its trainings are funded through small state and Denali grants. As Alaska continues to promote Career Pathways for K-14 students, SAVEC will need instructional funding to hire qualified faculty to prepare its workforce to step into high-demand and high-wage jobs. SAVEC's largest challenge is to train the region's citizens for long-term careers versus seasonal work.

For FY2010, SAVEC received \$478.4 from the TVEP and State General Fund. These two state funds are critical for our school's survival since both help offset basic operational costs for SAVEC. SAVEC's largest challenge is to prepare the region's workforce for 'careers' in Alaska. Implementing Career Pathways will require additional funding to hire full-time faculty and staff. Our goal is to train Alaskans to accept Alaska jobs; however, additional funding is needed to take it to the next level of educational and career development. SAVEC's FY2011 operational fund need is for \$584.8. This funding would allow SAVEC to hire one full-time faculty member and a Business Office/Grant's Manager.

SAVEC has been growing rapidly within the last four years in response to business, industry, and community training needs. State and federal grant agencies have increased their reporting requirements putting a serious strain on SAVEC's small staff of four: Executive Director, Instructional Operation's Manager, Administrative Assistant, and Building Maintenance Technician.

## Significant Changes in Results to be Delivered in FY2011

SAVEC has been establishing partnerships, and planning and implementing strategies toward expanding the breadth of instructional opportunities to Southwest Alaska residents through distance education. Its partnerships with the Alaska Vocational Technical Education Center's Connect Education Partnership and the University is helping lay the foundation to promote Career Pathways through a series of distance delivered educational programming. SAVEC now hosts Alaska's only on-line Driver's Education Course through this methodology.

Through distance education instruction, SAVEC can provide educational opportunities from a host of sites to our region's citizens while promoting Career Pathways. SAVEC is capable of hosting instructional courses from a variety of training partners to include the University of Alaska, AVTEC, Mat-Su Borough School District, business/industry, and more. Distance education will increase the breadth of educational opportunities, reduce costs, and further promote career development.

## Major Component Accomplishments in 2009

Since April 2006, SAVEC has trained over 900 students with the assistance of the funds from their Federal Earmark Grant, General Funds, and Alaska's TVEP Grant. As a result, SAVEC has realized self-sustainability for the last two fiscal years for the first time since SAVEC began training in 2002.

SAVEC continues its partnership with Alaska Works Partnership to deliver instruction for the Youth Construction Academies, heavy equipment operators, plumbing, electrical, construction, welding and painting/drywall classes. SAVEC continues to work to establish a driving program to provide Alaska's future workforce with a driver's license, CDL and onto heavy equipment training. Recently eight students received their Alaska Driver's License during SAVEC's Heavy Equipment Operators Training.

SAVEC continues to provide a partnership welding lab at the local Bristol Bay Borough High School. In FY2009 one of our business partners, Weld Air Alaska, flew 5 new ultra modern pieces of welding equipment to King Salmon to hold an 'Aluminum Showcase' for the welding students during school time as well as community members in the evening. The welding partnership program could be expanded and offered to other school districts in Southwest Alaska with additional funding.

## Statutory and Regulatory Authority

Statutory Authority:  
AS 23.15.830

Alaska Technical and Vocational Education Program Account

Contact Information
<p><b>Contact:</b> Eldon Davidson, Executive Director <b>Phone:</b> (907) 246-4600 <b>Fax:</b> (907) 246-4607 <b>E-mail:</b> eldon@savec.org</p>

**Southwest Alaska Vocational and Education Center Operations Grant  
Component Financial Summary**

*All dollars shown in thousands*

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	478.4	478.4	507.1
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>478.4</b>	<b>478.4</b>	<b>507.1</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	195.0	195.0	195.0
1151 Technical Vocational Education Program Account	283.4	283.4	312.1
<b>Funding Totals</b>	<b>478.4</b>	<b>478.4</b>	<b>507.1</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Authorized	FY2011 Governor
<b>Unrestricted Revenues</b>						
Technical Vocational Education Program	51433	283.4	0.0	0.0	283.4	312.1
<b>Unrestricted Total</b>		<b>283.4</b>	<b>0.0</b>	<b>0.0</b>	<b>283.4</b>	<b>312.1</b>
<b>Restricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Restricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Estimated Revenues</b>		<b>283.4</b>	<b>0.0</b>	<b>0.0</b>	<b>283.4</b>	<b>312.1</b>

**Summary of Component Budget Changes  
From FY2010 Management Plan to FY2011 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2010 Management Plan</b>	<b>195.0</b>	<b>0.0</b>	<b>283.4</b>	<b>478.4</b>
<b>Proposed budget increases:</b>				
-Increase Alaska Technical Vocational Education Program Authorization to Align with Available Revenue	0.0	0.0	28.7	28.7
<b>FY2011 Governor</b>	<b>195.0</b>	<b>0.0</b>	<b>312.1</b>	<b>507.1</b>

**Component Detail All Funds**  
**Department of Labor and Workforce Development**

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**RDU:** Business Partnerships (481)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	478.4	478.4	478.4	478.4	507.1	28.7	6.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>478.4</b>	<b>478.4</b>	<b>478.4</b>	<b>478.4</b>	<b>507.1</b>	<b>28.7</b>	<b>6.0%</b>
<b>Fund Sources:</b>							
1004 Gen Fund	195.0	195.0	195.0	195.0	195.0	0.0	0.0%
1151 VoTech Ed	283.4	283.4	283.4	283.4	312.1	28.7	10.1%
<b>General Funds</b>	<b>195.0</b>	<b>195.0</b>	<b>195.0</b>	<b>195.0</b>	<b>195.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>283.4</b>	<b>283.4</b>	<b>283.4</b>	<b>283.4</b>	<b>312.1</b>	<b>28.7</b>	<b>10.1%</b>
<b>Positions:</b>							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Labor and Workforce Development**

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)

**RDU:** Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP	
										PFT	PPT		
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****													
<b>FY2010 Conference Committee</b>													
	ConfCom	478.4	0.0	0.0	0.0	0.0	0.0	0.0	478.4	0.0	0	0	0
1004 Gen Fund		195.0											
1151 VoTech Ed		283.4											
<b>Subtotal</b>		<b>478.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>478.4</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2010 Authorized To FY2010 Management Plan *****													
<b>Subtotal</b>		<b>478.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>478.4</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2010 Management Plan To FY2011 Governor *****													
<b>Increase Alaska Technical Vocational Education Program Authorization to Align with Available Revenue</b>													
	Inc	28.7	0.0	0.0	0.0	0.0	0.0	0.0	28.7	0.0	0	0	0
1151 VoTech Ed		28.7											

For FY11, the estimated receipts of the Alaska Technical and Vocational Education Program account, including the carryforward amount, available for distribution is \$10,403.8 of which 3% is allocated by a legislative act (Ch 47, SLA 2008) to the Southwest Alaska Vocational and Education Center. This amounts to \$312.1 and this transaction increases component authorization from \$283.4 to that level.

FY11 TVEP Funding Distribution (in thousands)  
Distributed per HB 2 (Ch 47, SLA 2008)

FY10 Est Ending Bal:	1,400.1
FY11 Est Revenue:	9,750.0
Less Reserve:	(250.0)
Net Available	10,900.1

Entity	FY10 Auth	FY11	Auth Change
Revenue Collection Costs (DOLWD)	367.8	367.8	0.0
Grants Administration and Reporting (DOLWD)	128.5	128.5	0.0
University of Alaska (45%)	4,251.2	4,681.7	430.5
Univ of AK Southeast (5%)	472.4	520.2	47.8
Galena (DEED) (4%)	377.9	416.2	38.3
Kotzebue (DOLWD) (9%)	850.2	936.3	86.1
AVTEC (DOLWD) (17%)	1,606.0	1,768.6	162.6
NACTEC (DOLWD) (3%)	283.4	312.1	28.7
SAVEC (DOLWD) (3%)	283.4	312.1	28.7
Yuut (DOLWD) (9%)	850.2	936.3	86.1

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Labor and Workforce Development**

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)

**RDU:** Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions			
										PFT	PPT	NP	
Delta (DOLWD) (3%)			283.4	312.1	28.7								
New Frontier (DOLWD) (2%)			188.9	208.1	19.2								
Total			9,943.3	10,900.1	956.8								
Note: Due to the use of revenue projections to determine the annual appropriation amount, actual receipts may be higher or lower than budgeted authorization. To accommodate revenue shortfalls a reserve of 250.0 is maintained.													
	<b>Totals</b>	<b>507.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>507.1</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Line Item Detail**  
**Department of Labor and Workforce Development**  
**Grants, Benefits**

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**RDU:** Business Partnerships (481)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000	Grants, Benefits		478.4	478.4	507.1
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>77000 Grants, Benefits Detail Totals</b>			<b>478.4</b>	<b>478.4</b>	<b>507.1</b>
77435	Development	Operations grant for the Southwest Alaska Vocational and Educational Center.	478.4	478.4	507.1

**Unrestricted Revenue Detail**  
**Department of Labor and Workforce Development**

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**RDU:** Business Partnerships (481)

Master Account	Revenue Description	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51433	Technical Vocational Education Program	283.4	283.4	312.1

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51433	Technical Vocational Education Program		AR 28650	11166	283.4	283.4	312.1

This funding is authorized through AS 23.15.840 and provides resources to support technical and vocational training programs to Alaska residents.

These funds are used by the Southwest Alaska Vocational and Education Center to upgrade instructional materials and equipment, provide program enhancement, and to develop the capacity to support industry specific training programs in order to address critical areas where there is a shortage of trained workers in the state.