

# **State of Alaska FY2013 Governor's Operating Budget**

## **Department of Labor and Workforce Development Alaska Vocational Technical Center Results Delivery Unit Budget Summary**

**Alaska Vocational Technical Center Results Delivery Unit**

**Contribution to Department's Mission**

The Alaska Vocational Technical Center's mission is to provide market-driven vocational and technical training to prepare state residents for jobs that are Alaska's future.

**Core Services**

- Provide post-secondary vocational technical education programs for Alaskans across the state.

**Results at a Glance**

(Additional performance information is available on the web at <http://omb.alaska.gov/results.>)

**End Result A: Maximize the return on investment for training resources.**

Target #1: At least 90 percent of Alaska Vocational Technical Center long-term graduates are employed in their area of training.

Status #1: Alaska Vocational Technical Center's (AVTEC) percentage of long-term graduates employed in their area of training has been at or above the 90 percent target since FY2001, with a drop to 85 percent in FY2009. Placement data for FY2010 will be available in January 2012.

**Strategy A1: Meet or exceed the federal Council on Occupational Education benchmark for students that complete long-term training programs.**

Target #1: At least 77 percent of Alaska Vocational Technical Center students in long-term programs (longer than six weeks) graduate.

Status #1: In FY2011, AVTEC attained a record high percentage of long-term (longer than six weeks) students who graduated at 89 percent (307 of 346). AVTEC has met or exceeded the target of 77 percent since FY2001. The national average graduation rate is 72 percent.

**Key RDU Challenges**

The Alaska Vocational Technical Center (AVTEC) provides postsecondary technical and vocational training to students from all areas of Alaska. Several of AVTEC's teaching, support and housing facilities are at the end of their useful life and have life and safety and Americans with Disabilities Act (ADA) issues that require either substantial remediation or replacement.

- AVTEC has an existing 120-bed dormitory facility that is 35 years-old and has several ADA and life and safety deficiencies. Recent foundation settling has broken water and sewer lines causing portions of the dormitory to be closed, students shuffled to other parts of the dormitory, and a reduction in housing capacity and revenue to operate the school. Students request and have a right to expect quality housing at a reasonable cost. The condition of AVTEC's existing dormitory fails to meet any reasonable definition of quality.
- The AVTEC Heavy Equipment/Diesel Technology program currently produces 30 trained Alaskans per year that are highly sought after by the mining, construction, oil/gas, and transportation industries for employment. With a nearly 100 percent job placement rate this program is a stellar performer in preparing Alaska residents for good wage jobs with an opportunity for advancement. The building housing this program is inadequate with ADA, life and safety deficiencies and due to a failing roof structure cannot be upgraded.
- AVTEC's First Lake Facility is a 55 year old 30,000 square foot building. Due to its age, the facility has several deficiencies that impact the level of services provided by AVTEC to its students. Upgrading environmental and electrical systems is necessary to bring it into compliance with current codes. Significant energy efficiency (estimated at a 20 percent savings) could be realized through the replacement of outdated boilers and water heaters. This facility would also greatly benefit from ventilation improvements.

AVTEC faces the ongoing challenge of meeting the existing demand for in-state training needs of Alaska's employers. Demand for AVTEC graduates is growing and our capability should expand to meet the anticipated needs of industry in support of projects such as the Alaska Gas Pipeline and other natural resource extraction and production projects.

Having qualified staff to maintain a reliable and extensive computer infrastructure to support training programs and staff is an ongoing and growing challenge for AVTEC. AVTEC uses multiple networked servers and systems to connect and support five geographically separated campuses in Seward and a campus in Anchorage utilizing hundreds of computers connected inside and outside the state firewall to support students, staff, programs, and processes. Alaskans attending AVTEC need access to training resources that are becoming available through online systems.

### **Significant Changes in Results to be Delivered in FY2013**

AVTEC will be able to continue to provide Health Safety Environment (HSE) training services for more than 100 Alaskans per year. Training will provide HSE certifications for students and expanded safety management training highly valued by Alaskan industry. An HSE program will provide students with practical applications and allow AVTEC to remain compliant with state and federal OSHA requirements that create a safe environment for students and staff.

Alaskans will have greater access to AVTEC information online. Alaskans attending AVTEC will have improved access to training resources that are becoming available through online systems. Record keeping will be more accurate, timely, and accessible.

### **Major RDU Accomplishments in 2011**

During FY2011, AVTEC:

- Trained 1,464 students in FY2011 and achieved a record high graduation rate of 89 percent for long-term students (longer than six weeks). The national graduation average is 72 percent. Of those graduating in FY2010, 90 percent have been hired into training-related employment. This employment rate is tracked for one year after graduation, so the percentage of hired-into-training-related employment for FY2011 is still in progress. The national employment-in-the-area-of-training average is 79 percent.
- Erected a 130 foot 100 kilowatt wind turbine on the Seward Applied Technology campus to train power plant operators from rural Alaska communities on operations and maintenance in renewable energy sources. Over 40 Alaskans were trained in alternative energy integration, operations, and maintenance.
- Completed and opened the new Alaska Culinary Academy funded by an Alaska capital appropriation, allowing Alaska's only nationally accredited culinary academy to continue to train 50 Alaskans in the hospitality industry.
- Was awarded a Health Professions Opportunity grant from the Cook Inlet Tribal Council (CITC) to establish and deliver a health care worker training program in Anchorage to help meet the continued need for qualified health care workers in Alaska. The Health Professional Opportunity grant is a 5-year \$7,591.2 federal grant to promote welfare-to-work for Alaska Natives. AVTEC hired two new instructors and expanded its training facilities in Anchorage. The CITC grant includes funding for additional space in Anchorage to co-locate the existing Certified Nurse Assistant and Licensed Practical Nurse programs with a Registered Nurse program and Medical Coding & Billing program.

**Contact Information**

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**Alaska Vocational Technical Center  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2011 Actuals				FY2012 Management Plan				FY2013 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
AVTEC	9,544.6	2,148.7	596.6	12,289.9	10,322.4	1,710.6	1,501.7	13,534.7	10,905.6	1,813.1	1,502.9	14,221.6
AVTEC Facilities Maintenance	0.0	1,750.1	0.0	1,750.1	0.0	1,707.9	0.0	1,707.9	0.0	1,842.8	0.0	1,842.8
<b>Totals</b>	<b>9,544.6</b>	<b>3,898.8</b>	<b>596.6</b>	<b>14,040.0</b>	<b>10,322.4</b>	<b>3,418.5</b>	<b>1,501.7</b>	<b>15,242.6</b>	<b>10,905.6</b>	<b>3,655.9</b>	<b>1,502.9</b>	<b>16,064.4</b>

**Alaska Vocational Technical Center  
Summary of RDU Budget Changes by Component  
From FY2012 Management Plan to FY2013 Governor**

*All dollars shown in thousands*

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<b>FY2012 Management Plan</b>	5,791.2	4,531.2	3,418.5	1,501.7	15,242.6
<b>Adjustments which will continue current level of service:</b>					
-AVTEC	319.8	-201.6	102.5	1.2	221.9
-AVTEC Facilities Maintenance	0.0	0.0	134.9	0.0	134.9
<b>Proposed budget increases:</b>					
-AVTEC	226.8	238.2	0.0	0.0	465.0
<b>FY2013 Governor</b>	<b>6,337.8</b>	<b>4,567.8</b>	<b>3,655.9</b>	<b>1,502.9</b>	<b>16,064.4</b>