

State of Alaska
FY2014 Governor's Operating Budget

Department of Labor and Workforce Development
Employment Security
Results Delivery Unit Budget Summary

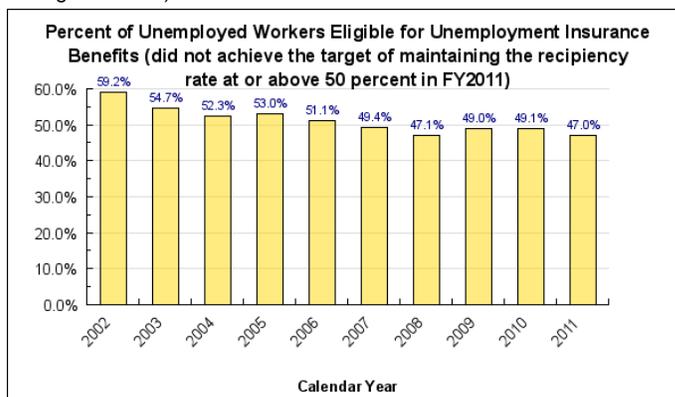
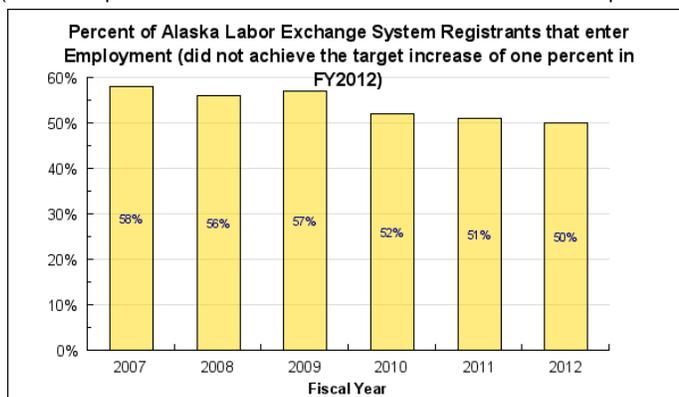
Employment Security Results Delivery Unit

Contribution to Department's Mission

The mission of the Employment Security Division is to provide labor exchange, employment and training services, and unemployment insurance to Alaskans and Alaska businesses thereby advancing opportunities for employment and providing economic stability for communities in Alaska.

Results

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



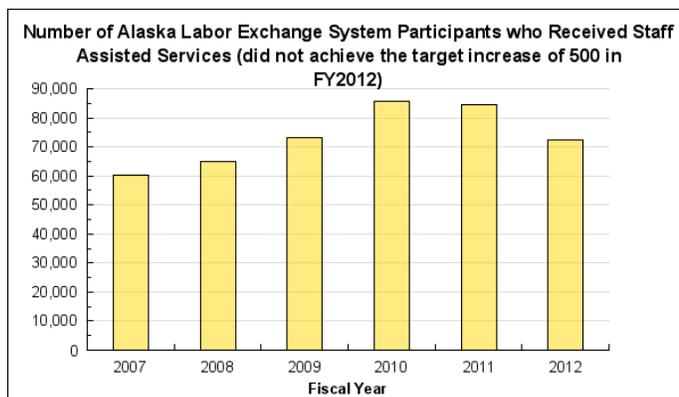
Core Services

- Connect employers with qualified job seekers.
- Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.
- Pay unemployment insurance benefits to Alaskans while they are still temporarily unemployed.

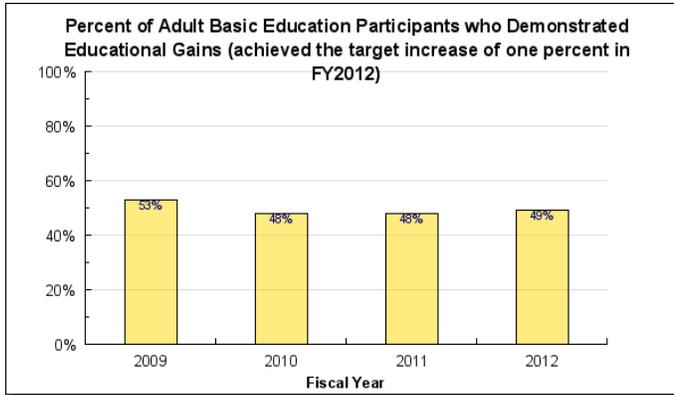
Measures by Core Service

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

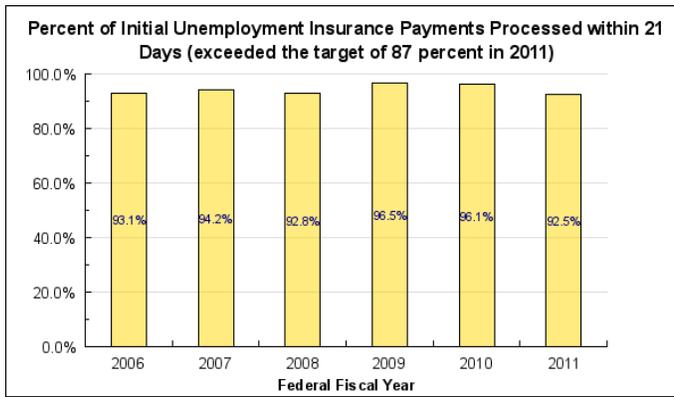
1. Connect employers with qualified job seekers.



2. Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.



3. Pay unemployment insurance benefits to Alaskans while they are still temporarily unemployed.



Major RDU Accomplishments in 2012

During FY2012, the Employment Security Division:

- Increased job postings on the Alaska Labor Exchange System by 3,140 (6.2 percent) from FY2011, to a total of 53,458.
- Assisted businesses in developing 30 new registered apprenticeship programs compared to 26 new programs in FY2011.
- Awarded 1,580 General Educational Development (GED) diplomas. This represented approximately 16.5 percent of all high school diplomas awarded in Alaska in FY2012.
- Implemented federal mandates from the Middle Class Tax Relief and Job Creation Act of 2012 that require all Emergency Unemployment Compensation (EUC) filers to conduct a minimum of at least one work search per week and participate in EUC workshops when selected, and required EUC payments to be issued before Extended Benefit (EB) payments. In March 2012, approximately 15,400 EUC recipients were notified of these changes.
- Unemployment Insurance analysts partnered with Employment Services staff and implemented the Reemployment Service and Reemployment Eligibility Assessment program to assist unemployed Alaskans in gaining employment.

- Reduced the average speed to answer phone calls into the claim center by nine percent as a direct result of the Virtual Contact Center system. In addition, more Alaska job seekers and employers used the call-back feature instead of waiting on hold.

Key RDU Challenges

The key challenge facing the Employment Security Division is managing the workload associated with high volumes of job center traffic combined with decreased federal funding for core, intensive and training services. The division is utilizing available one-time federal funds to maintain service delivery while a strategic plan is developed to address service delivery in future years.

Additional challenges include:

- Providing employment and training services to a high number of long-term unemployed workers facing significant barriers to employment. Employment and Training Services continues to assist unemployed workers in group settings and provides outreach and service delivery to rural areas via distance delivery to help mitigate this challenge.
- Finding interim and long-term solutions to internet service and bandwidth concerns. Due to inadequate bandwidth, significant traffic to the Alaska Labor Exchange System website has caused system delays and outages resulting in frustration to users including job seekers, employers, and field staff.
- Adapt services to meet new General Educational Development (GED) test requirements scheduled to be implemented January 1, 2014. The Adult Basic Education (ABE) program will develop and make available to all programs curriculum for on-site structured classes and for distance-delivered classes to assist teachers and students. Starting in 2014, all GED testing will be conducted online due to the discontinuation of paper testing.
- Decreasing the rate of improper unemployment insurance payments. The program is out of federal compliance at 11.2 percent rate of improper payments (must be below 10 percent). An Integrity Task Force Committee was created to work with the U.S. Department of Labor and other states to develop an Integrity Plan that will identify and implement process and procedure changes. The program will continue outreach with claimants and employers to decrease improper registration of unemployed workers, which represents the largest percentage of overpayment errors. An automated alert to staff is being developed when additional information is needed in determining a claimant's return-to-work date. Additional identified tasks include bringing quarterly wage audits up-to-date within the last quarter; enhancements to the Benefits, Audit, Reporting and Tracking System (BARTS) allowing daily cross-match; and electronic transmission of the Wage Audit Notice to employers and their return transmission of earnings data to the department.

Significant Changes in Results to be Delivered in FY2014

The Employment and Training Services component will increase employment services to the disabled community through newly established employment networks for persons with disabilities holding ticket-to-work tickets. The new employment networks are in the Anchorage, Fairbanks, Juneau, and Mat-Su job centers. In addition, job center staff statewide will be trained to recognize persons with disabilities and how to provide them services. The employment networks that will provide these services were established through a Disability Employment Initiative federal grant that expires September 30, 2013.

The Employment Security Division will expand utilization of the Virtual Call Center (VCC) to gain further efficiencies. The Employment and Training Services component will improve job center customer service statewide because incoming calls will be routed to a central help desk; allowing front-line job center staff to focus on providing services to walk-in customers. An enhancement to the Unemployment Insurance (UI) VCC will allow the system to automatically populate and display customer information on staff's screens when answering calls; eliminating the need for staff to manually access the information.

Adult Basic Education (ABE) will implement and make available to all programs in several locations curriculum for on-site and distance-delivered classes to assist ABE teachers and students in preparing for the new edition of the

General Educational Development (GED) test which will be implemented January 1, 2014. All GED testing will be conducted online due to the discontinuation of paper testing.

Contact Information
<p>Contact: Paul E. Dick, Director Phone: (907) 465-5933 Fax: (907) 465-4537 E-mail: paul.dick@alaska.gov</p>

**Employment Security
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2012 Actuals				FY2013 Management Plan				FY2014 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
Formula Expenditures None.												
Non-Formula Expenditures												
Employment and Training Services	785.5	11,255.8	13,901.7	25,943.0	1,016.3	13,378.6	16,293.5	30,688.4	1,016.3	9,692.0	16,293.9	27,002.2
Unemployment Insurance	701.0	174.8	26,834.5	27,710.3	847.6	196.3	28,389.7	29,433.6	842.4	196.3	28,389.7	29,428.4
Work Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,686.9	0.0	3,686.9
Adult Basic Education	2,132.5	0.0	1,093.0	3,225.5	2,145.9	0.0	1,260.8	3,406.7	2,145.9	0.0	1,260.8	3,406.7
Totals	3,619.0	11,430.6	41,829.2	56,878.8	4,009.8	13,574.9	45,944.0	63,528.7	4,004.6	13,575.2	45,944.4	63,524.2

Employment Security
Summary of RDU Budget Changes by Component
From FY2013 Management Plan to FY2014 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>
FY2013 Management Plan	2,502.3	1,507.5	13,574.9	45,944.0	63,528.7
Adjustments which will continue current level of service:					
-Employment and Training Services	0.0	0.0	-3,686.6	0.4	-3,686.2
-Work Services	0.0	0.0	3,686.9	0.0	3,686.9
Proposed budget decreases:					
-Unemployment Insurance	0.0	-5.2	0.0	0.0	-5.2
FY2014 Governor	2,502.3	1,502.3	13,575.2	45,944.4	63,524.2