

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Labor and Workforce Development  
Job Training Programs  
Component

## **Component: Job Training Programs**

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### **Component Mission**

Prepare Alaskans for work and meet the needs of Alaska's employers who are seeking a skilled, qualified and ready to work labor force; foster the development of self-reliant and productive individuals by providing job training, financial support, and core services; and, turn actual or potential Unemployment Insurance (UI) claimants into UI Trust Fund contributors through training investments in the Alaskan workforce.

Note: Due to similar missions and to increase administrative efficiencies, this component was created to consolidate three components from the Department's Fiscal Year 2001 budget: Job Training Partnership Act (JTPA), Statewide Service Delivery (SSD), and, State Training and Employment Program (STEP).

### **Component Services Provided**

- 1) The Alaska Workforce Investment Office (AWIO), based in Anchorage, is responsible for planning, administration and grant management of all federal Workforce Investment Act (WIA) of 1998 Title IB programs, the federal Welfare to Work (WtW) program under the Balanced Budget Act of 1997, and the State Training and Employment Program.
  - Under Title IB of the WIA, funds are available for Youth, Adult and Dislocated Worker activities at both the state and local levels.
  - At the state level, funds are also available for responding to worker dislocations, and for statewide activities, such as providing technical assistance and conducting special projects.
  - Welfare to Work and STEP activities in this component occur at both the state and local levels.
- 2) The State Training and Employment Program (STEP), administered by AWIO, provides Alaskan workers access to state and employer sponsored training programs and services including:
  - Industry specific on-the-job and classroom training.
  - Job search assistance and other supportive services.
  - Vocational counseling and career guidance.
- 3) The Statewide Service Delivery Office (SSD), based in Juneau, receives federal funds to implement statewide employment-training programs. The component provides appropriate oversight on the administration of these funds. It coordinates with related programs, such as vocational education, school- to- work, and employment services to ensure maximum efficiency in serving participants.
  - At the local level, provide "front line" delivery of services such as assessment, case management, job training and supportive services through the Alaska Job Center Network (AJCN) one-stop staff, and selected grantees. These services are offered through local centers, with advice and oversight from local advisory committees and a statewide Local Workforce Investment Board (LWIB).
  - The primary vehicles for service delivery include case management and grants management within the appropriate regions. With the evolution and growth of the Alaska Job Center Network, these services are now offered in more offices and in a more efficient manner.

### **Component Goals and Strategies**

- 1) Provide effective administration and oversight of Workforce Investment Act (WIA), State Training Employment Program (STEP), and Welfare to Work (WtW) programs marshalling resources to realize efficiencies.
  - Administer the Workforce Investment Act programs.

- Provide financial and technical assistance to the Alaska Human Resource Investment Council (AHRIC), Local Workforce Investment Boards (LWIB), other state and local agencies and contractors.
  - Provide accurate and timely reporting of financial and participant activities to federal funding agencies.
  - Provide technical support and financial resources to appropriate businesses and agencies in response to business closures and layoffs.
- 2) Target Alaska's underemployed and unemployed for employment and training related programs.
    - Reduce unemployment among economically disadvantaged and dislocated workers.
    - Obtain higher wages for program participants upon placement.
    - Increase job retention of trained workers.
    - Increase Alaska hire through creation of a skilled worker pool.
    - Increase basic, work readiness and occupational skill level for youth.
  - 3) Maximize the use of STEP funds for training of Alaskans
    - Minimize or prevent future claims against the unemployment insurance trust fund.
    - Foster new jobs by encouraging businesses to locate in Alaska due to the availability of a skilled labor force and low unemployment costs.
    - Increase the training opportunities to those workers severely affected by fluctuations in the state economy or technological changes in the workplace.
    - Provide supplementary training resources for Alaska's employers, which complement federal programs and offer greater flexibility.

### **Key Component Issues for FY2001 – 2002**

- 1) Implement the Workforce Investment Act (WIA) program and policies while closing out the Job Training Partnership Act (JTPA) programs.
- 2) Prepare for the final year of fund availability for the Welfare to Work (WtW) programs.
- 3) Continue coordination and collaboration with Alaska Job Center Network (AJCN) one-stop centers and cooperative agencies.
- 4) Expand dislocated worker services to affected industries.
- 5) Explore an expanded and integrated Management Information System (MIS) both for case management as well as performance reporting, for all major AJCN partner programs.

### **Major Component Accomplishments for FY2000**

- 1) Completed the successful transition of the JTPA and WtW programs from the Department of Community and Regional Affairs to the Department of Labor and Workforce Development under HB 40.
- 2) Negotiated, awarded and administered over \$11M in JTPA and WtW and over \$3.3M in STEP financial assistance agreements.
- 3) Completed plans for the early implementation of the Workforce Investment Act youth program and negotiated, awarded and administered \$2.7M in financial assistance agreements.
- 4) Provided extensive technical assistance to the Alaska Human Resource Investment Council in the development of the State of Alaska five-year Unified Plan required under the Workforce Investment Act.
- 5) Successfully delivered dislocated worker services to affected timber workers in Southeast Alaska, oil field workers in Southcentral Alaska and to dislocated fishers in Western Alaska.
- 6) Provided outreach and grants for approximately \$975,000 in special rural Denali Commission projects.

- 7) Provided expanded WIA youth services with \$250,000 in Project Renew Hope grants to Western Alaskan communities.
- 8) Assisted in the preparation of the Annual STEP Report in December. The latest available program information is for FY 1997 - 1999, showing STEP achieved the following:
  - In FY99, nearly 990 new clients were enrolled in the program.
  - Efficiencies have lowered the expenditures per STEP client, falling from \$1,735 in FY97 to \$1,611 in FY99.
  - FY98 UI claims were reduced from over \$2,450,000 (873 claims) in the 12 months prior to their participation to under \$980,000 (491 claims) in the year after they completed STEP.

### Statutory and Regulatory Authority

- 1) Federal
  - Public Law 104-193
  - Public Law 105-33
  - Public Law 105-220
  - 20 CFR parts 660-671
  - 29 CFR part 37
- 2) State
  - AS 44.31
  - AS 23.15.620-660
  - AS 23.15.700-810
  - 8 AAC 87.010-87.180
  - Admin Order # 113
  - Admin Order # 182

### Key Performance Measures for FY2002

**Measure: Increase the employment percentage goal to 65 percent placement into full time, unsubsidized jobs of eligible WIA Adult Job Training participants. 80 percent will retain work for at least six months.**  
*(Revised from Legislature's FY2001 version.)*

**Current Status:**

For FY01 and FY02 the employment goals for Adult WIA participants will be measured against the Federal U.S. Department of Labor negotiated performance standards under the WIA. Historically, Alaska's program employment percentage has been 60.8 percent of WIA Adult participants placed into full time unsubsidized jobs. Of this 60.8 percent, 75.5 percent have retained work for at least 6 months.

**Benchmark:**

For FY01, the national employment percentage average of Adult WIA participants placed into full time unsubsidized jobs is 71 percent. Of this 71 percent, 78 percent have retained work for at least 6 months. The USDOL performance standards are committed to continuous improvement, with a goal of a 1 percent increase each year.

**Background and Strategies:**

The Workforce Investment Act of 1998 requires that all States and their programs receiving Federal funds must develop measurable performance outcomes.

Alaska has developed appropriate job training, placement and retention strategies under the WIA State Unified Plan, to enable staff and selected service providers to successfully serve Alaska's unemployed and underemployed workers. Since 1999, the USDOL, Employment and Training Administration requires that each state negotiate a

reasonable percent of increase in employment goals for the years FY 00, 01, and 02. Each state would choose a benchmark year and the aim would be to increase the goals attained annually.

**Job Training Programs**  
**Component Financial Summary**

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	2,937.4
72000 Travel	0.0	0.0	384.7
73000 Contractual	0.0	0.0	5,882.4
74000 Supplies	0.0	0.0	112.2
75000 Equipment	0.0	0.0	177.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	20,298.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>29,792.3</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	0.0	0.0	22,450.6
1004 General Fund Receipts	0.0	0.0	493.7
1005 General Fund/Program Receipts	0.0	0.0	43.7
1007 Inter-Agency Receipts	0.0	0.0	2,244.2
1054 State Employment & Training Program	0.0	0.0	4,560.1
<b>Funding Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>29,792.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Federal Receipts	51010	0.0	0.0	0.0	22,450.6	22,400.6
Interagency Receipts	51015	0.0	0.0	0.0	2,244.2	2,244.2
General Fund Program Receipts	51060	0.0	0.0	0.0	43.7	43.7
State Employment and Training Program	51394	0.0	0.0	0.0	4,560.1	4,560.1
<b>Restricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>29,298.6</b>	<b>29,248.6</b>
<b>Total Estimated Revenues</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>29,298.6</b>	<b>29,248.6</b>

## Job Training Programs

### Proposed Changes in Levels of Service for FY2002

- 1) Full implementation of a new management information system, including customer satisfaction measures for increased oversight and monitoring of performance standards.
- 2) Increased services to rural Alaskans through Denali Commission grants and Operation Renew Hope.

### Summary of Component Budget Changes

#### From FY2001 Authorized to FY2002 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer JTPA funding and positions to new Job Training component	70.5	15,099.0	158.1	15,327.6
-Transfer Statewide Service Delivery funding and positions to new Job Training component	466.5	7,573.2	3,322.0	11,361.7
-Transfer State Training and Employment Program funding to new Job Training component	0.0	0.0	4,553.8	4,553.8
-Transfer interagency receipts from Job Training Programs to Unemployment Insurance	0.0	0.0	-100.0	-100.0
-Transfer interagency receipts from Job Training Programs to Employment Services	0.0	0.0	-100.0	-100.0
-Year 2 Labor Costs - Net Change from FY2001	0.4	-23.0	-8.0	-30.6
<b>Proposed budget decreases:</b>				
-Delete 7 non-perm PCN's scheduled to terminate 6/30/2001	0.0	-198.6	0.0	-198.6
-Decrease interagency receipts due to component consolidation	0.0	0.0	-1,021.6	-1,021.6
<b>FY2002 Governor</b>	<b>537.4</b>	<b>22,450.6</b>	<b>6,804.3</b>	<b>29,792.3</b>

**Job Training Programs**  
**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	0	51	Annual Salaries	2,268,156
Part-time	0	0	COLA	33,257
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	793,550
			<i>Less 5.09% Vacancy Factor</i>	<i>(157,563)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>0</b>	<b>52</b>	<b>Total Personal Services</b>	<b>2,937,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	1	0	0	0	1
Administrative Clerk I	0	1	0	0	1
Administrative Clerk III	2	2	2	4	10
Administrative Coordinator	0	0	1	0	1
Asst Dir Employ Security	0	0	1	0	1
Community Devel Spec I	0	3	0	1	4
Community Devel Spec II	2	5	2	5	14
Community Devel Spec III	0	1	2	1	4
Employ Sec Analyst I	1	0	0	0	1
Employ Sec Analyst II	0	0	1	0	1
Grants Administrator II	4	0	3	0	7
Grants Administrator III	1	0	0	0	1
Planner IV	0	0	1	0	1
Prog Coordinator	1	0	1	0	2
Project Asst	1	0	0	0	1
Project Coord	1	0	0	0	1
Research Analyst III	1	0	0	0	1
<b>Totals</b>	<b>15</b>	<b>12</b>	<b>14</b>	<b>11</b>	<b>52</b>