

State of Alaska FY2002 Governor's Operating Budget

Department of Labor and Workforce Development
Employment Security
Budget Request Unit

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BRU Mission

The mission of the Division of Employment Security is to assist in easing the negative effects that involuntary unemployment has on Alaska's wage earners and society and to assist unemployed wage earners to find employment.

BRU Services Provided

Several programs comprise the Employment Security Division (ESD) or BRU.

- 1) The Employment Service (ES) program provides labor exchange services for all Alaskans, matching job seekers with employers. The Vocational Counseling program prepares job seekers for employment and the Seafood Unit works with employers to promote job placement and skill development for Alaskan workers in the seafood industry. Work Services provides a specialized labor exchange and case management services for recipients of both the Alaska Temporary Assistance Program (ATAP) and food stamps in order to place them in unsubsidized employment.
- 2) The Job Training (JT) programs are responsible for planning, administration and grant management for the following federal programs: Workforce Investment Act of 1998 (WIA) Title I, Welfare-to-Work (WtW) grants under the Balanced Budget Act of 1997 and the closeout of the Job Training Partnership Act (JTPA). The JT programs also administer and manage the State Training Employment Program (STEP).
- 3) Through grantees, Adult Basic Education (ABE) provides instruction in the basic skills of reading, writing, mathematics, and General Educational Development (GED) preparation and testing with emphasis on practical life skills and integrating workplace readiness skills into instruction.
- 4) The Unemployment Insurance (UI) program assesses and collects employer contributions for deposit into the UI Trust Fund and pays UI benefits to workers who are temporarily unemployed.

BRU Goals and Strategies

- 1) ESD has adopted the Alaska Job Center Network (AJCN) goal of sharing costs in all common areas in each AJCN office. We will develop cost sharing and allocation agreements with partners to improve staffing and maintenance of offices.
- 2) ESD has the responsibility of placing unemployed workers in new jobs prior to their having exhausted their UI benefits. We will design and implement enhancements to the Worker Profiling and Reemployment Services (WPRS) program that schedules and tracks clients.
- 3) ESD has a major role in implementing the Workforce Investment Act of 1988 (WIA). We will work with Local Advisory Councils (LAC) as key participating and planning partners for local service delivery.
- 4) ESD has a role in ensuring the success of the Alaska Human Resources Investment Council (AHRIC) as well as Local Workforce Investment Boards (LWIB). We will provide technical assistance to the Alaska Human Resources Investment Council (AHRIC), Local Workforce Investment Boards (LWIB), and other state and local agencies and contractors.
- 5) ESD will maximize the use of State Employment and Training Program (STEP) funds for training Alaskans. We are committed to getting STEP funds out as early as possible to enable grantees to have a full year to realize their goals.

- 6) ESD will improve on the outcomes of the Adult Basic Education (ABE) program. We will increase the number from the FY2001 level of adult learners who obtain a GED and who transition into higher education or vocational training.
- 7) ESD is committing time and resources towards the improvement of the overall management of the programs for which it is responsible. We will improve the overall management of the division by integrating into daily operations the Baldrige performance criteria for excellence.
- 8) ESD will make some policy changes concerning program delivery based on customer feedback. We will continue focus on customers through surveys and feedback to gain input for improvement of operations and service delivery.
- 9) ESD will update and improve the UI Tax computer system and make it compatible with the UI system. We will continue the multi-year capital improvement project to redesign the UI Tax system to enhance timeliness and accuracy of employer account maintenance.
- 10) ESD will attempt to overcome the problems associated with the dwindling budget for the Wagner-Peyser employment services programs. We will explore alternative funding strategies to maintain levels of service to offset the flat funding of the Wagner-Peyser grant.

Key BRU Issues for FY2001 – 2002

- 1) ESD will be faced with replacement of obsolete computers in the resource rooms, which were originally purchased with the One-Stop implementation grant.
- 2) ESD must continue providing employment services to an increased customer base while the Wagner-Peyser grant remains flat or decreases.
- 3) ESD must implement the Workforce Investment Act of 1998 while closing out the JTPA programs.
- 4) ESD will put into production the Management Information System (MIS) for both case management and federal performance reports in time to respond to federal reporting requirements.
- 5) ESD will implement a new GED Test on January 1, 2002.

Major BRU Accomplishments for FY2000

- 1) Employment Services Component
 - Excluding self-service customers, 8,496 job seekers entered employment through staff efforts.
 - Provided vocational counseling services to 2,833 customers, annually averaging 177 customers per employment counselor.
 - Provided listings of 37,949 job openings for Alaska employers.
 - Coordinated with AJCN partners to deliver employment and training services and resources through the one-stop system.
- 2) Job Training Programs Component
 - Negotiated, awarded and administered over \$11 million in JTPA and Welfare to Work (WtW) funds, and over \$3.3 million in STEP financial assistance agreements.
 - Completed plans for the early implementation of the Workforce Investment Act youth program and awarded \$2.7 million in financial assistance agreements.
 - Improved performance in the STEP in four key areas that are fully described in the annual STEP report.

3) Adult Basic Education Component

- 5,400 full-time adult learners were served through ABE programs:

2,300 completed an educational level

1,200 received a GED

984 gained or advanced in employment, and

541 entered other academic or vocational programs

- A major new GED Testing Center opened in Anchorage.

4) Unemployment Insurance Component

- Paid out \$118.7 million in unemployment benefits to 57,193 insured workers.
- Collected \$124 million in taxes and deposited them into the UI Trust Fund.
- Legislation passed that allows for the levy of the Permanent Fund Dividend to offset debt to the UI Trust Fund.
- Initiated an annual customer survey of Alaska's employers and expanded another biannual customer survey to include interstate claimants.

Employment Security
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Employment Services	0.0	10,578.3	1,473.5	12,051.8	0.0	12,494.7	1,977.2	14,471.9	135.0	13,002.7	3,564.7	16,702.4
Unemployment Insurance	0.0	16,061.1	294.0	16,355.1	0.0	17,766.1	350.1	18,116.2	0.0	17,616.5	451.4	18,067.9
Job Training Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	537.4	22,450.6	6,804.3	29,792.3
Work Services	129.8	0.0	1,342.3	1,472.1	133.8	0.0	1,623.7	1,757.5	0.0	0.0	0.0	0.0
Job Training Partnership Act	26.5	9,096.6	221.4	9,344.5	70.5	11,533.1	58.1	11,661.7	0.0	0.0	0.0	0.0
Statewide Service Delivery	457.6	6,840.6	2,736.7	10,034.9	466.5	8,723.2	3,282.0	12,471.7	0.0	0.0	0.0	0.0
One Stop	0.0	1,053.2	0.0	1,053.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State Training Employment Prog	0.0	0.0	4,002.1	4,002.1	0.0	0.0	4,553.8	4,553.8	0.0	0.0	0.0	0.0
Adult Basic Education	1,736.8	542.5	0.0	2,279.3	1,737.5	652.4	0.0	2,389.9	1,737.6	862.2	0.0	2,599.8
Comm Dev Assist	30.6	1,106.0	0.0	1,136.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	2,381.3	45,278.3	10,070.0	57,729.6	2,408.3	51,169.5	11,844.9	65,422.7	2,410.0	53,932.0	10,820.4	67,162.4

Employment Security**Proposed Changes in Levels of Service for FY2002**

- 1) Employment Service Component
 - Implementation of online client self-registration and self-referral services.
- 2) Job Training Programs Component
 - Full implementation of a management information system for increased oversight and monitoring of performance standards.
- 3) Adult Basic Education Component
 - Implementation and focus on the new GED test beginning January 2002.
- 4) Unemployment Insurance Component
 - Expand regularly scheduled surveys of employers and conduct surveys of internal customers to enhance technical services.

Employment Security**Summary of BRU Budget Changes by Component****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>
FY2001 Authorized	2,408.3	51,169.5	11,844.9	65,422.7
Adjustments which will continue current level of service:				
-Employment Services	135.0	508.0	1,587.5	2,230.5
-Unemployment Insurance	0.0	-149.6	101.3	-48.3
-Job Training Programs	537.4	22,649.2	7,825.9	31,012.5
-Work Services	-133.8	0.0	-1,623.7	-1,757.5
-Job Training Partnership Act	-70.5	-14,437.8	-58.1	-14,566.4
-Statewide Service Delivery	-466.5	-8,723.2	-3,282.0	-12,471.7
-State Training Employment Prog	0.0	0.0	-4,553.8	-4,553.8
-Adult Basic Education	0.1	149.2	0.0	149.3
Proposed budget decreases:				
-Job Training Programs	0.0	-198.6	-1,021.6	-1,220.2
-Adult Basic Education	0.0	-0.1	0.0	-0.1
Proposed budget increases:				
-Job Training Partnership Act	0.0	2,904.7	0.0	2,904.7
-Adult Basic Education	0.0	60.7	0.0	60.7
FY2002 Governor	2,410.0	53,932.0	10,820.4	67,162.4