

**State of Alaska
FY2007 Governor's Operating Budget**

**Department of Health and Social Services
Work Services
Component Budget Summary**

Component: Work Services

Contribution to Department's Mission

Work Services empowers Temporary Assistance recipients to attain economic self-sufficiency through employment.

Core Services

- Funds contracts and grants to deliver welfare-to-work services. Services include job readiness and placement, job retention and advancement, transportation assistance, family mentoring, case management and other support services for Temporary Assistance recipients.
- Assists program participants to gain paid employment at the earliest opportunity.
- Supports local initiatives to promote and support family self-sufficiency.
- Provides wage subsidies to employers who create new jobs and hire welfare recipients to fill the positions.
- Collaborates with partner agencies to help move families from welfare-to-work.
- Provides employment and training services to Food Stamp recipients.
- Develops employer-based, short-term training opportunities for in-demand occupations for welfare recipients.
- Promotes employer and community involvement in welfare-to-work efforts.
- Helps meet federal TANF objectives to reduce and prevent out-of-wedlock and teen pregnancies including strategies to address the issue of male responsibility and culpability in statutory rape prevention.
- Supports partnership with Department of Labor and Workforce Development for the delivery of welfare-to-work services.
- Monitors activities and performance of service providers to ensure program objectives and outcomes are met.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$16,463,200	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Personnel:</td> </tr> <tr> <td>Full time</td> <td style="text-align: right;">17</td> </tr> <tr> <td>Part time</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">17</td> </tr> </table>	Personnel:		Full time	17	Part time	0	Total	17
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Full time	17								
Part time	0								
Total	17								

Key Component Challenges

Ultimately, the success of the Division's Work Services programs and policies rests on the viability and diversity of the state's economy. Challenges include:

- Ensuring continued commitment to work services activities that result in families moving off welfare.
- Providing meaningful work activities and promoting employment opportunities for families living in economically depressed regions of the state.
- Developing strategies that provide enhanced services and support self-sufficiency for families with multiple or profound challenges to economic self-sufficiency.
- Assessing and addressing impacts of TANF re-authorization, e.g., increased work participation requirements, new performance expectations, expanded federal reporting requirements, investment in healthy marriage and fatherhood initiatives and outcomes.
- Building stronger interagency collaborations to better integrate services for shared customers in order to increase administrative efficiency and service effectiveness.
- Continuing to meet federal work participation rates.

Significant Changes in Results to be Delivered in FY2007

- The division will continue to enhance its new model for outcome-based, pay for performance contracts for the delivery of work services. In this model, contractors earn payments based on their ability to meet performance targets and are eligible for bonus payments for exceeding established targets.
- Enhanced monitoring of work services contracts and grants to enable the division to meet federal work participation requirements and to improve the State's chances of winning additional High Performance Bonuses.
- Development and implementation of a family-centered approach in the delivery of work services. This approach will target long-term recipients with significant and multiple challenges to self-sufficiency. It will rely on close collaboration with partner agencies to ensure the creation of integrated service plans for target families.
- Development and implementation of strategies (e.g., Individual Development Accounts, Micro-Enterprise projects) to address asset poverty among ATAP families.

Major Component Accomplishments in 2005

- The division met and exceeded federally mandated work participation rates.
- 67% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 33% were employed.
- Adults in 29% of new Temporary Assistance cases were employed within 60 days of filing an application for assistance.
- 40% of the adults on Temporary Assistance saw wage increases during the fiscal year.
- Adults in 47% of the Temporary Assistance cases that closed during 2005 had earned income.
- 84% of the families whose cases closed with earnings stayed closed for at least six months.
- In September 2005, the division was awarded \$2.67 million in Federal TANF High Performance Bonuses for FFY04. The 2004 award acknowledges the State's improvements helping adults in Temporary Assistance families to succeed in the workplace, the efforts of the Child Care Program Office to deliver quality child care to Alaskan families, and increasing participation of Alaskan families in the Food Stamp program.
- In September 2005, following an assessment of FY05 performance, the division issued the incentive payments totaling \$42,810 to work services contractors who exceeded Work Services performance targets.
- The Division's collaboration with AHFC in the delivery of services and supports to shared customers is considered a national best practice.

Statutory and Regulatory Authority

AS 47.27.005 Alaska Temporary Assistance Program
7 AAC 45 Alaska Temporary Assistance Program

Contact Information

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**Work Services
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	514.0	834.8	1,418.4
72000 Travel	90.9	95.0	95.0
73000 Services	10,159.3	11,673.6	12,125.1
74000 Commodities	16.9	14.7	14.7
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	2,799.6	2,230.0	2,810.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	13,580.7	14,848.1	16,463.2
Funding Sources:			
1002 Federal Receipts	10,738.8	11,980.6	13,574.6
1003 General Fund Match	1,772.7	1,785.8	1,801.0
1004 General Fund Receipts	1,069.2	1,081.7	1,087.6
Funding Totals	13,580.7	14,848.1	16,463.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Managem nt Plan	FY2007 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	10,738.8	11,980.6	13,574.6
Restricted Total		10,738.8	11,980.6	13,574.6
Total Estimated Revenues		10,738.8	11,980.6	13,574.6

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	2,867.5	11,980.6	0.0	14,848.1
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	6.0	9.6	0.0	15.6
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.7	1.1	0.0	1.8
-FY 07 Retirement Systems Cost Increase	11.1	17.9	0.0	29.0
Proposed budget increases:				
-Building Assets to Promote Self-Sufficiency for Alaskans	0.0	680.0	0.0	680.0
-Expand Family Centered Services	0.0	880.0	0.0	880.0
-Risk Management Self-Insurance Funding Increase	3.3	5.4	0.0	8.7
FY2007 Governor	2,888.6	13,574.6	0.0	16,463.2

**Work Services
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	10	17	Annual Salaries	885,283
Part-time	0	0	COLA	24,463
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	513,434
			<i>Less 0.34% Vacancy Factor</i>	<i>(4,825)</i>
			Lump Sum Premium Pay	0
Totals	10	17	Total Personal Services	1,418,355

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	1	0	1
Prog Coordinator	1	0	1	0	2
Program Coordinator	0	1	0	0	1
Project Asst	4	0	0	0	4
Project Coord	1	0	2	1	4
Project Coordinator	0	0	0	1	1
Public Assist Analyst I	0	0	1	0	1
Public Asst Prog Off	0	0	2	0	2
Social Svcs Prog Coord	0	0	1	0	1
Totals	6	1	8	2	17