

State of Alaska FY2011 Governor's Operating Budget

Department of Labor and Workforce Development Construction Academy Training Component Budget Summary

Component: Construction Academy Training

Contribution to Department's Mission

The Alaska Construction Academy component contributes to the department's mission by attracting and training young people and adults for employment in the high demand construction and trade apprenticeship programs, as defined by the Alaska Workforce Investment Board.

Core Services

- The Alaska Construction Academy provides administration, coordination, oversight and accountability to the construction academies operated in partnership with local school districts and industry associations.
- The Alaska Construction Academy component goal is to serve industry by providing knowledgeable, motivated, entry-level employees and to serve students and job seekers by giving them the chance to explore their aptitudes and interests under the guidance of experienced, hands-on instructors from the industry.

Key Component Challenges

The construction industry needs 1,000 new workers every year to keep up with the workforce demands. The projected construction workforce shortage is a combination of three factors; 1) an aging workforce that started their careers by building the last Alaskan pipeline; 2) projected job growth in the industry; and 3) a desire to reduce Alaska's dependence on nonresident workers.

Alaska graduates approximately 7,500 high school students every year. With the demand by the construction industry, almost 15 percent of every graduating class is needed by the construction industry. Due to the decline in construction related training in the secondary school system the industry no longer has a ready supply of potential workers. The construction academies help the industry ensure that at least some students and adults have the basic skills to enter a registered apprenticeship or entry level training.

Significant Changes in Results to be Delivered in FY2011

This project will provide an opportunity for Alaskans (number of trained youth will increase from 3,402 to 3,597; and adults from 502 to 571 in FY2011) to attend a construction academy focused on high demand occupations in the construction industry, projecting 70% of high students and adults entering employment as a result.

Major Component Accomplishments in 2009

Replicating the construction academies in six communities in just three years has resulted in significant increases in youth awareness about the career opportunities in the construction industry. In FY2008 3,227 students and 315 adults received training. In FY2009 3,402 students and 502 adults received training. In FY2010 we project to train 3,417 students and 511 adults. The projection for FY2011 is 3,597 students and 571 adults. In FY2009, 281 adults trained by this program were working according to a phone survey of participants conducted in July. Given those percentages we anticipate the number of adults to increase to 358 in FY2010 and 400 in FY2011.

Statutory and Regulatory Authority

No statutes and regulations.

Contact Information

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**Construction Academy Training
Component Financial Summary**

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	35.0	105.0	105.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	3,465.0	3,395.0	3,395.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,500.0	3,500.0	3,500.0
Funding Sources:			
1004 General Fund Receipts	3,500.0	3,500.0	3,500.0
Funding Totals	3,500.0	3,500.0	3,500.0

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	3,500.0	0.0	0.0	3,500.0
Adjustments which will continue current level of service:				
-Reverse One-time Construction Academy training	-3,500.0	0.0	0.0	-3,500.0
Proposed budget increases:				
-Add General Funds to Continue Alaska Construction Academy Training	3,500.0	0.0	0.0	3,500.0
FY2011 Governor	3,500.0	0.0	0.0	3,500.0

Component Detail All Funds
Department of Labor and Workforce Development

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	35.0	105.0	105.0	105.0	105.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	3,465.0	3,395.0	3,395.0	3,395.0	3,395.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	0.0	0.0%
Fund Sources:							
1004 Gen Fund	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	0.0	0.0%
General Funds	3,500.0	3,500.0	3,500.0	3,500.0	3,500.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee	ConfCom	3,500.0	0.0	0.0	105.0	0.0	0.0	3,395.0	0.0	0	0	0
1004 Gen Fund		3,500.0										
Subtotal		3,500.0	0.0	0.0	105.0	0.0	0.0	3,395.0	0.0	0	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
Subtotal		3,500.0	0.0	0.0	105.0	0.0	0.0	3,395.0	0.0	0	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
Add General Funds to Continue Alaska Construction Academy Training	Inc	3,500.0	0.0	0.0	105.0	0.0	0.0	3,395.0	0.0	0	0	0
1004 Gen Fund		3,500.0										
<p>This transaction reestablishes the appropriation for Alaska Construction Academy Training received in FY10. Due to the aging workforce and the lack of available training opportunities for young Alaskans the construction industry is short 1,000 workers per year. Other industries such as mining, transportation, energy efficiency and renewable energy require workers with skills similar to the construction industry. Also gasline construction will require as many as an additional 8,000 workers.</p> <p>This request will fund the existing Alaska Construction Academies in Ketchikan, Juneau, Kenai, Matanuska-Susitna Borough, Anchorage and Fairbanks. Replicating the construction academies in six communities in just three years has resulted in significant increases in youth awareness about the career opportunities in the construction industry and creating employment opportunities for job seekers.</p> <p>As an example the Anchorage Construction Academy is in the fourth year of steady growth. The other Academies also are in various stages of growth. The Anchorage school district has provided at least one construction trades class to over 1,000 students and increased the number of students participating by over 50 percent from the preceding year. Fairbanks in its second year provided training to over sixty adults and placed 50 percent directly into employment. Furthermore over 30 percent of the participants were women.</p> <p>Commitments have been made through the Homebuilders Association and apprenticeship programs to select successful completers of the construction academies for employment and further apprenticeship opportunities which promotes the department's mission to advance opportunities for employment. In FY 09 the construction academies leveraged nearly \$1.5 million in industry and local contributions.</p>												
Reverse One-time Construction Academy training	OTI	-3,500.0	0.0	0.0	-105.0	0.0	0.0	-3,395.0	0.0	0	0	0
1004 Gen Fund		-3,500.0										
Reverse one-time item in the FY2010 budget.												

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Totals	3,500.0	0.0	0.0	105.0	0.0	0.0	3,395.0	0.0	0	0	0

Line Item Detail
Department of Labor and Workforce Development
Services

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000	Services		35.0	105.0	105.0
Expenditure Account			FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
	Servicing Agency	Explanation			
73000 Services Detail Totals			35.0	105.0	105.0
73979	Mgmt/Consulting (IA Svcs)	Business Services	35.0	105.0	105.0
		RSA to the Business Services Component for management services for the program (I/A transfer to DOL BSC).			

Line Item Detail
Department of Labor and Workforce Development
Grants, Benefits

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000	Grants, Benefits		3,465.0	3,395.0	3,395.0
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000 Grants, Benefits Detail Totals			3,465.0	3,395.0	3,395.0
77435	Development	Grants for Construction Academy Training.	3,465.0	3,395.0	3,395.0

Inter-Agency Services
Department of Labor and Workforce Development

Component: Construction Academy Training (2910)
RDU: Business Partnerships (481)

<u>Expenditure Account</u>	<u>Service Description</u>	<u>Service Type</u>	<u>Servicing Agency</u>	<u>FY2009 Actuals</u>	<u>FY2010 Management Plan</u>	<u>FY2011 Governor</u>
73979	Mgmt/Consulting (IA Svcs) RSA to the Business Services Component for management services for the program (I/A transfer to DOL BSC).	Intra-dept	Business Services	35.0	105.0	105.0
73979 Mgmt/Consulting (IA Svcs) subtotal:				35.0	105.0	105.0
Construction Academy Training total:				35.0	105.0	105.0
Grand Total:				35.0	105.0	105.0