

State of Alaska FY2012 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 and apprenticeship programs.

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 industry instruction.

Key Component Challenges

The construction industry requires 700 new workers every year to keep up with industry demand. The 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 7,800 high school students every year. Nearly ten percent of every graduating class is needed just to meet the construction industry demand. 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.

The reduction by the legislature of \$225.0 in General Funds in FY2011 adversely impacts the development of rural construction academies and may reduce the number of Alaskans participating in training. As a result industry may need to recruit and hire non-residents to meet demand for a skilled workforce.

Significant Changes in Results to be Delivered in FY2012

This project will provide an opportunity for Alaskans (number of trained youth will increase from 3,150 to 3,465; and adults from 400 to 440 in FY2012) to attend a construction academy focused on high demand occupations in the construction industry, projecting 8 percent of high school students and 98 percent of adults entering employment as a result.

Major Component Accomplishments in 2010

Establishing construction academies in eight communities in just four 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; and in FY2010, 4,337 students and 503 adults received training. Among the adults trained by the construction academies, 303 were working in FY2010. Given that performance, it is anticipated that 350 adults will enter employment in FY2012. According to a Life Track survey, 79 percent of the high school senior students indicated that their construction academy participation had "some" to "powerful" influence on their desire to attend school and reduce absences.

In FY2010, Kodiak and Nome were added as rural academies. Nome's academy trained 54 students and 14 adults; Kodiak's trained 15 adults.

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

	FY2010 Actuals	FY2011 Management Plan	FY2012 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	55.6	105.0	70.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	3,395.0	3,145.0	3,180.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,450.6	3,250.0	3,250.0
Funding Sources:			
1004 General Fund Receipts	3,450.6	3,250.0	3,250.0
Funding Totals	3,450.6	3,250.0	3,250.0

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 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>
FY2011 Management Plan	3,250.0	0.0	0.0	0.0	3,250.0
FY2012 Governor	3,250.0	0.0	0.0	0.0	3,250.0

Component Detail All Funds
Department of Labor and Workforce Development

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

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 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	55.6	105.0	105.0	105.0	70.0	-35.0	-33.3%
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	3,395.0	3,145.0	3,145.0	3,145.0	3,180.0	35.0	1.1%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,450.6	3,250.0	3,250.0	3,250.0	3,250.0	0.0	0.0%
Fund Sources:							
1004 Gen Fund	3,450.6	3,250.0	3,250.0	3,250.0	3,250.0	0.0	0.0%
Unrestricted General (UGF)	3,450.6	3,250.0	3,250.0	3,250.0	3,250.0	0.0	0.0%
Designated General (DGF)	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%
Federal 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 FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee	ConfCom	3,250.0	0.0	0.0	105.0	0.0	0.0	3,145.0	0.0	0	0	0
1004 Gen Fund		3,250.0										
Subtotal		3,250.0	0.0	0.0	105.0	0.0	0.0	3,145.0	0.0	0	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
Subtotal		3,250.0	0.0	0.0	105.0	0.0	0.0	3,145.0	0.0	0	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
To Align Authorization with Anticipated Expenditures	LIT	0.0	0.0	0.0	-35.0	0.0	0.0	35.0	0.0	0	0	0
Totals		3,250.0	0.0	0.0	70.0	0.0	0.0	3,180.0	0.0	0	0	0

This transfer of authorization from the contractual services line to the grants line will align authorization with anticipated expenditures. The component needs authorization in the contractual services line to support a Reimbursable Services Agreement to cover the cost of grant administration, but the amount needed to cover these costs is less than the existing line authorization.

Line Item Detail
Department of Labor and Workforce Development
Services

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

Line Number	Line Name	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services	55.6	105.0	70.0

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor	
73000 Services Detail Totals			55.6	105.0	70.0	
73979	Mgmt/Consulting (IA Svcs)	Business Services	RSA to the Business Services Component for management services for the program (I/A transfer to DOL BSC).	55.6	105.0	70.0

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

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

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		3,395.0	3,145.0	3,180.0
			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
			77000 Grants, Benefits Detail Totals	3,395.0	3,145.0
77435	Development	Grants for Construction Academy Training.	3,395.0	3,145.0	3,180.0

Inter-Agency Services
Department of Labor and Workforce Development

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

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
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	55.6	105.0	70.0
73979 Mgmt/Consulting (IA Svcs) subtotal:				55.6	105.0	70.0
Construction Academy Training total:				55.6	105.0	70.0
Grand Total:				55.6	105.0	70.0