

State of Alaska FY2014 Governor's Operating Budget

Department of Labor and Workforce Development Business Partnerships Results Delivery Unit Budget Summary

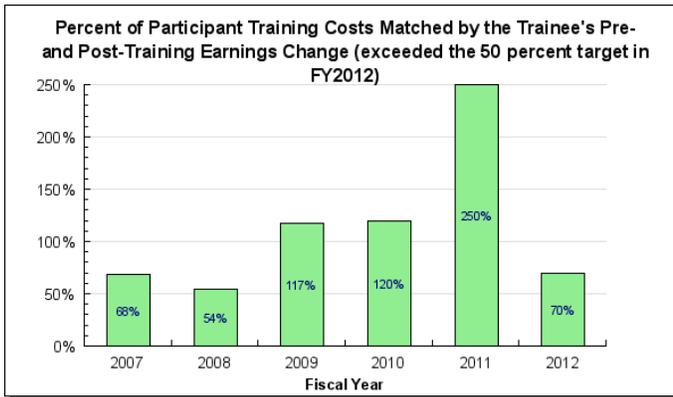
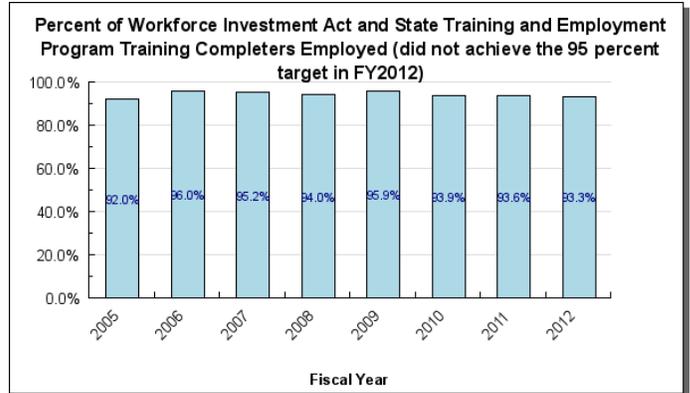
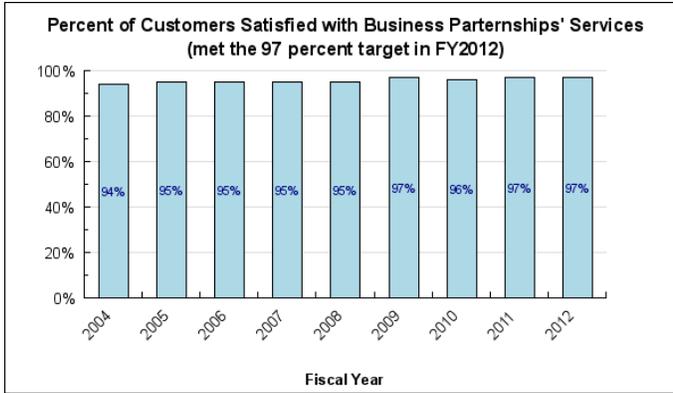
Business Partnerships Results Delivery Unit

Contribution to Department's Mission

The Business Partnerships' mission is to develop and support workforce development programs designed to meet Alaska's needs.

Results

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)



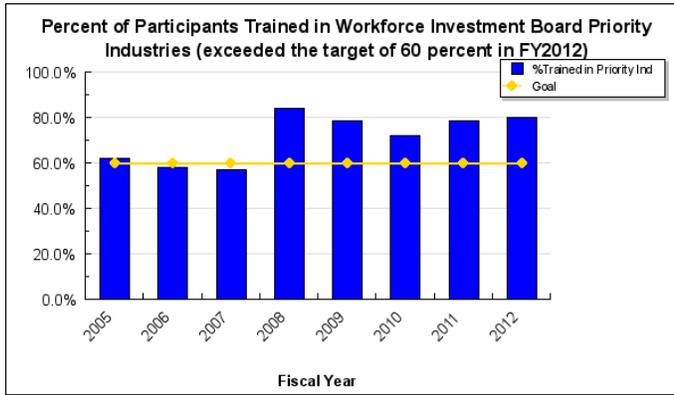
Core Services

- Maximize the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board.
- Meet all negotiated performance standards set by the Alaska Workforce Investment Board and the United States Department of Labor.

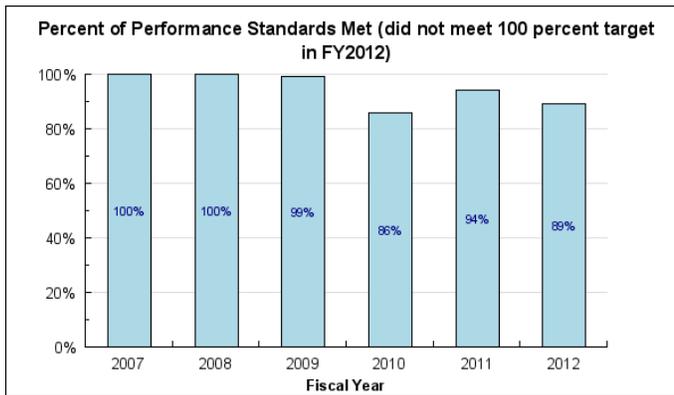
Measures by Core Service

(Additional performance information is available on the web at <http://omb.alaska.gov/results.>)

1. Maximize the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board.



2. Meet all negotiated performance standards set by the Alaska Workforce Investment Board and the United States Department of Labor.



Major RDU Accomplishments in 2012

During FY2012, funding administered by the Division of Business Partnerships resulting in the following outcomes:

- The Alaska State Energy Sector Partnership (ASESP) completed targeted outcomes in its efforts to increase the supply of workers with energy efficiency skills to support energy efficiency end user technology and the geothermal, hydroelectric, wind turbine, and biomass industries. A no-cost extension was approved for the grant supporting this program, allowing the University of Alaska to develop curricula for a “green” occupational endorsement certificate program, and the ASESP to complete the Alaska Renewable Energy/Energy Efficiency Workforce Development Plan. The ASESP consists of the following agencies: the Alaska Workforce Investment Board (AWIB), Alaska Vocational Technical Center (AVTEC), University of Alaska, U.S. Office of Apprenticeship, Alaska American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), Alaska Energy Authority, Alaska Housing Finance Corporation, Renewable Energy Alaska Project, and Alaska Works Partnership, Inc.
- 85 percent of surveyed high school students participating in the Alaska Construction Academy program reported the construction classes increased their desire to remain in high school and attend classes. The academies -- located in Anchorage, Bethel, Dillingham, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Matanuska-Susitna Borough, and Nome -- served 45 communities and enrolled 6,555 youth in 11 school districts (a 44 percent increase from FY2011).

- The percentage of workforce investment system participants trained in Alaska Workforce Investment Board priority industries was 80.1 percent in FY2012. This was the fifth straight year exceeding the 60 percent target, and a slight increase from the FY2011 level of 78.6 percent. For FY2013, the division has increased this target to 75 percent.

Key RDU Challenges

The primary challenge facing the Division of Business Partnerships (DBP) is the continuing decline of federal funds and the resulting reduction in training services.

- In FY2013, DBP received approximately 10 percent (\$500.0) less in the Workforce Investment Act (WIA) federal formula funds. DBP grants these funds to provide employment and training services to dislocated workers, low-income and under-skilled adult workers, and in- and out-of-school at risk youth. In the last two years, WIA funding has declined by more than \$2,000.0.
- The decline of federal formula funding and the end of one-time federal awards will result in reductions to training services throughout the state, due to fewer available training grants, and reduced amounts available for reimbursable service agreements with partner agencies.
- The decline in federal funds has placed greater reliance on the State Training and Employment Program (STEP). The division must be mindful of its use of STEP funds in order to maintain a healthy fund balance while seeking supplemental funding sources through partnerships with Alaska business and industry (e.g., oil/gas, transportation, construction, mining, tourism and hospitality, health care).

Also, DBP's ability to resourcefully deliver services is hampered by the fact that the federal WIA programs have been under a continuing resolution before Congress since October 2004. To mitigate impediments in service delivery, the state obtained seven waivers to federal statutes and regulations, including the common measures waiver that streamlines WIA performance reporting.

Significant Changes in Results to be Delivered in FY2014

All Alaska Technical and Vocational Education Program (TVEP) recipients will experience a reduction in the amount of TVEP funds they receive in FY2014 from the level received in FY2013. The FY2013 distribution included a fund balance carry forward related to unexpended FY2011 distributions. In FY2012, the majority of TVEP recipients fully-expended their distributions and it is anticipated that the same will occur in FY2013. Distributions in FY2014 are more in-line with projected revenues and are no longer inflated by a carry forward fund balance.

Contact Information
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**Business Partnerships
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2012 Actuals				FY2013 Management Plan				FY2014 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Workforce Investment Board	1,019.2	505.2	0.0	1,524.4	1,495.8	589.4	0.0	2,085.2	1,039.7	590.1	0.0	1,629.8
Business Services	9,967.8	125.0	11,166.0	21,258.8	11,459.0	558.1	21,754.1	33,771.2	11,307.5	558.1	19,263.1	31,128.7
Kotzebue Tech Operations Grant	1,506.5	0.0	0.0	1,506.5	1,580.8	0.0	0.0	1,580.8	1,568.4	0.0	0.0	1,568.4
SAVEC Operations Grant	497.6	0.0	0.0	497.6	521.9	0.0	0.0	521.9	517.8	0.0	0.0	517.8
Yuut Operations Grant	907.7	0.0	0.0	907.7	980.8	0.0	0.0	980.8	968.4	0.0	0.0	968.4
Northwest Alaska Center	702.6	0.0	0.0	702.6	726.9	0.0	0.0	726.9	722.8	0.0	0.0	722.8
Delta Career Advancement Center	302.6	0.0	0.0	302.6	326.9	0.0	0.0	326.9	322.8	0.0	0.0	322.8
New Frontier Voc Tech Center	201.7	0.0	0.0	201.7	218.0	0.0	0.0	218.0	215.2	0.0	0.0	215.2
Construction Academy Training	3,228.0	0.0	0.0	3,228.0	3,250.0	0.0	0.0	3,250.0	3,250.0	0.0	0.0	3,250.0
Totals	18,333.7	630.2	11,166.0	30,129.9	20,560.1	1,147.5	21,754.1	43,461.7	19,912.6	1,148.2	19,263.1	40,323.9

Business Partnerships
Summary of RDU Budget Changes by Component
From FY2013 Management Plan to FY2014 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>
FY2013 Management Plan	8,907.9	11,652.2	1,147.5	21,754.1	43,461.7
Adjustments which will continue current level of service:					
-Workforce Investment Board	-456.1	0.0	0.7	0.0	-455.4
-Business Services	-149.8	0.1	0.0	-491.0	-640.7
Proposed budget decreases:					
-Business Services	0.0	-1.8	0.0	-2,000.0	-2,001.8
-Kotzebue Tech Operations Grant	0.0	-12.4	0.0	0.0	-12.4
-SAVEC Operations Grant	0.0	-4.1	0.0	0.0	-4.1
-Yuut Operations Grant	0.0	-12.4	0.0	0.0	-12.4
-Northwest Alaska Center	0.0	-4.1	0.0	0.0	-4.1
-Delta Career Advancement Center	0.0	-4.1	0.0	0.0	-4.1
-New Frontier Voc Tech Center	0.0	-2.8	0.0	0.0	-2.8
FY2014 Governor	8,302.0	11,610.6	1,148.2	19,263.1	40,323.9