

**State of Alaska  
FY2016 Governor Amended Operating  
Budget**

**Department of Labor and Workforce Development  
Alaska Technical Center  
Component Budget Summary**

**Component: Alaska Technical Center**

**Contribution to Department's Mission**

The Kotzebue Technical Center (Alaska Technical Center) Operations Grant component contributes to the mission of the department by providing market driven vocational and technical training in rural Alaska and by creating an environment that promotes commitment to education and career opportunities.

This is a pass-through grant. The department has no authority over the management of the program, except to collect and track performance data and develop the grant agreement.

**Core Services**

- This component provides an unrestricted general fund and Alaska Technical and Vocational Education Program (TVEP AS 23.15.835) funded operating grant to the Alaska Technical Center (ATC).
- ATC provides residential adult vocational training through the Northwest Arctic Borough School District.
- ATC operates programs in construction trades technology, office technology, process technology, information technology, health occupations, and culinary arts in addition to short-term training in response to regional and statewide industry needs.
- ATC provides employability services that include training in the following areas: resume writing, job interview skills, WorkKeys, standard first aid and cardiopulmonary resuscitation (CPR), and driver's education.
- ATC partners with the local Alaska Job Center to utilize their services as well.

**Major Component Accomplishments in 2014**

During FY2014, with the support provided by this operations grant, the Alaska Technical Center:

- Continued to supply core driller training to provide a workforce needed in the Ambler Mining district and the Red Dog Mine. ATC developed new partnerships with sponsors to carry out training in this field and be responsive to industry's need with little delay.
- Teamed with NANA Development Corporation to provide training services for residents in eleven villages that led directly to employment opportunities in their companies.
- Expanded the Millwright program and added a Process Technology program to the curriculum.
- Developed, through partnerships, new strategies necessary to provide services to students and deliver village-based Adult Basic Education instruction in order to build readiness for further training or obtain employment.
- Created a distance delivery video conferencing studio used for instruction, student recruitment, communicating with partners, and employment interviews.
- Continued to provide nationally recognized certifications, training, and testing services for the two largest regional employers and other partners on demand.
- Continued progress on the magnet school partnership with the Kotzebue High School and Chukchi College for grades 11 to 14. This program provides training in the high school and ATC for students who wish to pursue careers in healthcare, process technology, or school teacher training. These are lasting careers in high demand and high paying jobs that are historically filled by outside labor.

**Key Component Challenges**

Ensuring a consistent level of funding is critical to the integrity of the existing programs while continuing to improve the quality of training and job placement rates. Having necessary resources to adapt training courses to meet industry needs is essential to providing job opportunities for Alaskans.

While renovation has taken place to improve ATC's classroom and shop facilities to help address industry priority training needs, our thirty-year old dormitory, while well maintained, needs to be updated.

Like all Alaska employers, we continue to be negatively impacted by increased costs for employee wage and benefits packages, it is difficult to maintain levels of staffing needed for current programs. It is a challenge to offer competitive wages to attract and retain people with necessary industry experience.

### **Significant Changes in Results to be Delivered in FY2016**

No significant changes in results to be delivered are anticipated. However, an area of focus for FY2016 is to refine and expand the system of support for students transitioning into employment.

### **Statutory and Regulatory Authority**

Statutory Authority:

AS 23.15.830

Alaska Technical and Vocational Education Program Account

<b>Contact Information</b>
<p><b>Contact:</b> Cheryl Edenshaw, Director <b>Phone:</b> (907) 442-1501 <b>Fax:</b> (907) 442-2764 <b>E-mail:</b> cedenshaw@nwarctic.org</p>

**Alaska Technical Center  
Component Financial Summary**

*All dollars shown in thousands*

	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	1,566.6	1,645.4	1,678.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,566.6</b>	<b>1,645.4</b>	<b>1,678.0</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	598.2	600.0	552.0
1151 Technical Vocational Education Program Account	968.4	1,045.4	1,126.0
<b>Funding Totals</b>	<b>1,566.6</b>	<b>1,645.4</b>	<b>1,678.0</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
<b>Unrestricted Revenues</b>				
Technical Vocational Education Program	51433	968.4	1,045.4	1,126.0
<b>Unrestricted Total</b>		<b>968.4</b>	<b>1,045.4</b>	<b>1,126.0</b>
<b>Restricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Restricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Estimated Revenues</b>		<b>968.4</b>	<b>1,045.4</b>	<b>1,126.0</b>

**Summary of Component Budget Changes  
From FY2015 Management Plan to FY2016 Governor Amended**

*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>
<b>FY2015 Management Plan</b>	<b>600.0</b>	<b>1,045.4</b>	<b>0.0</b>	<b>0.0</b>	<b>1,645.4</b>
<b>Proposed budget increases:</b>					
-Alaska Technical and Vocational Education Formula Funding	0.0	80.6	0.0	0.0	80.6
<b>Proposed budget decreases:</b>					
-Reduction in Grant Funding Available for Distribution	-48.0	0.0	0.0	0.0	-48.0
<b>FY2016 Governor Amended</b>	<b>552.0</b>	<b>1,126.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,678.0</b>

**Component Detail All Funds**  
**Department of Labor and Workforce Development**

**Component:** Alaska Technical Center (AR28620) (195)  
**RDU:** Business Partnerships (481)

	<b>FY2014 Actuals</b>	<b>FY2015 Conference Committee</b>	<b>FY2015 Authorized</b>	<b>FY2015 Management Plan</b>	<b>FY2016 Governor Amended</b>	<b>FY2015 Management Plan vs FY2016 Governor Amended</b>	
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	0.0	0.0	0.0	0.0	0.0	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	1,566.6	1,577.7	1,645.4	1,645.4	1,678.0	32.6	2.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>1,566.6</b>	<b>1,577.7</b>	<b>1,645.4</b>	<b>1,645.4</b>	<b>1,678.0</b>	<b>32.6</b>	<b>2.0%</b>
<b>Fund Sources:</b>							
1004Gen Fund (UGF)	598.2	600.0	600.0	600.0	552.0	-48.0	-8.0%
1151VoTech Ed (DGF)	968.4	977.7	1,045.4	1,045.4	1,126.0	80.6	7.7%
<b>Unrestricted General (UGF)</b>	<b>598.2</b>	<b>600.0</b>	<b>600.0</b>	<b>600.0</b>	<b>552.0</b>	<b>-48.0</b>	<b>-8.0%</b>
<b>Designated General (DGF)</b>	<b>968.4</b>	<b>977.7</b>	<b>1,045.4</b>	<b>1,045.4</b>	<b>1,126.0</b>	<b>80.6</b>	<b>7.7%</b>
<b>Other Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
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:** Alaska Technical Center (195)  
**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 FY2015 Conference Committee To FY2015 Authorized *****												
<b>FY2015 Conference Committee</b>												
ConfCom		1,577.7	0.0	0.0	0.0	0.0	0.0	1,577.7	0.0	0	0	0
1004 Gen Fund		600.0										
1151 VoTech Ed		977.7										
<b>Education Bill Technical Vocational Education Program Ch15 SLA14 (HB278) (Sec10 Ch18 SLA2014 P97 L28 (SB119))</b>												
FisNot		67.7	0.0	0.0	0.0	0.0	0.0	67.7	0.0	0	0	0
1151 VoTech Ed		67.7										
This legislation extends the Technical and Vocational Education Program (TVEP) allocation through June 30, 2017.												
This legislation also changes the distribution of the funds to remove the five percent that was previously allocated to the University of Alaska Southeast. That five percent is now allocated to Iliisagvik College via Business Services. In addition, all TVEP recipients will receive increased funding due to the TVEP tax increasing from 0.15 percent of the unemployment insurance (UI) taxable wage base to 0.16 percent.												
The grants line authorization of \$926.7 is distributed as follows:												
Business Services – 5% of TVEP Funds												
Kotzebue Technical Center Operations Grant – 9% of TVEP Funds												
Southwest Alaska Vocational and Education Center Operations Grant – 3% of TVEP Funds												
Yuut Elitnaurviat, Inc. People's Learning Center Operations Grant – 9% of TVEP Funds												
Northwest Alaska Career and Technical Center – 3% of TVEP Funds												
Delta Career Advancement Center – 3% of TVEP Funds												
New Frontier Vocational Technical Center – 2% of TVEP Funds												
Alaska Vocational Technical Center – 17% of TVEP Funds												
<b>Subtotal</b>		<b>1,645.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,645.4</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
<b>Subtotal</b>		<b>1,645.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,645.4</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
<b>Component Name Change by HB 278: Alaska Technical Center</b>												
Misadj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Proper agency name is Alaska Technical Center. It is also known as Kotzebue Technical Center. Grants have been awarded under the proper name.												
<b>Alaska Technical and Vocational Education Formula Funding</b>												
Inc		80.6	0.0	0.0	0.0	0.0	0.0	80.6	0.0	0	0	0

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

**Component:** Alaska Technical Center (195)  
**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	
1151 VoTech Ed		80.6										
<p>The FY2016 estimated receipts of the Alaska Technical and Vocational Education Program account, including the carry forward amount, available for distribution is \$12,510.9. The Kotzebue Technical Center (dba Alaska Technical Center) will receive \$1,126.0, or nine percent, of total receipts available. This transaction increases the component's authority from the FY2015 distribution level of \$1,045.4.</p>												
<b>Reduction in Grant Funding Available for Distribution</b>												
1004 Gen Fund	Dec	-48.0	0.0	0.0	0.0	0.0	0.0	-48.0	0.0	0	0	0
		-48.0										
This budget reduction will decrease the unrestricted general funds available for distribution.												
<b>Totals</b>		<b>1,678.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,678.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

**Component:** Alaska Technical Center (195)  
**RDU:** Business Partnerships (481)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
77000	Grants, Benefits		1,566.6	1,645.4	1,678.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
<b>77000 Grants, Benefits Detail Totals</b>			<b>1,566.6</b>	<b>1,645.4</b>	<b>1,678.0</b>
77431	Education	Operations grant for Alaska Technical Center	1,566.6	1,645.4	1,678.0

**Unrestricted Revenue Detail**  
**Department of Labor and Workforce Development**

**Component:** Alaska Technical Center (195)  
**RDU:** Business Partnerships (481)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2014 Actuals</b>	<b>FY2015 Management Plan</b>	<b>FY2016 Governor Amended</b>
51433	Technical Vocational Education Program	968.4	1,045.4	1,126.0

<b>Detail Information</b>					<b>FY2014 Actuals</b>	<b>FY2015 Management Plan</b>	<b>FY2016 Governor Amended</b>
<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>			
51433	Technical Vocational Education Program			11166	968.4	1,045.4	1,126.0

The Technical Vocational Education Program (TVEP) Account established in AS 23.15.830 provides funds to support technical and vocational training programs to Alaska residents.

These funds are used by the Kotzebue Technical Center to upgrade instructional materials and equipment, provide program enhancement, and to develop the capacity to support industry specific training programs in order to address critical areas where there is a shortage of trained workers in the state.