

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

**Department of Labor and Workforce Development  
Southwest Alaska Vocational and Education Center  
Operations Grant  
Component Budget Summary**

**Component: Southwest Alaska Vocational and Education Center Operations Grant****Contribution to Department's Mission**

The Southwest Alaska Vocational and Education Center component contributes to the mission of the department by providing 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 Southwest Alaska Vocational and Educational Center (SAVEC), located on the King Salmon Air Force Base.
- SAVEC's facility is one of the most advanced classroom technology centers in the state; it features Smart Board technology in every classroom and can house 30 students and 2 instructors in its modern dormitories. The Distance Delivery programs include Smart Board plus wireless networking and multi-media Technology.
- SAVEC is a Rapid Response Center for business, industry, and community workforce training. The Center provides custom-designed training, distance delivery courses, workshops, seminars, certification courses, and programs that lead to immediate employment in the region.
- Industry, schools, and local and state agencies also utilize the facility as a training center. More than 14 entities such as the Lake & Peninsula School District, Bristol Bay Housing Authority, Lake & Peninsula and Bristol Bay Borough, CH2M Hill, the Pebble Partnership, Anglo American, the University of Alaska, Alaska Works Partnership, Bristol Bay Native Association, and Naknek Electric Association have used the SAVEC facility.
- SAVEC specializes in training for construction, heavy equipment, building maintenance, driver's license, commercial driver's license, Hazardous Waste Operations and Emergency Response (HAZWOPER) 40 & 8 hour courses, First Aid/CPR, Weatherization Certification, Welding, OSHA 10 and 30, and more.

**Major Component Accomplishments in 2014**

During FY2014, with the support provided by this operations grant, the Southwest Alaska Vocational and Education Center:

- Continued, with Bristol Bay Housing Authority, to deliver instruction for weatherization, plumbing, electrical, construction, and blower door classes.
- Provided Alaska's future workforce with a CDL program that saw the complete removal of the previous restriction "off system CDL valid AK only".
- Through a federal grant SAVEC has now become the Fisheries Career Pathways Education Center. Staff is working on developing winter courses and curriculum, and will seek funding from partners to make SAVEC a true Fisheries Career Pathways Center.
- Continued to expand and improve the University of Alaska Fairbanks, Bristol Bay Campus partnership. The numbers of students taking classes has risen every year throughout the partnership.

**Key Component Challenges**

SAVEC's largest challenge is to find stable funding for a variety of courses that have seen decreases in both federal and state funding sources due to changes in the economy. SAVEC continues to seek a steady source of operational funding to provide structured courses and programs. Although the Alaska Technical and Vocational Education Program (TVEP) and general funds help to offset a basic portion of the school's overhead costs (utilities, basic

administrative and staff salaries, and building maintenance); it does not provide for basic instruction. A majority of the training is funded through small locally partnered, Bristol Bay Economic Development Corporation (BBEDC), and RJIAC (Fish Jobs) federal grants.

SAVEC has been growing rapidly within the last five years in response to training needs in the community. Increased grant reporting requirements have put a serious strain on SAVEC's staff of five. Implementing Career Pathways (ICP) will require additional funding to hire full-time faculty and staff. SAVEC's goal is to train Alaskans to accept Alaska's jobs; however, additional funding is needed to take ICP implementation to the next level of educational and career development.

SAVEC also needs to improve communication with both the Lake and Peninsula and the Bristol Bay Borough School Districts to stimulate the prior partnership with them.

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

No significant changes in results to be delivered are anticipated.

### **Statutory and Regulatory Authority**

Statutory Authority:  
AS 23.15.830                      Alaska Technical and Vocational Education Program Account

<b>Contact Information</b>
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**Southwest Alaska Vocational and Education Center Operations Grant  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2014 Actuals</b>	<b>FY2015 Management Plan</b>	<b>FY2016 Governor Amended</b>
<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	517.8	543.5	554.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>517.8</b>	<b>543.5</b>	<b>554.7</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	195.0	195.0	179.4
1151 Technical Vocational Education Program Account	322.8	348.5	375.3
<b>Funding Totals</b>	<b>517.8</b>	<b>543.5</b>	<b>554.7</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2014 Actuals</b>	<b>FY2015 Management Plan</b>	<b>FY2016 Governor Amended</b>
<b>Unrestricted Revenues</b>				
Technical Vocational Education Program	51433	322.8	348.5	375.3
<b>Unrestricted Total</b>		<b>322.8</b>	<b>348.5</b>	<b>375.3</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>322.8</b>	<b>348.5</b>	<b>375.3</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>195.0</b>	<b>348.5</b>	<b>0.0</b>	<b>0.0</b>	<b>543.5</b>
<b>Proposed budget increases:</b>					
-Alaska Technical and Vocational Education Formula Funding	0.0	26.8	0.0	0.0	26.8
<b>Proposed budget decreases:</b>					
-Reduction in Grant Funding Available for Distribution	-15.6	0.0	0.0	0.0	-15.6
<b>FY2016 Governor Amended</b>	<b>179.4</b>	<b>375.3</b>	<b>0.0</b>	<b>0.0</b>	<b>554.7</b>

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

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (AR28630) (2792)

**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	517.8	520.9	543.5	543.5	554.7	11.2	2.1%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>517.8</b>	<b>520.9</b>	<b>543.5</b>	<b>543.5</b>	<b>554.7</b>	<b>11.2</b>	<b>2.1%</b>
<b>Fund Sources:</b>							
1004Gen Fund (UGF)	195.0	195.0	195.0	195.0	179.4	-15.6	-8.0%
1151VoTech Ed (DGF)	322.8	325.9	348.5	348.5	375.3	26.8	7.7%
<b>Unrestricted General (UGF)</b>	<b>195.0</b>	<b>195.0</b>	<b>195.0</b>	<b>195.0</b>	<b>179.4</b>	<b>-15.6</b>	<b>-8.0%</b>
<b>Designated General (DGF)</b>	<b>322.8</b>	<b>325.9</b>	<b>348.5</b>	<b>348.5</b>	<b>375.3</b>	<b>26.8</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:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**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	520.9	0.0	0.0	0.0	0.0	0.0	520.9	0.0	0	0	0
1004 Gen Fund		195.0										
1151 VoTech Ed		325.9										
<b>Education Bill Technical Vocational Education Program Ch15 SLA14 (HB278) (Sec10 Ch18 SLA2014 P97 L28 (SB119))</b>												
	FisNot	22.6	0.0	0.0	0.0	0.0	0.0	22.6	0.0	0	0	0
1151 VoTech Ed		22.6										
<p>This legislation extends the Technical and Vocational Education Program (TVEP) allocation through June 30, 2017.</p> <p>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.</p> <p>The grants line authorization of \$926.7 is distributed as follows:</p> <ul style="list-style-type: none"> <li>Business Services – 5% of TVEP Funds</li> <li>Kotzebue Technical Center Operations Grant – 9% of TVEP Funds</li> <li>Southwest Alaska Vocational and Education Center Operations Grant – 3% of TVEP Funds</li> <li>Yuut Elitnaurviat, Inc. People's Learning Center Operations Grant – 9% of TVEP Funds</li> <li>Northwest Alaska Career and Technical Center – 3% of TVEP Funds</li> <li>Delta Career Advancement Center – 3% of TVEP Funds</li> <li>New Frontier Vocational Technical Center – 2% of TVEP Funds</li> <li>Alaska Vocational Technical Center – 17% of TVEP Funds</li> </ul>												
	<b>Subtotal</b>	<b>543.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>543.5</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>543.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>543.5</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
<b>Alaska Technical and Vocational Education Formula Funding</b>												
	Inc	26.8	0.0	0.0	0.0	0.0	0.0	26.8	0.0	0	0	0
1151 VoTech Ed		26.8										

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 Southwest Alaska Vocational and Education Center will receive \$375.3, or three percent, of total receipts available. This transaction increases the component's authority from the FY2015 distribution level of \$322.8.

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

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**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	
<b>Reduction in Grant Funding Available for Distribution</b>												
1004 Gen Fund	Dec	-15.6	0.0	0.0	0.0	0.0	0.0	-15.6	0.0	0	0	0
		-15.6										
This budget reduction will decrease the unrestricted general funds available for distribution.												
	<b>Totals</b>	<b>554.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>554.7</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:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**RDU:** Business Partnerships (481)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
77000	Grants, Benefits		517.8	543.5	554.7
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
<b>77000 Grants, Benefits Detail Totals</b>			<b>517.8</b>	<b>543.5</b>	<b>554.7</b>
77435	Development	Operations grant for the Southwest Alaska Vocational and Educational Center	517.8	543.5	554.7

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

**Component:** Southwest Alaska Vocational and Education Center Operations Grant (2792)  
**RDU:** Business Partnerships (481)

Master Account	Revenue Description	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51433	Technical Vocational Education Program	322.8	348.5	375.3

Detail Information					FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51433	Technical Vocational Education Program			11166	322.8	348.5	375.3

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 Southwest Alaska Vocational and Education 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.