

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

**Department of Labor and Workforce Development
Employment Security
Results Delivery Unit Budget Summary**

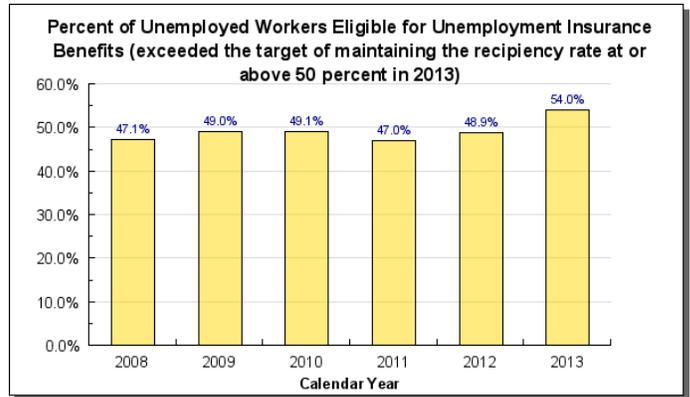
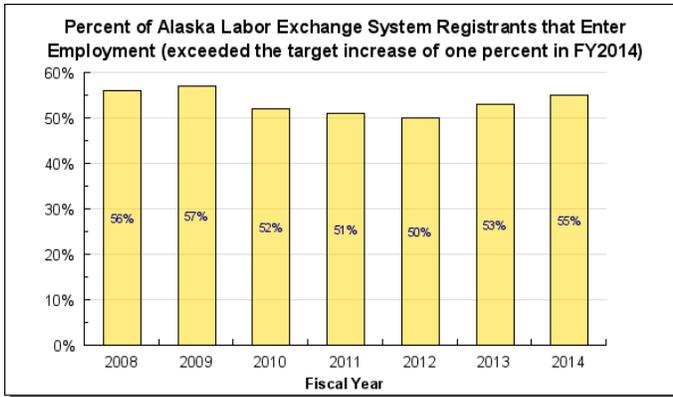
Employment Security Results Delivery Unit

Contribution to Department's Mission

The mission of the Employment Security Division is to provide labor exchange, employment and training services, and unemployment insurance to Alaskans and Alaska businesses thereby advancing opportunities for employment and providing economic stability for communities in Alaska.

Results

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



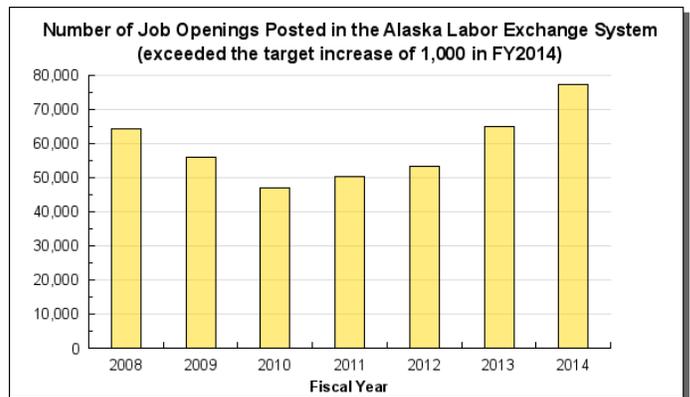
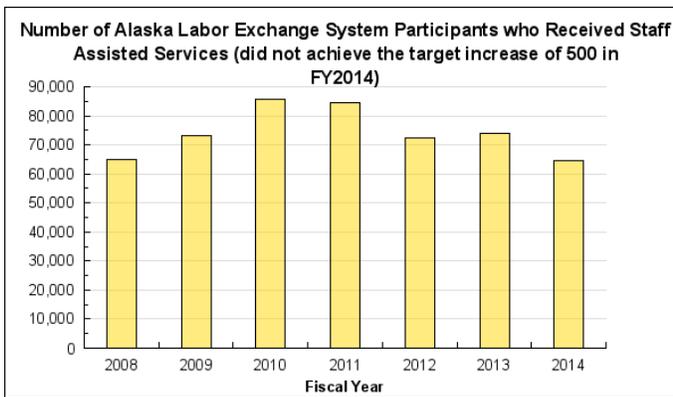
Core Services

- Connect employers with qualified job seekers.
- Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.
- Pay unemployment insurance benefits to Alaskans while they are still temporarily unemployed.

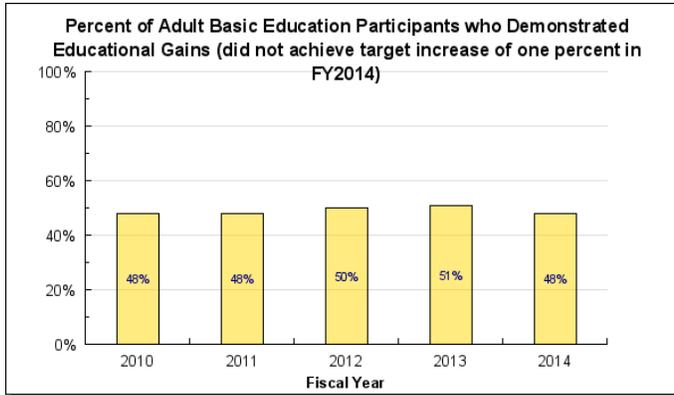
Measures by Core Service

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

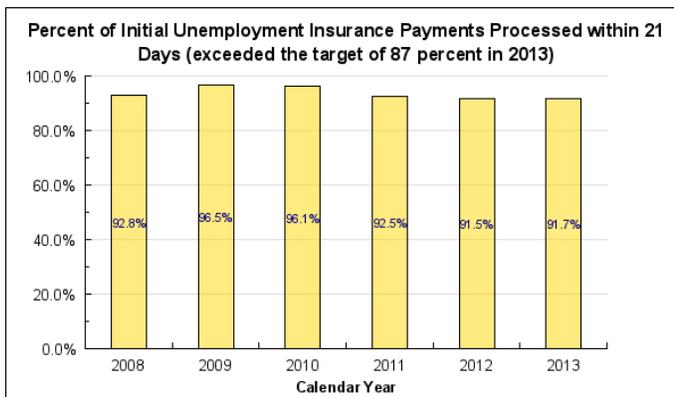
1. Connect employers with qualified job seekers.



2. Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.



3. Pay unemployment insurance benefits to Alaskans while they are still temporarily unemployed.



Major RDU Accomplishments in 2014

During FY2014, the Employment Security Division:

- Posted 69,294 job openings on the Alaska Labor Exchange System (ALEXsys). This was an increase of 4,565 (seven percent) over the prior year and a six year high.
- Increased the percentage of ALEXsys registrants that entered employment after receiving services through the Alaska Job Center Network from 54 percent to 55 percent, a five year high.
- Adopted new regulations that implement and define new requirements for Unemployment Insurance (UI) filers and employers. In an effort to facilitate reemployment of UI filers, the division will now require more claimants register for work in the Alaska Labor Exchange System and report mandatory work searches for each week filed.
- Increased electronic disbursements to 97 percent of all benefits delivered via Electronic Funds Transfer (EFT) versus paper warrants.
- Awarded 1,700 General Educational Development (GED) diplomas compared to 1,624 the prior year.

Key RDU Challenges

Key challenges for the Employment Security Division include:

- Managing job seeker demand for services combined with decreased federal funding for core, intensive and training services in the job centers. The division is utilizing the remaining available one-time federal funds to maintain service delivery while a strategic plan is implemented to address job center operations in future years.
- Significant Unemployment Insurance workload and funding declines resulting from the discontinuance of the Emergency Unemployment Compensation (EUC) program. These declines resulted in holding vacancies open and extended leave for seasonal employees.
- Developing further training for the regional Adult Basic Education (ABE) program staff to continue improving instruction provided for ABE students preparing to pass the new General Education Development (GED) test series, implemented January 1, 2014. Further training is also required to better prepare ABE program staff to develop career pathways for all ABE students.
- Bringing programs into compliance with the new Workforce Innovation and Opportunity Act (WIOA).

Significant Changes in Results to be Delivered in FY2016

The Employment and Training Services component will begin its transition to a more automated statewide job center network with much higher emphasis on technology and less emphasis on labor intensive methods for helping Alaskans to become employed and stay employed. The Employment and Training Services component will create integrated teams in the remaining job centers to increase the efficiency of service delivery.

To reduce the number of long-term unemployed Alaskans, the division received grant funds to implement and administer a Reemployment and Eligibility Assessment Program. Merging the collection of Unemployment Insurance (UI) benefits with mandatory, in-person, reemployment services will increase the opportunity for the division to identify and address barriers to employment.

The UI component will implement the UI Separation Information Data Exchange System (SIDES) and upgrade the Benefit Audit Recovery Tracking System (BARTS), increasing effectiveness in the protection of the UI Trust Fund.

Contact Information
<p>Contact: James E. Harvey, Director Phone: (907) 465-4891 Fax: (907) 465-4537 E-mail: james.harvey@alaska.gov</p>

**Employment Security
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2014 Actuals				FY2015 Management Plan				FY2016 Governor Amended			
	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												
Employment and Training Services	1,024.2	6,097.2	13,962.0	21,083.4	1,335.7	8,600.1	16,479.8	26,415.6	1,130.1	7,372.7	14,981.2	23,484.0
Unemployment Insurance	678.8	249.0	21,845.7	22,773.5	850.9	299.0	27,201.9	28,351.8	861.0	302.2	27,576.2	28,739.4
Adult Basic Education	2,151.1	0.0	911.2	3,062.3	2,150.3	0.0	1,261.9	3,412.2	1,983.8	0.0	1,263.4	3,247.2
Totals	3,854.1	6,346.2	36,718.9	46,919.2	4,336.9	8,899.1	44,943.6	58,179.6	3,974.9	7,674.9	43,820.8	55,470.6

Employment Security
Summary of RDU Budget Changes by Component
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>
FY2015 Management Plan	2,507.7	1,829.2	8,899.1	44,943.6	58,179.6
One-time items:					
-Employment and Training Services	0.0	-189.0	0.0	0.0	-189.0
Adjustments which continue current level of service:					
-Employment and Training Services	3.0	9.2	72.6	201.4	286.2
-Unemployment Insurance	0.0	12.1	3.2	374.3	389.6
-Adult Basic Education	6.0	0.0	0.0	1.5	7.5
Proposed budget decreases:					
-Employment and Training Services	-28.8	0.0	-1,300.0	-1,700.0	-3,028.8
-Unemployment Insurance	0.0	-2.0	0.0	0.0	-2.0
-Adult Basic Education	-172.5	0.0	0.0	0.0	-172.5
FY2016 Governor Amended	2,315.4	1,659.5	7,674.9	43,820.8	55,470.6