

State of Alaska
FY2017 Governor's Operating Budget

Department of Labor and Workforce Development
Employment and Training Services
Results Delivery Unit Budget Summary

Employment and Training Services Results Delivery Unit

Contribution to Department's Mission

The mission of the Division of Employment and Training Services is to develop and support workforce development programs designated to meet Alaska's needs and 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.

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

Major RDU Accomplishments in 2015

This division was created as a result of Administrative Order 275, which was effective June 10, 2015. The Division of Employment and Training Services is comprised of the Employment Security Division (ESD) and the Division of Business Partnerships (DBP), with the exception of the Workforce Investment Board, which was moved to the Commissioner's Office.

During FY2015, ESD and DBP:

- Posted 62,887 job openings on the Alaska Labor Exchange System (ALEXsys).
- Provided a total of 2,578 participants with job training and/or supportive services through the State Training and Employment Program (STEP) statewide. STEP enhances the quality and accessibility of job training for employers, employees, and future workers.
- Provided 540 adults, 407 dislocated workers, and 500 youth with job training and/or supportive services through the Workforce Investment Act funded programs. These programs helped eligible workers qualify for living wage employment, and helped employers by increasing the number of skilled workers in the workforce.
- Served 800 adults leading to employment and over 4,000 Alaska high school students who completed one or more vocational courses along a career and technical education path through Alaska Construction Academies located in Ketchikan, Juneau, Kenai Peninsula, Anchorage, Mat-Su Valley and Fairbanks.
- Paid Unemployment Insurance benefits in a timely manner to 42,474 insured unemployed workers. The total benefit dollars paid for this period was \$129,330,345.
- Increased regional partnerships in preparation for Workforce Innovation and Opportunity Act (WIOA) implementation resulting in recruiting students with more diversified goals requiring improved basic reading, writing, and math skills.

Key RDU Challenges

Key challenges for the Division of Employment and Training Services include:

- Implementing program, policy and procedure changes resulting from the Administrative Order (Administrative Order 275) that established the division. This includes redistributing workloads from all of the vacant positions that were deleted and redefining workloads of the positions that remain.

- Bringing programs into compliance with the new Workforce Innovation and Opportunity Act (WIOA).
- Managing job seeker demand for services combined with decreased federal funding for career 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.
- Processing regulation changes to participate in the Treasury Offset Program (TOP), which is now required by Unemployment Insurance (UI) federal regulations. TOP allows state UI programs to collect UI benefit overpayments and past due employer contributions from an individual's federal tax refund.

Significant Changes in Results to be Delivered in FY2017

In FY2017, the Division of Employment and Training Services will:

- Make program changes to align with final federal regulations for the new Workforce Innovation Opportunity Act.
- Transition to a more automated statewide job center network with a higher emphasis on technology for helping Alaskans to become employed and stay employed. The Workforce Services component will also create integrated teams to increase the efficiency of service delivery which includes an increased focus on employer outreach and/or enhanced services.
- Experience increases in Adult Basic Education (ABE) students who obtain jobs or continue their education beyond the secondary level to earn postsecondary credentials and/or certificates as a result of ABE's new career pathways approach.
- Improve timely detection of Unemployment Insurance (UI) overpayments by increasing Benefit Audit Reporting and Tracking System runs from quarterly to monthly.
- Develop a method for using predictive analytics to prevent improper payments to protect the UI Trust Fund.

Contact Information
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**Employment and Training Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2015 Actuals				FY2016 Management Plan				FY2017 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												
DETS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	339.3	1,017.8	1,357.1
Administration												
Workforce Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	798.5	4,700.7	12,702.3	18,201.5
Workforce Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17,131.6	2,844.6	12,360.2	32,336.4
Unemployment Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	865.0	302.2	27,576.2	28,743.4
Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18,795.1	8,186.8	53,656.5	80,638.4

**Employment and Training Services
Summary of RDU Budget Changes by Component
From FY2016 Management Plan to FY2017 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>
FY2016 Management Plan	0.0	0.0	0.0	0.0	0.0
Adjustments which continue current level of service:					
-DETS Administration	0.0	0.0	339.3	1,017.8	1,357.1
-Workforce Services	-150.0	0.0	-2,672.0	-2,278.9	-5,100.9
-Workforce Development	4,589.7	12,275.7	2,844.6	12,360.2	32,070.2
Proposed budget increases:					
-Workforce Development	0.0	266.2	0.0	0.0	266.2
-Unemployment Insurance	0.0	4.0	0.0	0.0	4.0
FY2017 Governor	4,589.7	14,205.4	8,186.8	53,656.5	80,638.4