

State of Alaska FY2006 Governor's Operating Budget

Department of Health and Social Services Work Services Component Budget Summary

Component: Work Services

Contribution to Department's Mission

Work Services empowers Temporary Assistance recipients to attain economic self-sufficiency through employment.

Core Services

The Work Services component:

- Funds grants and contracts to deliver welfare-to-work services. Services include job readiness and placement, job retention and advancement, transportation assistance, family mentoring, case management and other support services for Temporary Assistance recipients;
- Assists program participants to gain paid employment at the earliest opportunity;
- Supports local initiatives to promote and support family self-sufficiency;
- Provides wage subsidies to employers who create new jobs and hire welfare recipients to fill the positions;
- Collaborates with partner agencies to help move families from welfare-to-work;
- Provides employment and training services to Food Stamp recipients;
- Develops employer-based, short-term training opportunities for in-demand occupations for welfare recipients;
- Promotes employer and community involvement in welfare-to-work efforts;
- Helps meet federal TANF objectives to reduce and prevent out-of-wedlock and teen pregnancies including strategies to address the issue of male responsibility and culpability in statutory rape prevention;
- Supports partnership with Department of Labor and Workforce Development for the delivery of welfare-to-work services; and
- Monitors activities and performance of service providers to ensure program objectives and outcomes are met.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$16,172,500

Personnel:

Full time	8
Part time	0
Total	8

Key Component Challenges

Ultimately, the success of the Division's Work Services programs and policies rests on the viability and diversity of the state's economy. Challenges include:

- Ensuring continued commitment to work services activities that result in families moving off welfare;
- Providing meaningful work activities and promoting employment opportunities for families living in economically depressed regions of the state;
- Developing strategies that provide enhanced services and support self-sufficiency for families with multiple or profound challenges to economic self-sufficiency;
- Assessing and addressing impacts of TANF re-authorization, e.g., increased work participation requirements, new performance expectations, expanded federal reporting requirements, investment in healthy marriage and fatherhood initiatives and outcomes;
- Building stronger interagency collaborations to better serve shared customers in order to increase administrative efficiency and service effectiveness;
- Continuing to meet federal work participation rates.

Significant Changes in Results to be Delivered in FY2006

- The division will continue to enhance its new model for outcome-based, pay for performance contracts for the delivery of work services. In this model, contractors earn payments based on their ability to meet performance targets and are eligible for bonus payments for exceeding established targets.
- Enhanced monitoring of work services contracts and grants will enable the division to meet federal work participation requirements for FY2006 and improve the State's chances of winning additional High Performance Bonuses.
- Development and implementation of a family-centered approach in the delivery of work services. This approach will target long-term recipients with significant and multiple challenges to self-sufficiency. It will rely on close collaboration with partner agencies to ensure the creation of integrated service plans for target families.

Major Component Accomplishments in 2004

- The division met and exceeded federally mandated work participation rates.
- 67% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 31% were employed.
- Adults in 25% of new Temporary Assistance cases were employed within 60 days of filing an application for assistance.
- 36% of the adults on Temporary Assistance saw wage increases during the fiscal year.
- Adults in 45% of the Temporary Assistance cases that closed during 2004 had earned income.
- 84% of the families whose cases closed with earnings stayed closed for at least six months.
- In September 2004, the division was awarded \$3.18 million in Federal TANF High Performance Bonuses for federal fiscal year 2003. The 2003 award acknowledges the State's success in helping adults in Temporary Assistance families to enter the job market and the efforts of the Child Care Program Office, Resource and Referral Agencies, and Local Child Care Administrators to deliver quality child care to Alaskan families.
- The division enhanced the policies of Job Start, a wage subsidy program for businesses that hire welfare recipients, to expand employer access to the program. In 2004 82% (42 out of 51) of Job Start participants successfully completed their Job Start contracts.
- In September 2004, following an assessment of FY2004 performance, the division issued the incentive payments totaling \$30,570 to work services contractors who exceeded Work Services performance targets.

Statutory and Regulatory Authority

AS 47.27.005 Alaska Temporary Assistance Program
7 AAC 45

Contact Information

Contact: Janet Clarke, Assistant Commissioner
Phone: (907) 465-1630
Fax: (907) 465-2499
E-mail: janet_clarke@health.state.ak.us

**Work Services
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	469.7	603.6	624.8
72000 Travel	35.9	132.5	132.5
73000 Services	8,397.6	11,824.1	11,824.1
74000 Commodities	79.2	14.7	14.7
75000 Capital Outlay	4.4	0.0	0.0
77000 Grants, Benefits	3,369.2	3,576.4	3,576.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	12,356.0	16,151.3	16,172.5
Funding Sources:			
1002 Federal Receipts	9,490.0	13,304.2	13,315.5
1003 General Fund Match	1,808.3	1,771.0	1,778.2
1004 General Fund Receipts	1,057.7	1,076.1	1,078.8
Funding Totals	12,356.0	16,151.3	16,172.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	9,490.0	13,304.2	13,327.0
Restricted Total		9,490.0	13,304.2	13,327.0
Total Estimated Revenues		9,490.0	13,304.2	13,327.0

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	2,847.1	13,304.2	0.0	16,151.3
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	2.4	2.5	0.0	4.9
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	7.5	8.3	0.0	15.8
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.5	0.0	0.5
FY2006 Governor	2,857.0	13,315.5	0.0	16,172.5

**Work Services
Personal Services Information**

Authorized Positions		Personal Services Costs		
<u>FY2005</u>				
<u>Management</u>		<u>FY2006</u>		
<u>Plan</u>		<u>Governor</u>		
			Annual Salaries	437,913
Full-time	8	8	COLA	7,317
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	221,465
			<i>Less 2.98% Vacancy Factor</i>	(19,895)
			Lump Sum Premium Pay	0
Totals	8	8	Total Personal Services	646,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	1	0	1
Prog Coordinator	1	0	2	0	3
Public Assist Analyst II	0	0	1	0	1
Public Asst Prog Off	0	0	1	0	1
Social Svcs Prog Coord	0	0	1	0	1
Social Worker III	0	0	1	0	1
Totals	1	0	7	0	8