

# **State of Alaska FY2006 Governor's Operating Budget**

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

**Component: Alaska Vocational Technical Center****Contribution to Department's Mission**

The Alaska Vocational Technical Center contributes to the department's mission by providing market-driven vocational and technical training to state residents.

**Core Services**

The Alaska Vocational Technical Center (AVTEC) is a public post-secondary vocational technical education and training institution that provides vocational technical education programs for Alaskans across the state. To assure Alaska hire, AVTEC offers vocational technical training in occupations relating to Alaska's expanding and unique economy. AVTEC offers 16 long-term training programs in a multitude of different business and industry fields. In addition, AVTEC provides a wide variety of short-term training and education programs to hundreds of Alaskans in many communities annually. Short-term training is generally customized industry-specific training that varies in length from one day to six weeks.

**Construction Industry** - Structural and Pipe Welding Technology Programs use the latest equipment found in today's workplace to provide skills and abilities very much in demand in Alaska's construction industry. The Industrial Electrical Program is the only one of its kind in Alaska. Its graduates are highly sought after by employers for their technical skills and knowledge from basic electrical principles to their ability to troubleshoot and maintain the most advanced programmable logic controllers found in process technology and construction industries. Facility Maintenance Programs, both mechanical and construction, are graduating students ready to tackle the demands of our high-tech construction and maintenance industry.

**Health Care Industry** - AVTEC's Anchorage-based Allied Health Department's Certified Nurse Assistant (CNA) and Licensed Practical Nurse (LPN) courses are nationally accredited and approved by the State of Board of Nursing. These programs operate in a collaborative effort between AVTEC and Providence Health System Alaska to increase the number of entry-level CNA's and professional level LPN's to alleviate severe staffing shortages in Alaska. The career ladder approach used by AVTEC provides opportunities for Alaskans to progress in their profession to become registered nurses.

**Information Technology Industry** - Industry certifications students can receive through this program include A+, Microsoft MCSE, Cisco CCNA, and CompTIA Net+. A second long-term IT program was developed and launched at the request of the industry advisory board. In the Web Application Developer program students complete industry certification as Certified Internet Webmasters. This is the only program of its kind in Alaska. Customized IT training is also being delivered to State of Alaska employees to introduce new computer software skills or upgrade skills to meet new and emerging IT needs.

**Transportation Industry** - Alaska Maritime Training Center incorporates its state-of-the-art multi-bridge maritime simulator to provide a wide variety of Coast Guard approved licensing classes for incumbent and new mariners. Maritime training programs include OUPV/Master Mate, Master 100 Ton, Master Unlimited, and Merchant Mariner's Document. The Heavy and Diesel Technology and Automotive Technology Programs provide nationally recognized training to gain employment within the automotive and diesel/heavy maintenance and repair industry.

**Hospitality Industry** - AVTEC's Culinary Arts and Sciences program is a first class culinary academy. The program and its staff are nationally certified and accredited by the American Culinary Federation. AVTEC is also home of the only approved practical testing facility in the State to provide certification evaluation for Alaska's chefs.

### FY2006 Resources Allocated to Achieve Results

<b>FY2006 Component Budget: \$8,059,400</b>	<b>Personnel:</b>	
	Full time	15
	Part time	55
	<b>Total</b>	<b>70</b>

### Key Component Challenges

The key issue facing AVTEC is to continually identify efficiencies, industry partnerships, and alternative means of service delivery to overcome limited budgets and increasing fixed operating costs, thereby allowing the school to continue to operate and provide quality training programs. A 20% tuition and fees increase was implemented in FY2005 to provide additional resources and an authorization increase is included in this budget to utilize those receipts for program support.

Retaining qualified instructional staff is also a key issue for AVTEC. Several instructional staff in hard to fill positions are retirement eligible from the Teachers' Retirement System with several more coming up in the next two years. Unless statute is changed to allow AVTEC the same opportunity to retain instructional staff currently afforded to school districts around the state, AVTEC may have to cancel training programs due to lack of staff. Legislation has been introduced for three consecutive years that would include AVTEC in the language allowing retired teachers to continue to work in hard to fill positions, but has not been enacted.

Another key issue for AVTEC is to maintain and extend the usable life of AVTEC's facilities. AVTEC has 13 buildings that range in age from 50 years to one new 48-bed dormitory. Some of these buildings have exceeded their useful life or were built to accommodate temporary purposes but are still in use. Utility costs have continued to increase due to inflation and the increased number of buildings operated. To address these issues, AVTEC developed a campus master plan that prioritizes and identifies every building's need of renewal, replacement, or repairs over a six-year period and submitted the first year's funding request in FY05. For FY06 AVTEC has requested another phase of funding via the CIP process.

### Significant Changes in Results to be Delivered in FY2006

Allied Health training in Anchorage will be expanded to add a second Licensed Practical Nurse program beginning January 05 to meet health industry demand for these training professionals and a budget increase to support this effort is included.

Deletion of a one time additional appropriation of Alaska Technical and Vocational Education Program (TVEP) funded authorization will reduce the amount of training funds available to AVTEC.

### Major Component Accomplishments in 2004

Continued to obtain national certification for AVTEC training programs. This past year the Facility Maintenance Mechanical program achieved accreditation by the Partnership for Heating, Air-Conditioning, and Refrigeration (PAHRA). Both Facility Maintenance programs and instructors are now certified by the National Center for Construction Education and Research (NCCER).

Exceeded national standards for graduation and training related employment. Last year, 94% of long-term AVTEC graduates were employed in their fields of training. Post-training wage increase also remains high, in fact it is 40-70% higher compared to other Alaska public postsecondary training institutions.

Established a partnership with CIRI's Hospitality Division for the Culinary program to operate the Roadhouse Restaurant during the winter season. This partnership enhanced the quality of training, provided a needed community resource, and opened a direct path to employment for trained Alaskans to meet employers' needs.

Partnered with the University of Alaska to articulate AVTEC credit into UAA associate degrees in the Business & Office Technology, Information Technology, Nursing, and Industrial Electrical programs.

### Statutory and Regulatory Authority

Statutory Authority:

AS 14.07.020	Provide Post Secondary Vocational Technical Education
AS 44.27.020(1)	Administer Post Secondary Vocational Technical Education
AS 37.07.020(e)	Propose Budget for Facility Operations, Maintenance, Repairs, and Renewals/Replacements

Contact Information
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**Alaska Vocational Technical Center  
Component Financial Summary**

*All dollars shown in thousands*

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	4,144.9	4,365.7	4,627.6
72000 Travel	47.8	46.7	46.7
73000 Services	1,444.8	1,751.8	2,112.1
74000 Commodities	967.3	875.0	875.0
75000 Capital Outlay	12.3	76.0	51.0
77000 Grants, Benefits	244.0	347.0	347.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>6,861.1</b>	<b>7,462.2</b>	<b>8,059.4</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	234.3	450.0	450.0
1004 General Fund Receipts	3,140.5	2,994.1	3,537.9
1007 Inter-Agency Receipts	678.9	696.2	698.6
1151 Technical Vocational Education Program Account	972.0	1,347.1	1,114.0
1156 Receipt Supported Services	1,835.4	1,974.8	2,258.9
<b>Funding Totals</b>	<b>6,861.1</b>	<b>7,462.2</b>	<b>8,059.4</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2004 Actuals	FY2005 Managem nt Plan	FY2006 Governor
<b>Unrestricted Revenues</b>				
Technical Vocational Education Program	51433	972.0	1,347.1	1,127.8
<b>Unrestricted Total</b>		<b>972.0</b>	<b>1,347.1</b>	<b>1,127.8</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	234.3	450.0	450.0
Interagency Receipts	51015	678.9	696.2	705.6
Receipt Supported Services	51073	1,835.4	1,974.8	2,291.1
<b>Restricted Total</b>		<b>2,748.6</b>	<b>3,121.0</b>	<b>3,446.7</b>
<b>Total Estimated Revenues</b>		<b>3,720.6</b>	<b>4,468.1</b>	<b>4,574.5</b>

**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>
<b>FY2005 Management Plan</b>	<b>2,994.1</b>	<b>450.0</b>	<b>4,018.1</b>	<b>7,462.2</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 05 Bargaining Unit Contract Terms: GGU	4.7	0.0	7.2	11.9
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	14.1	0.0	30.2	44.3
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	1.2	1.2
<b>Proposed budget decreases:</b>				
-Deletion of One Time Alaska Technical and Vocational Education Program (TVEP) Authorization	0.0	0.0	-220.5	-220.5
-Deletion of One Time Alaska Technical and Vocational Education Program (TVEP) Authorization	0.0	0.0	-100.0	-100.0
<b>Proposed budget increases:</b>				
-Increase Receipt Supported Services Authorization to Align with Anticipated Receipts	0.0	0.0	250.0	250.0
-Increase Alaska Technical and Vocational Education Program (TVEP) Authorization to Align with Projected Revenues	0.0	0.0	85.3	85.3
-Add General Funds to Expand the Allied Health Program	525.0	0.0	0.0	525.0
<b>FY2006 Governor</b>	<b>3,537.9</b>	<b>450.0</b>	<b>4,071.5</b>	<b>8,059.4</b>

**Alaska Vocational Technical Center  
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	3,246,705
Full-time	15	15	COLA	17,330
Part-time	54	55	Premium Pay	33,351
Nonpermanent	2	2	Annual Benefits	1,539,984
			<i>Less 1.15% Vacancy Factor</i>	(55,470)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>71</b>	<b>72</b>	<b>Total Personal Services</b>	<b>4,781,900</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	0	1	1
Accounting Clerk II	0	0	0	1	1
Accounting Tech II	0	0	0	1	1
Administrative Assistant	0	0	0	1	1
Administrative Clerk II	0	0	0	3	3
Asst.Dir.Instruction & Housing	0	0	0	1	1
Business Svcs Administrator	0	0	0	1	1
Community Devel Spec I	0	0	0	1	1
Department Head - AVTEC	1	0	0	8	9
Division Director	0	0	0	1	1
Dormitory Attendant	0	0	0	4	4
Education Assoc III	0	0	0	1	1
Education Prog Assistant	0	0	0	1	1
Food Service Journey	0	0	0	3	3
Food Service Lead	0	0	0	1	1
Food Service Sub Journey	0	0	0	2	2
Instructors Aide I	0	0	0	1	1
Instructors Aide II	1	0	0	3	4
Micro/Network Tech II	0	0	0	1	1
Prog Svc Aide IV	0	0	0	1	1
Recreation Assistant	0	0	0	1	1
Student Worker	0	0	0	1	1
Sub Teacher - AVTEC	0	0	0	1	1
Supply Technician II	0	0	0	1	1
Teacher - AVTEC	4	0	0	23	27
Training Specialist	0	0	0	1	1
Work Force Dev Spec I	0	0	0	1	1
<b>Totals</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>66</b>	<b>72</b>