

State of Alaska FY2006 Governor's Operating Budget

Department of Labor and Workforce Development

Department of Labor and Workforce Development

Mission

The mission of the Department of Labor and Workforce Development is to provide safe and legal working conditions and to advance opportunities for employment.

Core Services

The Office of the Commissioner RDU provides direction in the administration of the department's programs and facilitates the resolution of disputes between organized labor and public employers.

The Administrative Services RDU provides management information and support services to the department, develops and distributes labor market and population information, and conducts labor force research. The division's support services include fiscal, publications, budget and data processing.

The Workers' Compensation RDU administers the state's Workers' Compensation Act, the Fishermen's Fund and the Second Injury Fund to aid Alaskans with employment related injuries and illnesses.

The Labor Standards and Safety RDU provides enforcement, training and monitoring of the laws governing occupational safety and health, wages and hours, child labor and the safety of certain mechanical devices and hazardous substances.

The Employment Security RDU assesses and collects Unemployment Insurance (UI) tax, pays UI benefits, operates a public labor exchange and provides adult basic education services.

The Business Partnerships RDU provides policy planning, designs and implements training programs for the State Training and Employment Program (STEP) and is the grantee for all Workforce Investment Act federal grants.

The Vocational Rehabilitation RDU assists individuals with disabilities to obtain and maintain employment.

End Results	Strategies to Achieve Results
<p>A: Full employment of Alaska workforce.</p> <p><u>Target #1:</u> Decrease the ratio of non-residents to residents working in Alaska by 2% per year. <u>Measure #1:</u> Percent change in the ratio of non-resident workers compared to resident workers.</p> <p><u>Target #2:</u> Increase the percentage of the Alaskan workforce employed. <u>Measure #2:</u> Percent of Alaskan workforce employed.</p> <p><u>Target #3:</u> Reduce unemployment rate by .5% as compared to the previous year. <u>Measure #3:</u> Percent change in Alaska's unemployment rate.</p>	<p>A1: Enforce the provisions for resident hire preference on public construction projects.</p> <p><u>Target #1:</u> Check 75% of certified payrolls submitted to the Wage and Hour Administration for compliance with Alaska resident hire requirements. <u>Measure #1:</u> Percent of certified payrolls reviewed for compliance.</p> <p>A2: Increase the number of Workforce Investment System participants who get jobs.</p> <p><u>Target #1:</u> Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year. <u>Measure #1:</u> Percent of Workforce Investment System participants that enter employment.</p> <p><u>Target #2:</u> Increase the number of Workforce Investment System participants by 1% as compared to the previous year. <u>Measure #2:</u> Change in number of Workforce Investment</p>

	<p>System participants.</p> <p><u>Target #3:</u> Equal the prior year's number of people with disabilities exiting the Vocational Rehabilitation program who are employed.</p> <p><u>Measure #3:</u> Number of people with disabilities employed compared to prior year.</p> <p>A3: Increase the number of job orders and job openings listed in the Workforce Investment System.</p> <p><u>Target #1:</u> Increase the number of job openings placed by employers by .5% as compared to the previous year.</p> <p><u>Measure #1:</u> Change in the number of job openings posted on the department's labor exchange system.</p>
End Results	Strategies to Achieve Results
<p>B: A prepared workforce.</p> <p><u>Target #1:</u> At least 70% of trained participants will enter employment.</p> <p><u>Measure #1:</u> Percent of trained participants that enter employment.</p>	<p>B1: Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).</p> <p><u>Target #1:</u> At least 60% of participants are trained in occupations aligned with the board's industry priorities.</p> <p><u>Measure #1:</u> Percent of participants trained in priority industry occupations.</p> <p>B2: Improve the quality and availability of in-state career and technical education</p> <p><u>Target #1:</u> At least 90% of WIA and STEP grants are awarded to organizations employing industry-based skill standards in their training by 6/30/05.</p> <p><u>Measure #1:</u> Percent of grants awarded to organizations employing industry-based skill standards.</p>
End Results	Strategies to Achieve Results
<p>C: Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.</p> <p><u>Target #1:</u> Reduce lost workday accidental injuries and illnesses per 100 employees by 2% compared to the previous year.</p> <p><u>Measure #1:</u> The change in the rate of lost workday accidental injuries and illnesses per 100 employees.</p> <p><u>Target #2:</u> Eliminate accidental fatalities.</p> <p><u>Measure #2:</u> The number of accidental fatalities.</p>	<p>C1: Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.</p> <p><u>Target #1:</u> Increase the number of Voluntary Protection Program (VPP) sites in Alaska by 20%.</p> <p><u>Measure #1:</u> The change in the number of new VPP sites expressed as a percentage of the existing number of sites.</p> <p><u>Target #2:</u> Increase the number of Safety and Health Achievement Recognition Program (SHARP) sites in Alaska by 9%.</p> <p><u>Measure #2:</u> The change in the number of new SHARP sites expressed as a percentage of the existing number of sites.</p>

FY2006 Resources Allocated to Achieve Results	
Personnel:	

FY2006 Resources Allocated to Achieve Results

FY2006 Department Budget: \$154,059,700	Full time	878
	Part time	108
	Total	986

Performance Measure Detail

A: Result - Full employment of Alaska workforce.

Target #1: Decrease the ratio of non-residents to residents working in Alaska by 2% per year.

Measure #1: Percent change in the ratio of non-resident workers compared to resident workers.

Nonresident Workers in Alaska

Year				Nonres. %	YTD
1998				19.5	
1999				18.1	
2000				17.9	
2001				18.4	
2002				18.2	

Analysis of results and challenges: For the period 1992-2002, the percentage of nonresidents working in Alaska has varied from a high of 23.7% in 1992 to a low of 17.9% in 2000. Information for 2003 will be available at the end of January, 2005. Wage and Hour proposes to increase enforcement of the Alaska employment preference law on public construction projects in FY 2005.

Target #2: Increase the percentage of the Alaskan workforce employed.

Measure #2: Percent of Alaskan workforce employed.

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
1999					93.6%
2000					93.3%
2001					93.6%
2002					92.3%
2003	90.7%	92.1%	93.0%	92.2%	92.0%
2004	91.5%	92.9%	93.4%		

Analysis of results and challenges: The employment rate is based on the estimates of Alaska's civilian labor force produced by Research and Analysis. Since 1990 Alaska's employment rate has been between 90.8% (low - 1992) and 94.2% (high - 1998). The current projected population growth and employment growth are both 1.5%. ESD will continue to provide priority services to Alaskan workers.

Target #3: Reduce unemployment rate by .5% as compared to the previous year.

Measure #3: Percent change in Alaska's unemployment rate.

Civilian Unemployment Rate

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
2000	8.1%	6.6%	5.7%	6.4%	6.6%
2001	7.6%	6.1%	5.5%	6.4%	6.5%
2002	8.5%	7.5%	7.1%	7.9%	7.0%
2003	9.3%	7.9%	7.0%	7.8%	8.0%
2004	7.8%	7.1%	6.6%		

Analysis of results and challenges: During calendar year 2004 the Department will conduct an analysis of Alaska's workforce in light of expected industry growth and corresponding occupational demand to determine training and job skill needs. The Department will use the information gathered to tailor the employment and training services to effectively respond to those needs.

A1: Strategy - Enforce the provisions for resident hire preference on public construction projects.

Target #1: Check 75% of certified payrolls submitted to the Wage and Hour Administration for compliance with Alaska resident hire requirements.

Measure #1: Percent of certified payrolls reviewed for compliance.

Certified Payroll Compliance Review

Year	#Received	#Reviewed	%Reviewed		YTD
2001	N/A	6428	Not Avail		
2002	N/A	6653	Not Avail		
2003	N/A	4853	Not Avail		
2004	6789	350	6%	0	0

Analysis of results and challenges: This percentage will be calculated by dividing the number of certified payrolls reviewed by the number of certified payrolls received. The data is not currently available. Beginning in January of 2004, Wage and Hour will begin tracking the total number of certified payrolls received. The percentage of certified payrolls reviewed was extremely low in FY 04 due to insufficient staff. However, an approved increase of two staff positions in FY 05 and a requested additional position in FY 06 will have a significant impact on the percentage of certified payrolls reviewed.

A2: Strategy - Increase the number of Workforce Investment System participants who get jobs.

Target #1: Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year.

Measure #1: Percent of Workforce Investment System participants that enter employment.

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
2002					55.1%
2003					56.4%
2004	59.0%	63.0%	68.0%	66.0%	64.0%
2005					Projected 65.0%

Analysis of results and challenges: The department is implementing strategies to increase the entered employment rate for Workforce Investment System participants by providing staff assisted services to more job seekers, intensifying those services that emphasize successful employment strategies, and increasing marketing of available services to Alaskans. This measure is obtained by utilizing the federal definition of Entered Employment which is: a Workforce Investment Act participant that enters employment in either of the two quarters after exiting training, or a labor exchange services participant that enters employment in either of the two quarters following their first receipt of service within a year.

Target #2: Increase the number of Workforce Investment System participants by 1% as compared to the previous year.

Measure #2: Change in number of Workforce Investment System participants.

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
2002					72,595
2003					72,284
2004	21,072	15,715	14,882	13,741	65,410
2005					Projected 66,100

Analysis of results and challenges: The increased use of the self-referral process used by applicants to apply for job openings has decreased one major component of participant registration. The department is making efforts to capture this particular population for statistical purposes. In addition, the department has increased efforts in marketing of available services to Alaskans, which will increase the number of Workforce Investment System participants in the future. Performance criteria and federal definitions changed in 2002 requiring a year-to-date, by quarter report.

Target #3: Equal the prior year's number of people with disabilities exiting the Vocational Rehabilitation program who are employed.

Measure #3: Number of people with disabilities employed compared to prior year.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2000	125	142	120	135	522
2001	139	133	119	145	536
2002	119	137	138	136	530
2003	105	113	120	179	517
2004	113	114	140	150	517
2005	118	0	0	0	118

Analysis of results and challenges: Federal law for vocational rehabilitation mandates that a person be working for a minimum of 90 days prior to being counted as a Successful Closure. As shown by the table, this number has remained relatively consistent since FY2000. The division is implementing some innovative streamlining processes by focusing on job matching through trial work experience and temporary placement on the job, which we anticipate will utilize staff more effectively.

A3: Strategy - Increase the number of job orders and job openings listed in the Workforce Investment System.

Target #1: Increase the number of job openings placed by employers by .5% as compared to the previous year.

Measure #1: Change in the number of job openings posted on the department's labor exchange system.

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
2002					44,451
2003					44,632
2004	11,619	8,875	11,443	13,986	45,923
2005					Projected 46,200

Analysis of results and challenges: Recent business outreach programs conducted by the department have increased the exposure and recognition of the Alaska Job Center Network as the premier labor exchange in the state. The results of one of these programs, the National Business Engagement Consortium (NBEC), have shown that the labor exchange has had an increased usage from the industries targeted. The department has adopted selected methods utilized during the NBEC program for use at local levels.

B: Result - A prepared workforce.

Target #1: At least 70% of trained participants will enter employment.

Measure #1: Percent of trained participants that enter employment.

Analysis of results and challenges: We determined an aggregate percentage for the Entered Employment rate that accounts for performance in multiple training programs. We have historical data for the Entered Employment rate from SFY01 forward for the following programs: WIA Adult, WIA Youth, WIA Dislocated Worker, and the State Training Employment Program (STEP).

B1: Strategy - Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).

Target #1: At least 60% of participants are trained in occupations aligned with the board's industry priorities.

Measure #1: Percent of participants trained in priority industry occupations.

Analysis of results and challenges: We will allocate our limited training resources toward priority occupations to increase the likelihood that our training participants will obtain employment in alignment with these priorities. We will use industry priority occupations as criteria of grant awards. The prioritization of industries is based upon demand, growth and high non-residency. The current priority occupations are in the following industries; Health Care, Construction and Trades, Education, Information Technology, Seafood, Transportation and, Tourism and Hospitality.

Our Management Information System (MIS) participant data is incomplete for prior years, but for SFY2003 we show approximately 55% of clients trained in industry priority occupations. We are working to ensure the industry data is entered in the MIS for each participant. The strategies and processes we develop will provide clearer direction and insistence in training participants in priority industry occupations. In addition, we will use these priorities more explicitly to help inform participants as they utilize their "customer choice" options for training.

B2: Strategy - Improve the quality and availability of in-state career and technical education

Target #1: At least 90% of WIA and STEP grants are awarded to organizations employing industry-based skill standards in their training by 6/30/05.

Measure #1: Percent of grants awarded to organizations employing industry-based skill standards.

Analysis of results and challenges: There is correlation between skill standards and employment. Those individuals whose skills are industry based are more likely to be employed. Furthermore industry based skills are formed by the employer community. The employer community defines the skills necessary for them to succeed. By awarding training funds to training providers that train according to industry expectations we are maximizing the investment of our training resources for quality training that leads to employment.

We have data from other states and through accreditation programs that indicates a strong correlation between training standards and training outcomes. As of the fourth quarter of SFY2004 we will complete a survey of Training Providers that identifies the type of training standards and accrediting bodies at work in Alaska. In June of SFY2004 we will host a series of teleconferences with Training providers and industry regarding the expectations of Skill Standards. In the second quarter of SFY2005 we will build the skill standards criteria into the grant award process. In the third quarter of SFY2005 we will measure the percent of training programs that meet industry skill standards.

C: Result - Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.

Target #1: Reduce lost workday accidental injuries and illnesses per 100 employees by 2% compared to the

previous year.

Measure #1: The change in the rate of lost workday accidental injuries and illnesses per 100 employees.

Year				% Change	YTD
2001					3.59
2002				-9.8%	3.24
2003				-15.7%	2.73
2004	0	0	0	-75%	.34

Analysis of results and challenges: This statistic will be calculated using Worker's Compensation Insurance claim data and Alaska labor market information. Alaska Occupational Safety and Health will reduce the lost workday illness and injury rate by targeting consultation and enforcement efforts on the causes of illnesses and injuries in industries with high incident rates.

Target #2: Eliminate accidental fatalities.

Measure #2: The number of accidental fatalities.

Year				% Change	YTD
2001					3
2002				+67%	5
2003				-20%	4
2004	0	0	0	-75%	1

Analysis of results and challenges: The number of workplace fatalities will be calculated using fatality reports submitted to the Alaska Occupational Safety and Health Administration (AKOSH). AKOSH will reduce workplace fatalities through consultation and enforcement inspections targeted on industries with high fatality rates and eliminating the most prevalent causes of fatalities.

C1: Strategy - Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.

Target #1: Increase the number of Voluntary Protection Program (VPP) sites in Alaska by 20%.

Measure #1: The change in the number of new VPP sites expressed as a percentage of the existing number of sites.

Year			# Sites	% Change	YTD
2001			2		
2002			4	+100%	
2003			5	+25%	
2004			6	+20%	

Analysis of results and challenges: There are currently five Voluntary Protection Program (VPP) sites in Alaska. Our goal requires the Alaska Occupational Safety and Health Administration to maintain these five sites and add at least one VPP site over the course of the next year. VPP participation will be improved by promoting the benefits of the program to businesses. Consultants will work in partnership with businesses to assist with the development, implementation and maintenance of occupational safety and health programs and performance necessary to meet VPP participation standards.

Target #2: Increase the number of Safety and Health Achievement Recognition Program (SHARP) sites in Alaska by 9%.

Measure #2: The change in the number of new SHARP sites expressed as a percentage of the existing number of sites.

Year			# Sites	% Change	YTD
2001			3		
2002			5	+166%	
2003			11	+220%	
2004			12	+9%	

Analysis of results and challenges: With the current number of Safety and Health Recognition Program (SHARP) sites within Alaska, this goal will require the Alaska Occupational Safety and Health Administration to add at least one SHARP site, while maintaining existing sites. SHARP participation will be improved through promoting the benefits of participation in the program to businesses. Consultants will work in partnership with businesses to assist with development, implementation and maintenance of occupational safety and health programs and performance necessary to meet SHARP standards.

Key Department Challenges

Implement the Governor's Jobs Are Alaska's Future initiative.

Begin alignment to the new Statewide Enterprise IT standards. Fully aligning the Department's IT efforts to these new standards will take several years as the department's substantial infrastructure on the IBM MVS/CICS/DB2 mainframe is not part of the new IT standard.

Continue to research and assist in labor-management ad hoc committee efforts to address rapidly increasing workers' compensation liability insurance premium costs without adversely affecting benefits provided to injured workers.

The Governor's budget proposal enables the Department to establish an additional Wage and Hour Technician to check 75% of the certified payrolls and improve Alaska resident hire compliance.

Increase the involvement of business and employers in Alaska's workforce investment system and increase job-training resources in Governor and Commissioner identified priority industries.

Maintain federal training program performance levels despite continued federal Workforce Investment Act and other training grant reductions. This budget request includes the deletion of over \$7,000.0 of unfunded federal authorization, these are dollars not available for training Alaskans.

To offset some of the impacts of federal training grant reductions an increase in State Training and Employment Program (STEP) authorization is being requested.

Provide greater capacity in the One-Stop delivery system to effectively serve people with disabilities.

Significant Changes in Results to be Delivered in FY2006

The department will enhance its image and accessibility through the Jobs Are Alaska's Future initiative.

With the requested Technician for the Fairbanks Worker's Compensation office there will be an improved delivery of informational services and a reduction of delays in informal and formal resolution of disputed claims in the office serving the northern tier of the state.

The Wage and Hour Administration will increase resident hire enforcement efforts with the addition of a Wage and Hour Technician position to check 75% of certified payrolls. The identification of resident hire violations is expected to increase initially and then decrease as the enforcement activity stabilizes.

The Occupational Safety and Health Administration intends to reduce rates for workplace injuries and illness per 100 employees by 15% over five years (2% in FY 2004, 3% in FY 2005-2007 and 4% in FY 2008).

The Employment Security Division is developing a web based labor exchange system that automates skills based matching and promotes employer and job seeker interaction. This project is scheduled for statewide implementation in November 2005.

Implementation of the new online tax services will provide an alternative method for Alaskan employers to conduct business with the Employment Security Division's Tax Unit. In addition to filing quarterly contribution reports, the services will assist businesses with compiling, calculating, submitting, and paying their unemployment taxes online. The enhancements also include new employer registration, online account maintenance, and the option of paying taxes through Electronic Funds Transfer (EFT).

The Alaska Workforce Investment Board and the Business Partnerships Division will focus on better coordination of regional, local and internal resources and help to leverage and assess statutorily mandated resource allocations.

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

The Division of Vocational Rehabilitation is launching a significant effort to partner with local school districts to make contact with students with disabilities who are about to leave the school system and to assist the students to successfully transition into the workforce. The Division will provide training to employers in understanding disability issues and the financial incentives to hire persons with disabilities.

Major Department Accomplishments in 2004

The department published occupational and industrial forecasts for ten-year horizon.

The Workers' Compensation Division, along with the Division of Insurance, successfully supported the Governor's initiative to maintain the viability of the Alaska Insurance Guaranty Association despite recent insurance company insolvencies. Doing so avoided payment of partial benefits to injured workers and imposition of the balance of the liabilities on their employers.

Wage and Hour staff collected over \$2,360,000 in wages, penalties and interest owed to Alaskan workers and reduced the average claim resolution time from 8.1 to 7.9 months.

The Occupational Safety and Health section facilitated a reduction in the rate of lost workday injuries and illnesses per 100 employees in Alaska's targeted, high hazard industries (construction and transportation and warehousing) by a combined total of 9.35% and in all industries by a combined total of 2.43% based on Workers' Compensation claim data.

The Employment Security Division assisted 36,170 job seekers to enter employment through the Alaska Job Center Network.

The Unemployment Insurance program paid 61,511 insured workers \$162.5 million in unemployment benefits.

The Adult Basic Education program awarded 1,816 GED diplomas in FY2004. Additionally, 88.5% of ABE adult students demonstrated increased basic skills knowledge.

The Business Partnership Division provided grant and program management, technical assistance and performance and evaluation support to enroll over 600 dislocated workers for retraining, job search and relocation and supportive service assistance in the National Emergency Grant project related to Alaska's commercial salmon industry price decline.

The department completed a comprehensive analysis of how people with disabilities are served in the One Stop Job Centers and worked with partner agencies to improve services. Also completed was an analysis of employer needs and utilization of One Stop Job Centers.

The Division of Vocational Rehabilitation launched the federal Customized Employment Grant initiative whereby 50 severely disabled persons are served through a multi-disciplinary approach.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

AS 37.07.050(a)(13) requires an agency to prioritize its activities, and a division is included in the definition of agency in AS 37.07.120(1). The department has interpreted this as allowing prioritization of its programs at the division level.

Department Programs Prioritized Within Each Division

COMMISSIONER'S OFFICE

1. Commissioner's Office
2. Alaska Labor Relations Agency

ADMINISTRATIVE SERVICES DIVISION

1. Management Services
2. Labor Market Information
3. Data Processing
4. Human Resources
5. Leasing

BUSINESS PARTNERSHIPS DIVISION

1. State Training & Employment Program
2. AVTEC Maritime Training Center
3. AVTEC Industrial Electricity
4. AVTEC Information Technology
5. AVTEC Welding Technology
6. AVTEC Pipe Welding
7. AVTEC Facility Maintenance-Construction Trades
8. AVTEC Culinary Arts
9. AVTEC Automotive
10. AVTEC Diesel/Heavy Equipment Technology
11. AVTEC Facility Maintenance-Mechanical Trades
12. AVTEC Power Plant Operation
13. AVTEC Business and Office Technology
14. AVTEC Certified Nurse Assistant
15. AVTEC Licensed Practical Nurse
16. AVTEC Learning Resources
17. AVTEC Library
18. AVTEC Related Studies
19. Denali Training Fund
20. Workforce Investment Act including Fisheries NEG
21. Alaska Workforce Investment Board

DIVISION OF VOCATIONAL REHABILITATION

1. Client Services
2. Independent Living Rehabilitation
3. Americans with Disabilities Act
4. Vocational Rehabilitation Administration
5. Special Projects
6. Disability Determination
7. Assistive Technology

EMPLOYMENT SECURITY DIVISION

1. Unemployment Insurance
2. Wagner-Peyser
3. Reemployment Services
4. Workforce Investment Act Training Services
5. Veterans Employment and Training
6. Trade Assistance Act/National Emergency Grant
7. Work Services
8. Adult Basic Education
9. General Educational Development (GED) Testing
10. Senior Community Services Employment Program
11. Welfare-to-Work Case Management
12. Work Opportunity Tax Credit
13. Foreign Labor Certification

LABOR STANDARDS & SAFETY DIVISION

1. Wage & Hour Title 36 Employment Preference Enforcement
2. OSH Consult/Train Safety & Health
3. OSH Enforce/Compliance Safety & Health
4. Wage & Hour Child Labor Enforcement
5. Mechanical Inspection Boiler Inspection
6. Wage & Hour Title 23 Wage Claim Enforcement
7. Mechanical Inspection Certificate of Fitness (Electrical & Plumbing)
8. Wage & Hour Title 36 Prevailing Wage Enforcement
9. Mechanical Inspection Elevator Inspection
10. Mechanical Inspection Electrical Inspection
11. Mechanical Inspection Plumbing Inspection
12. Mechanical Inspection Contractor Licensing
13. Mechanical Inspection Hazardous Materials Certificate of Fitness
14. Mechanical Inspection Boiler Operator Licensing
15. Mechanical Inspection Amusement Ride Inspection
16. OSH Joint Pipeline Office
17. Alaska Safety Advisory Council

WORKERS' COMPENSATION DIVISION

1. Enforcement of employers' workers' compensation liability insurance requirements
2. Administration of employers' workers' compensation liability self-insurance program
3. Construction and maintenance of accurate and complete program databases
4. Dissemination of information to participants concerning Workers' Compensation Act rights, obligations, and procedures
5. Informal (mediations/prehearing conferences) and formal (hearings) resolution of disputes
6. Audit of compensation reports and payments for accuracy and timeliness
7. Preparation of records of and participation in appeals from AWCB decisions
8. Archival and destruction of records
9. Administration of Commercial Fishermen's Fund
10. Administration of Second Injury Fund
11. Annual recalculation of usual, customary, and reasonable medical fee schedule
12. Annual recalculation of COLA ratios for out-of-state benefit recipients

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Department Budget Summary by RDU

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<u>Formula Expenditures</u> None.												
<u>Non-Formula Expenditures</u>												
Office of the Commissioner	671.8	0.0	221.5	893.3	739.9	0.0	244.2	984.1	1,074.3	0.0	248.5	1,322.8
Administrative Services	612.8	7,761.2	3,448.9	11,822.9	3,472.7	8,432.4	4,362.9	16,268.0	3,853.6	8,636.0	4,472.4	16,962.0
Workers' Compensation	0.0	0.0	6,886.4	6,886.4	0.0	0.0	8,437.2	8,437.2	0.0	0.0	8,652.3	8,652.3
Labor Standards and Safety	1,313.2	1,816.2	3,130.6	6,260.0	1,455.2	2,009.4	3,662.9	7,127.5	1,280.0	2,057.5	4,535.6	7,873.1
Employment Security	1,615.8	26,337.6	12,117.8	40,071.2	1,557.4	35,673.4	13,981.7	51,212.5	1,765.0	33,839.8	13,751.1	49,355.9
Business Partnerships	3,140.5	21,957.4	9,934.8	35,032.7	2,994.1	35,187.2	13,203.5	51,384.8	3,537.9	30,174.5	13,824.9	47,537.3
Vocational Rehabilitation	3,321.5	14,424.7	1,200.5	18,946.7	3,631.3	17,365.5	982.4	21,979.2	3,681.8	17,723.5	951.0	22,356.3
Totals	10,675.6	72,297.1	36,940.5	119,913.2	13,850.6	98,667.9	44,874.8	157,393.3	15,192.6	92,431.3	46,435.8	154,059.7

Funding Source Summary

All dollars in thousands

Funding Sources	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
1002 Federal Receipts	72,297.1	98,667.9	92,431.3
1003 General Fund Match	2,447.7	4,706.7	4,957.8
1004 General Fund Receipts	8,225.3	9,080.3	10,169.0
1005 General Fund/Program Receipts	2.6	63.6	65.8
1007 Inter-Agency Receipts	18,252.2	21,296.6	21,893.3
1031 Second Injury Fund Reserve Account	3,168.0	4,014.4	4,021.9
1032 Fishermen's Fund	909.4	1,328.5	1,335.4
1049 Training and Building Fund	598.7	733.3	630.6
1053 Investment Loss Trust Fund	467.8		
1054 State Employment & Training Program	4,601.8	6,448.0	6,453.9
1061 Capital Improvement Project Receipts	10.9		171.2
1108 Statutory Designated Program Receipts	94.9	659.2	398.5
1117 Vocational Rehabilitation Small Business Enterprise Fund	171.7	325.0	325.0
1151 Technical Vocational Education Program Account	1,472.9	1,958.2	2,089.1
1156 Receipt Supported Services	1,835.4	1,974.8	2,258.9
1157 Workers Safety and Compensation Administration Account	4,004.6	4,438.6	5,118.7
1172 Building Safety Account	1,352.2	1,698.2	1,739.3
Totals	119,913.2	157,393.3	154,059.7

Position Summary

Funding Sources	FY2005 Management Plan	FY2006 Governor
Permanent Full Time	872	878
Permanent Part Time	107	108
Non Permanent	13	11
Totals	992	997

FY2006 Capital Budget Request				
Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Alaska Vocational Technical Center Deferred Maintenance	0	0	2,500,000	2,500,000
Vocational Rehabilitation Home Modifications and Assistive Technology for Individuals with Disabilities	300,000	0	0	300,000
Alaska Vocational Technical Center Welding Program Expansion	0	0	3,000,000	3,000,000
Department Total	300,000	0	5,500,000	5,800,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

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	13,850.6	98,667.9	44,874.8	157,393.3
Adjustments which will continue current level of service:				
-Office of the Commissioner	7.8	0.0	4.3	12.1
-Administrative Services	59.4	-46.4	300.1	313.1
-Workers' Compensation	0.0	0.0	103.3	103.3
-Labor Standards and Safety	-288.5	48.1	435.2	194.8
-Employment Security	207.6	911.7	58.1	1,177.4
-Business Partnerships	18.8	71.4	438.8	529.0
-Vocational Rehabilitation	50.5	273.8	3.6	327.9
Proposed budget decreases:				
-Administrative Services	0.0	0.0	-210.0	-210.0
-Employment Security	0.0	-6,190.5	-288.7	-6,479.2
-Business Partnerships	0.0	-5,084.1	-1,230.7	-6,314.8
-Vocational Rehabilitation	0.0	0.0	-35.0	-35.0
Proposed budget increases:				
-Office of the Commissioner	326.6	0.0	0.0	326.6
-Administrative Services	321.5	250.0	19.4	590.9
-Workers' Compensation	0.0	0.0	111.8	111.8
-Labor Standards and Safety	113.3	0.0	437.5	550.8
-Employment Security	0.0	3,445.2	0.0	3,445.2
-Business Partnerships	525.0	0.0	1,413.3	1,938.3
-Vocational Rehabilitation	0.0	84.2	0.0	84.2
FY2006 Governor	15,192.6	92,431.3	46,435.8	154,059.7