

State of Alaska
FY2007 Governor's Operating Budget

Department of Labor and Workforce Development
Client Services
Component Budget Summary

Component: Client Services

Contribution to Department's Mission

The Client Services component contributes to the department's mission by assisting individuals with disabilities to obtain and maintain employment. The program will continue its role in the management of a statewide workforce investment system that prepares individuals with disabilities for gainful employment.

Core Services

This component provides direct services to individuals with disabilities. Services funded from this component are planned and delivered for the purpose of assisting individuals with disabilities who are in need of vocational rehabilitation to prepare for and acquire employment in the competitive labor market. Funds are also granted to non-profit organizations to establish or enhance their capacity to provide an array of rehabilitation services that assist individuals with disabilities reach their employment goals.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$13,450,600	Personnel:	
	Full time	87
	Part time	1
	Total	88

Key Component Challenges

Federal Rehabilitation law has required states to have Comprehensive Systems of Personnel Development (CSPD) since 1998. Included in the CSPD is the educational requirement necessary for staff of the public vocational rehabilitation program. The division continues to struggle with the long-term availability of qualified rehabilitation counselors who meet the federal requirement for national certification. The agency is also trying to upgrade existing staff to meet these qualifications. It takes about two years for a new counselor to become proficient enough to produce employment outcomes at a more experienced counselor level. In the previous two years the division has experienced a 35% replacement rate of rehabilitation counseling staff and a 45% replacement of paraprofessional staff due to some staff retiring and others taking advantage of employment opportunities in the private sector.

Limited state and federal funding constrains the ability to meet the growing demand for services by disabled persons across the state. The costs of service for consumers have increased dramatically. For example, the University of Alaska has recently approved the fourth 10 percent tuition increase in four years. This increase will result in an additional \$60,000 to the cost of tuition for clients attending the University.

The increased cost of goods and services along with limited federal funding may require the division to implement an Order of Selection. If an Order of Selection becomes necessary, only persons with the most severe disabilities will be served and non-severely disabled persons will be referred to other employment agencies within state government. It will also be challenging to meet federal and state performance requirements should an Order of Selection be required.

The unemployment rate of people with disabilities is 47%. The division has placed a greater emphasis on outreach to local school districts to identify and provide rehabilitation service to youth with disabilities. Through improved contact with local school districts and youth the division intends to address these youths need for training and rehabilitation prior to their graduation. This is a program to prepare youth for Alaska jobs and an effort to avoid these same students becoming dependent upon public assistance. It is hoped that the division's effort will help Alaska youth to become self supporting, gain vocational skills, and be prepared to meet the future needs of employers.

Significant Changes in Results to be Delivered in FY2007

Service will improve for youth entering the program through the partnership with local school districts. In Juneau, a rehabilitation counselor spends one entire day per week working with youth in high school. In other communities rehabilitation counselors are assigned to work with schools and have set aside time to meet with youth, their parents and school officials on a regular basis. At present, 20% of applications for rehabilitation services are under the age of 21. The division intends through improved outreach to increase this percentage by 21% per year.

Should resources be reduced or costs increased to the point that the program can no longer serve all individuals who are eligible, the division will enter into an Order of Selection.

A Program Coordinator and funding of \$112.0 General Funds is being requested to increase Vocational Rehabilitation presence in Alaska's Business community. As liaison between division employees, employers and other Workforce Investment partners, this position will make presentations to and interact with human resource professional and other hiring specialists to increase employment opportunities for individuals with disabilities.

Major Component Accomplishments in 2005

The division maintains a strong level of commitment to the ten federally funded Tribal Vocational Rehabilitation programs in Alaska. Four of the eleven Tribal Programs were successful in receiving funding for an additional five years from the federal Rehabilitation Services Administration. The division provided technical assistance to help ensure grant success. A staff member has been assigned as a part time liaison, providing training, technical assistance and resources to tribal vocational rehabilitation programs.

521 individuals with significant physical and/or mental impairments that constituted barriers to employment were successfully placed in employment as a result of vocational rehabilitation services.

The Customized Employment Grant implemented at five Job Centers is a comprehensive program to provide technical assistance to all state employment programs to provide employment related service to youth and adults with disabilities. The division is in a leadership role with respect to the redesign of state job centers to improve the integration of these program services to best meet the need of employers and job seekers.

Statutory and Regulatory Authority

Federal Authority:

34 CFR Part 361
PL 105 - 220 Title IV

State Vocational Rehabilitation Services Program
Workforce Investment Act of 1998
Vocational Rehabilitation Program

Statutory Authority:

AS 23.15

Employment Service – Vocational Rehabilitation Program

Administrative Regulations:

8 AAC 98

Vocational Rehabilitation Program

Contact Information

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**Client Services
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,219.7	5,602.3	6,100.2
72000 Travel	157.6	194.9	182.4
73000 Services	921.2	1,154.9	1,118.3
74000 Commodities	149.7	187.8	177.8
75000 Capital Outlay	12.9	0.0	0.0
77000 Grants, Benefits	4,833.4	5,871.9	5,871.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	11,294.5	13,011.8	13,450.6
Funding Sources:			
1002 Federal Receipts	8,016.2	9,498.1	9,744.1
1003 General Fund Match	3,032.3	3,115.8	3,196.6
1004 General Fund Receipts	0.0	5.7	117.7
1007 Inter-Agency Receipts	41.3	67.2	67.2
1117 Vocational Rehabilitation Small Business Enterprise Fund	204.7	325.0	325.0
Funding Totals	11,294.5	13,011.8	13,450.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	8,016.2	9,498.1	9,744.1
Interagency Receipts	51015	41.3	67.2	67.2
Voc Rehab Small Business Enterprise Fund	51122	204.7	325.0	325.0
Restricted Total		8,262.2	9,890.3	10,136.3
Total Estimated Revenues		8,262.2	9,890.3	10,136.3

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	3,121.5	9,498.1	392.2	13,011.8
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	25.1	76.4	0.0	101.5
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	3.6	11.0	0.0	14.6
-FY 07 Retirement Systems Cost Increase	47.3	143.9	0.0	191.2
Proposed budget increases:				
-Employer Outreach by Vocational Rehabilitation, 1 PFT PCN 07-035	112.0	0.0	0.0	112.0
-Risk Management Self-Insurance Funding Increase	4.8	14.7	0.0	19.5
FY2007 Governor	3,314.3	9,744.1	392.2	13,450.6

**Client Services
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	86	87	Annual Salaries	4,036,276
Part-time	1	1	COLA	109,521
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	2,345,470
			<i>Less 6.02% Vacancy Factor</i>	(391,067)
			Lump Sum Premium Pay	0
Totals	87	88	Total Personal Services	6,100,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	0	1	1
Administrative Clerk III	0	0	1	0	1
American Sign Lang Interpreter	1	0	0	0	1
Asst Chief Voc Rehab Svcs	1	0	0	0	1
Chf Vocational Rehab	1	0	0	0	1
Prog Coordinator	2	0	0	0	2
Program Services Aide	0	1	0	0	1
Project Asst	1	0	0	0	1
Project Coord	1	0	0	0	1
Training Specialist I	1	0	0	0	1
Voc Rehab Assist I	5	1	1	0	7
Voc Rehab Assist II	10	2	1	6	19
Voc Rehab Counselor Assoc I	1	0	1	1	3
Voc Rehab Counselor Assoc II	5	2	2	2	11
Voc Rehab Counselor I	2	1	0	2	5
Voc Rehab Counselor II	9	3	1	6	19
Voc Rehab Evaluator Assoc I	1	0	0	0	1
Voc Rehab Evaluator Assoc II	2	0	0	0	2
Voc Rehab Evaluator I	0	0	1	0	1
Voc Rehab Evaluator II	2	0	0	0	2
Voc Rehab Manager	3	1	1	0	5
Vocational Rehab Counselor III	1	1	0	0	2
Totals	49	12	9	18	88