

State of Alaska FY2007 Governor's Operating Budget

Department of Labor and Workforce Development Workforce Investment Board Component Budget Summary

Component: Workforce Investment Board

Contribution to Department's Mission

This component contributes to the department's mission by supporting the Alaska Workforce Investment Board's efforts to forge partnerships with employers to optimize employment and training resources.

Core Services

The component provides staff to the Alaska Workforce Investment Board (AWIB), which is responsible for the oversight and continuous improvement of the federal, state, and local partnerships that implement the workforce investment system, including programs under the Workforce Investment Act (WIA), State Training and Employment Program (STEP), and the Denali Training Fund (DTF).

The board advises the governor, legislature, state and local agencies, the University of Alaska, and other entities on matters regarding human resources training and investments. Additionally, the AWIB develops the statewide workforce investment policy framework and drives coordination and collaboration among programs and agencies. Evaluation of the investment of federal and state funds and training program performance is a key element of the AWIB's duties. The board reports annually to the governor and legislature.

Staff to the business-led board provides research and support to committees and the Youth Council. Staff research emerging priorities and best practices from across the state and around the nation. Through the development of innovative projects and system building initiatives, the board and staff work closely to ensure the various federal, state, local and private resources are invested in the priority industries and emerging markets that drive Alaska's economic growth.

FY2007 Resources Allocated to Achieve Results		
FY2007 Component Budget: \$872,300	Personnel:	
	Full time	6
	Part time	0
	Total	6

Key Component Challenges

The Alaska Workforce Investment Board is carefully monitoring the congressional reauthorization of the federal Workforce Investment Act in 2005/2006. Potential changes to performance measures, youth program design, One Stop partners, and other program integration and alignments could be detrimental to Alaska's program.

As a private sector led advisory body for the governor the AWIB is striving to increase the involvement of business and industry employers in developing Alaska's workforce investment system.

Improving coordination and communication between the AWIB and representatives of regional areas with an emphasis on economic growth is integral to fulfilling the governor's workforce vision.

The AWIB intends to highlight the full range of workforce development, education and training investments in Alaska, promoting coordinated investment strategies through rigorous evaluation and technical assistance.

Significant Changes in Results to be Delivered in FY2007

The Alaska Workforce Investment Board and the Business Partnerships (BP) staff will focus on better coordination of

resources between the Departments of Commerce and Economic Development, Education and Early Development and Health and Social Services in the pursuit of an improved quality of life for all Alaskans.

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

Major Component Accomplishments in 2005

The AWIB brokered a Memorandum of Understanding (MOU) between the board, WIA Section 166 Native grantees, and Alaska Job Center Network partners. A process is being established to monitor implementation and annually bring the signers together to collaborate face-to-face and assess developments.

The board has established priority industries to target for employment training and investment. Significant strategic planning has been completed for the construction and healthcare industries and a plan for the transportation industry is under development.

The AWIB has successfully realigned the Youth Council, in accordance with the requirement of the Workforce Investment Act, to address the needs of the most critical population of Alaska's developing workforce.

Statutory and Regulatory Authority

Federal Authority:

Public Law 104-193	Personal Responsibility and Work Opportunity Reconciliation Act of 1995
Public Law 105-33	Balanced Budget Act of 1997
Public Law 105-220	Workforce Investment Act of 1998
Title III of Public Law 105-227	Denali Commission Act of 1998
20 CFR parts 660-671	WIA Title 1b Regulations
29 CFR part 37	EEO Regulations

Statutory Authority:

AS 23.15.550 - .850	Alaska Workforce Investment Board
AS 23.20	Alaska Employment Security Act
AS 44.31	Department of Labor and Workforce Development

Administrative Regulations:

8 AAC 84	Alaska Human Resource Investment Council
8 AAC 85	Employment Security
8 AAC 86	State Technical and Vocational Education Program
8 AAC 87-89	State Training and Employment Program
Admin Order #113	Alaska Job Training Coordinating Council - Employment & training of Alaska's workforce
Admin Order #182	Designating the AHRIC (now AWIB) as state workforce investment board as required by the Workforce Investment Act of 1998; establishing two local workforce investment areas and boards; and designating the Alaska Job Center Network as the state's one-stop career system
Admin Order #205	Establishes the Division of Business Partnerships
Admin Order #210	Designates the State of Alaska as a single state workforce investment area, the Alaska Workforce Investment Board as the state's sole workforce investment board and changes AO 205 to modify the reorganization of this department.

Contact Information

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**Workforce Investment Board
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	579.0	572.6	529.6
72000 Travel	56.3	60.0	60.0
73000 Services	77.8	486.5	265.2
74000 Commodities	9.5	45.8	17.5
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	722.6	1,164.9	872.3
Funding Sources:			
1002 Federal Receipts	343.8	368.9	0.0
1004 General Fund Receipts	0.0	0.5	0.5
1007 Inter-Agency Receipts	365.6	647.5	821.8
1054 State Employment & Training Program	13.2	48.0	0.0
1108 Statutory Designated Program Receipts	0.0	100.0	50.0
Funding Totals	722.6	1,164.9	872.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
State Employment and Training Program	51394	13.2	48.0	0.0
Unrestricted Total		13.2	48.0	0.0
Restricted Revenues				
Federal Receipts	51010	343.8	368.9	0.0
Interagency Receipts	51015	365.6	647.5	821.8
Statutory Designated Program Receipts	51063	0.0	100.0	50.0
Restricted Total		709.4	1,116.4	871.8
Total Estimated Revenues		722.6	1,164.4	871.8

**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	0.5	368.9	795.5	1,164.9
Adjustments which will continue current level of service:				
-From Federal to Interagency for Consistent Assessment Fee Collection Methodology	0.0	-374.6	374.6	0.0
-STEP Authorization to Business Services from Workforce Investment Board for Consistent Collection Methodology	0.0	0.0	-48.0	-48.0
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	0.0	1.8	8.9	10.7
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.0	0.3	0.9	1.2
-FY 07 Retirement Systems Cost Increase	0.0	3.3	16.7	20.0
Proposed budget decreases:				
-Interagency Receipt Authorization and -1 PFT to Reflect Staffing Plan and Anticipated Receipts	0.0	0.0	-76.7	-76.7
-Various Receipt Authorizations not Supported by Anticipated Revenues	0.0	0.0	-201.6	-201.6
Proposed budget increases:				
-Risk Management Self-Insurance Funding Increase	0.0	0.3	1.5	1.8
FY2007 Governor	0.5	0.0	871.8	872.3

**Workforce Investment Board
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	7	6	Annual Salaries	338,634
Part-time	0	0	COLA	9,192
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	181,903
			<i>Less 0.02% Vacancy Factor</i>	<i>(129)</i>
			Lump Sum Premium Pay	0
Totals	7	6	Total Personal Services	529,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
AWIB Manager	1	0	0	0	1
Education Specialist II	1	0	0	0	1
Executive Director	1	0	0	0	1
Project Assistant	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Totals	6	0	0	0	6