

State of Alaska FY2008 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 supports and promotes the efforts of Temporary Assistance recipients to attain economic self-sufficiency through employment.

Core Services

- Funds contracts and grants to deliver welfare-to-work services. Services include job readiness and placement, job retention and advancement services, case management, transportation assistance 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 Temporary Assistance to Needy Families objectives to reduce and prevent out-of-wedlock and teen pregnancies including strategies to address education and prevention of statutory rape.
- Supports partnership with Department of Labor and Workforce Development for the delivery of welfare-to-work services.
- Monitors activities and performance of service providers to ensure program objectives and outcomes are met.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$16,399,900	Personnel:	
	Full time	18
	Part time	0
	Total	18

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:

- Addressing impacts of the Temporary Assistance to Needy Families reauthorization, specifically meeting higher work participation rate expectations resulting from a greatly reduced caseload reduction credit. Alaska must have 90% of all two-parent families in countable work activities to avoid fiscal penalties. However, over 50% of two-parent families live in economically depressed areas of the state.
- Sustaining services that promote rapid attachment to the workforce as well as ensuring job retention and advancement that result in families moving off welfare.
- Providing meaningful work activities and promoting employment opportunities for families living in rural, 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.
- Building stronger interagency collaborations to better integrate services for shared customers in order to increase administrative efficiency and service effectiveness.
- By October 1, 2008, federal law requires states to implement a Work Verification Plan that defines work

activities and establishes strict procedures for documenting, monitoring and verifying work activities.

Significant Changes in Results to be Delivered in FY2008

- The division will begin a new contract procurement cycle in FY08 and will continue to enhance its successful model for outcome-based, pay for performance contracts for the delivery of work services. Additional resources have been allocated to support contract monitoring and performance appraisals to enable the division to meet federal work participation requirements.
- Integration of a family-centered approach in the delivery of work services into the agency's work flow process.
- Stronger collaboration with Native Employment Works (NEW) programs for the delivery of services to adults in rural communities.
- The Division of Public Assistance and Alaska Housing Finance Corporation (AHFC) plan to expand the Your Earnings Saved (YES) program to Fairbanks and Mat-Su. YES is an escrow account where AHFC banks a participant's rent increases due to employment. At the end of the project the family can use the account to meet future needs such as a house down payment.

Major Component Accomplishments in 2006

- The division exceeded federally mandated work participation rates for FFY06. The federal Administration for Children and Families has announced Alaska is one of only 16 states that continues to meet the federal All Family participation rate under the new rules for calculating participation.
- Preliminary evaluation of the Division's Family-Centered Services demonstration project in Mat-Su indicates that participating families are more likely to participate in activities, have greater participation in federally-countable activities, and have more earnings than control group families. Initial information also indicates a higher degree of cross-agency collaboration serving these families.
- 76% of adult Temporary Assistance recipients were engaged in self-sufficiency activities and 34% were employed.
- Adults in 32% of new Temporary Assistance cases were employed within 60 days of filing an application for assistance.
- 43% of the adults on Temporary Assistance saw wage increases during the fiscal year.
- Adults in 47% of the Temporary Assistance cases that closed during 2005 had earned income.
- 85% of the families whose cases closed with earnings stayed closed for at least six months.
- In September 2006, following an assessment of FY06 performance, the division issued incentive payments totaling \$53.6 to work services contractors who exceeded Work Services performance targets.
- The Division's collaboration with Alaska Housing Finance Corporation in the delivery of services and supports to shared customers is considered a national best practice. In September 2006 108 Alaska Temporary Assistance Program families in Anchorage and Kenai participated in the Your Earnings Saved program. About 44% of the participants have deposits being made to their escrow account. To date the average escrow payout has been \$5.0.
- The Division of Public Assistance's grant to Catholic Social Services (CSS) to provide Alaska Temporary Assistance Program work services for refugee families has been successful in assisting refugee families achieve self-sufficiency. At the end of FY06 CSS served 37 families, primarily Hmong refugees from Thailand. As of June 30, 2006, 70% of the adult refugees had been employed for 3 or more months and some families had jobs that enabled them to close their assistance case.
- The Division's collaboration with Alaska Housing Finance Corporation in the delivery of services and supports to shared customers is considered a national best practice.

Statutory and Regulatory Authority

AS 47.27.005 Alaska Temporary Assistance Program
7 AAC 45 Alaska Temporary Assistance Program

Contact Information

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**Work Services
Component Financial Summary**

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	820.8	1,599.2	1,835.1
72000 Travel	103.2	95.0	95.0
73000 Services	10,377.3	12,025.1	12,225.1
74000 Commodities	15.2	14.7	14.7
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	2,137.8	2,230.0	2,230.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	13,454.3	15,964.0	16,399.9
Funding Sources:			
1002 Federal Receipts	11,060.7	12,923.2	13,171.2
1003 General Fund Match	1,582.8	1,831.0	1,971.5
1004 General Fund Receipts	810.8	1,209.8	1,257.2
Funding Totals	13,454.3	15,964.0	16,399.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	11,060.7	12,923.2	13,171.2
Restricted Total		11,060.7	12,923.2	13,171.2
Total Estimated Revenues		11,060.7	12,923.2	13,171.2

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	3,040.8	12,923.2	0.0	15,964.0
Adjustments which will continue current level of service:				
-Transfer Disability Determination RSA from Senior and Disabilities Services Administration	100.0	100.0	0.0	200.0
-Transfer Nursing Salary Market Based Pay	14.3	0.0	0.0	14.3
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.4	0.0	0.4
Proposed budget increases:				
-FY 08 Retirement Systems Rate Increases	73.6	147.6	0.0	221.2
FY2008 Governor	3,228.7	13,171.2	0.0	16,399.9

Work Services Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	18	18	Annual Salaries	1,057,866
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	810,695
			<i>Less 1.79% Vacancy Factor</i>	(33,461)
			Lump Sum Premium Pay	0
Totals	18	18	Total Personal Services	1,835,100

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Nurse Consultant I	1	0	0	0	1
Prog Coordinator	1	0	1	0	2
Program Coordinator	0	1	0	0	1
Project Asst	4	0	0	0	4
Project Coord	1	0	2	1	4
Project Coordinator	0	0	0	1	1
Public Assist Analyst I	0	0	1	0	1
Public Asst Prog Off	1	0	3	0	4
Totals	8	1	7	2	18