

State of Alaska FY2008 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.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$14,197,600

Personnel:

Full time	87
Part time	1
Total	88

Key Component Challenges

Federal regulations for the vocational rehabilitation (VR) program require qualified rehabilitation counselors meet national certification requirements which include a Master's degree in VR counseling or a closely related field. The division continues to struggle with the availability of qualified rehabilitation counselors with 55% of the 40 current VR counselors certified. To increase the number of qualified counselors, the division supports existing staff who choose to upgrade their education in order to meet these qualifications. This strategy is providing positive results with two staff obtaining national certification last year. Even so, it takes several years to meet the education and experience requirements to become an effective and qualified VR counselor. Staff retirements and the competition of the private sector also put pressure on the limited pool of qualified VR counselors.

The level of state and federal funding constrains the ability to meet the growing demand for services by disabled persons across the state. If the division is unable to provide services to all eligible Alaskans, the division will be forced to implement an Order of Selection. In an Order of Selection, persons with the most severe disabilities will be served first and other disabled persons will be referred to other employment agencies within state government for services.

The unemployment rate of people with disabilities continues to be about 47% which is significantly higher than the general population. This unemployment rate is even higher in rural Alaska. The continuing challenge is to provide services to rural Alaska and develop employment opportunities. The division is consolidating rural caseloads and assigning them to counselors who specialize in serving rural Alaska.

Significant Changes in Results to be Delivered in FY2008

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.

Major Component Accomplishments in 2006

The division met monthly with the eleven federally funded Tribal Vocational Rehabilitation programs in Alaska. During the meetings the division provided technical assistance to help ensure the Tribal partners maintain their federal vocational rehabilitation grants. Also, a staff member has been assigned as a part time liaison, providing training, technical assistance and resources to tribal vocational rehabilitation programs.

524 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.

422 different Alaskan employers hired clients served by the division's vocational rehabilitation program.

3,960 individuals received services from the division's vocational rehabilitation program.

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

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,615.9	6,037.9	6,934.5
72000 Travel	158.5	174.9	179.9
73000 Services	897.6	1,093.3	1,106.9
74000 Commodities	142.9	177.8	177.8
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	4,506.6	5,871.9	5,798.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	11,321.5	13,355.8	14,197.6
Funding Sources:			
1002 Federal Receipts	7,923.0	9,744.1	9,744.1
1003 General Fund Match	3,115.8	3,196.6	3,196.6
1004 General Fund Receipts	5.7	22.9	833.5
1007 Inter-Agency Receipts	37.8	67.2	98.4
1117 Vocational Rehabilitation Small Business Enterprise Fund	239.2	325.0	325.0
Funding Totals	11,321.5	13,355.8	14,197.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
Voc Rehab Small Business Enterprise Fund	51122	239.2	325.0	325.0
Unrestricted Total		239.2	325.0	325.0
Restricted Revenues				
Federal Receipts	51010	7,923.0	9,744.1	9,744.1
Interagency Receipts	51015	37.8	67.2	98.4
Restricted Total		7,960.8	9,811.3	9,842.5
Total Estimated Revenues		8,200.0	10,136.3	10,167.5

**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	3,219.5	9,744.1	392.2	13,355.8
Adjustments which will continue current level of service:				
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.0	0.2	0.2
-Fund Source Adjustment for Retirement Systems Increases	610.1	-610.1	0.0	0.0
Proposed budget increases:				
-Increase Interagency Authorization to Align with Anticipated Receipts	0.0	0.0	18.6	18.6
-FY 08 Retirement Systems Rate Increases	200.5	610.1	12.4	823.0
FY2008 Governor	4,030.1	9,744.1	423.4	14,197.6

**Client 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	87	87	Annual Salaries	4,159,387
Part-time	1	1	Premium Pay	6,208
Nonpermanent	1	1	Annual Benefits	3,213,809
			<i>Less 6.03% Vacancy Factor</i>	(444,904)
			Lump Sum Premium Pay	0
Totals	89	89	Total Personal Services	6,934,500

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	0	0	1	0	1
Employer Outreach Coordinator	1	0	0	0	1
Graduate Intern II	0	1	0	0	1
Prog Coordinator	1	0	0	0	1
Program Services Aide	0	0	0	1	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	3	1	1	0	5
Voc Rehab Assist II	11	3	1	6	21
Voc Rehab Counselor Assoc I	0	0	0	1	1
Voc Rehab Counselor Assoc II	6	2	3	2	13
Voc Rehab Counselor I	2	2	0	2	6
Voc Rehab Counselor II	8	3	1	7	19
Voc Rehab Evaluator Assoc I	0	0	1	0	1
Voc Rehab Evaluator Assoc II	3	0	0	0	3
Voc Rehab Evaluator II	2	0	0	0	2
Voc Rehab Manager	3	1	1	0	5
Vocational Rehab Counselor III	1	0	0	0	1
Totals	46	13	10	20	89