

State of Alaska FY2009 Governor's Operating Budget

Department of Labor and Workforce Development Alaska Vocational Technical Center Component Budget Summary

Component: Alaska Vocational Technical Center

Contribution to Department's Mission

The Alaska Vocational Technical Center contributes to the department's mission by providing market-driven vocational and technical training to prepare state residents for jobs that are Alaska's future.

Core Services

The Alaska Vocational Technical Center (AVTEC) is the public post-secondary vocational technical education and training agency of the Department of Labor & Workforce Development that provides vocational technical education programs for Alaskans across the state. AVTEC offers 16 long-term vocational technical training programs in occupations relating to Alaska's expanding and unique economy. In addition, AVTEC annually provides a wide variety of short-term training and education programs to hundreds of Alaskans in many communities. Short-term training is generally customized industry-specific training that varies in length from one day to six weeks.

Construction Industry - Structural and Pipe Welding Technology Programs use the latest equipment found in today's workplace to provide skills and abilities in demand in Alaska's construction industry. The Industrial Electrical Program is the only one of its kind in Alaska. Its graduates are highly sought after by employers for their technical skills and knowledge from basic electrical principles to their ability to troubleshoot and maintain the most advanced programmable logic controllers found in process technology and construction industries. Facility Maintenance Programs, both mechanical and construction, are providing technical skills with the latest technology to graduate students ready to tackle the demands of our high-tech construction and maintenance industries, both residential and commercial.

Health Care Industry - AVTEC's Anchorage-based Allied Health Department's Certified Nurse Assistant (CNA) and Licensed Practical Nurse (LPN) courses are nationally accredited and approved by the State of Board of Nursing. These programs operate in a collaborative effort between AVTEC and Providence Health System Alaska to increase the number of entry-level CNAs and professional level LPNs to alleviate severe staffing shortages in Alaska. The career ladder approach used by AVTEC provides opportunities for Alaskans to progress in their profession through an agreement with UAA School of Nursing to become registered nurses.

Information Technology Industry - The industry certifications that students can receive through this program include A+, Microsoft MCSE, Cisco CCNA, and CompTIA Net+. The Web Development Technology program, the only program of its kind in Alaska, was developed at the request of the industry advisory board to prepare students as Certified Internet Webmasters. Customized information technology training is also being delivered to State of Alaska employees and residents to introduce new computer software skills or upgrade skills to meet new and emerging information technology needs.

Transportation Industry - Alaska Maritime Training Center incorporates its state-of-the-art multi-bridge maritime simulator to provide a wide variety of Coast Guard approved licensing classes for incumbent and new mariners. Maritime training programs include OUPV/Master Mate, Master 100 Ton, Master Unlimited, and Merchant Mariner's Document. The Diesel / Heavy Equipment Technology and Automotive Technology programs provide nationally recognized training to gain employment within the diesel / heavy equipment and automotive maintenance and repair industries.

Hospitality Industry - AVTEC's Alaska Culinary Academy is nationally certified and accredited by the American Culinary Federation. Graduates are prepared and certified to work in the best restaurants in Alaska or to start their own businesses to meet Alaska's growing hospitality needs. AVTEC is also home for the only approved practical testing facility in the State to provide certification evaluation for Alaska's chefs.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$9,988,200	Personnel:	
	Full time	22
	Part time	55
	Total	77

Key Component Challenges

The single greatest challenge AVTEC faces is providing safe and effective facilities for training and student services commensurate with the high quality training programs and services offered at the institution. Of AVTEC's 14 buildings in Seward, 12 buildings range in age from 25-55 years. Some of these buildings have exceeded their useful life or were built to accommodate temporary purposes but are still in use. An engineering firm in Anchorage has recommended that the Culinary classroom and kitchen be demolished because of the unsafe condition of the footings. A \$5,000,000 request for General Funds to replace this facility is included in the Capital Budget for FY09. Roof replacements, boiler replacements, sewer, plumbing, and electrical upgrades are ongoing to keep facilities useful and up to current codes. Continued appropriations of deferred maintenance and capital funds are needed to keep AVTEC from diverting its operational training funds to keep facilities safe and functional. For FY09, AVTEC has identified \$31,605,000 as the total necessary to complete all needed deferred maintenance throughout AVTEC facilities, parking lots, and exterior spaces.

The second greatest key challenge to AVTEC's ability to provide training is maintaining and upgrading a computer infrastructure that accommodates the diverse needs of instructional and business staff, enrolled students, perspective students, distance training programs, and innovations. Internet bandwidth must be increased to the equivalent of two full T1 lines to meet the current demand. A more powerful student records database must be acquired that can provide online access for student admissions, integration of student record keeping and attendance, accounting of state and federal financial aid, and necessary report production. Capital requests for General Funds are included in the FY09 Budget to replace the student records database (\$400,000) that manages our student records from enrollment to certificate and everything in between, and to obtain a digital archival system (\$100,000) to store 30 years of student records history and future student records.

Based on the statutory distribution formula AVTEC will receive an additional \$163,500 in Technical and Vocational Education Program funds in FY09. This funding will help cover the increased cost of necessary computer bandwidth and software leasing as well as training supplies and the increased delivery expense to get the supplies to Seward for student hands-on activities.

The statutory mandate set out in the Alaska Gasline Inducement Act requires the department to develop a job training program that will prepare Alaskans for jobs in gas pipeline project management, construction, operations, maintenance and other gas pipeline related fields. The requested incremental funding of \$135.0 General Funds for AVTEC will be used for two projects:

- 1) Currently there is a lack of qualified and experienced vocational instructors. In order to help meet the current need and to lay the ground work for meeting the future need relating to AGIA, more instructors need to be trained. Alaskans with trade and craft experience will be recruited and enrolled in the distance delivered Career & Technical Education Associates Degree program. Incentives and grants will be offered to qualified Alaskans. AVTEC will offer professional development training at AVTEC for at least 10 instructors at regional training centers (\$25.0)
- 2) Quality training programs are now available in Alaska and employers are demanding these highly trained workers. In order to achieve full capacity of current training programs an extensive recruitment effort is needed. Fund a full time professional staff to recruit/intake/orient/perform eligibility screening and assessment to increase rural and Native Alaskan enrollment by 150 in state training programs (\$110.0).

An ongoing challenge is to continue to upgrade training programs to prepare entry level workers with the skills needed to meet current and emerging employer/industry needs. Construction and transportation industries are significant growth industries that will require thousands of qualified workers over the next decade. AVTEC needs to gear up to help prepare many Alaskans in these industries. AVTEC received an Economic Development Administration (EDA) Grant to build a

Marine Safety Training Facility in support of the maritime transportation industry. EDA will provide \$2,000,000 of the \$3,350,000 project and the State must provide the remaining \$1,350,000 as a non-federal match. A request for this project has been included in the FY09 Capital Budget.

Significant Changes in Results to be Delivered in FY2009

- Initiate distance delivered training to Regional Training Centers through AVTEC's Distance Training Partnerships developed during FY08.
- Develop apprenticeship training partnerships with the mining industry
- Increase Pipe Welding training opportunities from 4 students per year to 30 students per year through the expanded Pipe Welding facility and additional instructional staff.
- Provide delivery of a Commercial Drivers License program integrated into the Diesel / Heavy Equipment program, as well as, providing licensing opportunities for other Alaskans.
- Maintain results equal to FY07 for students that complete long-term training programs (85%) and are subsequently placed in jobs in their training area (92%).

Major Component Accomplishments in 2007

- Enrolled a total of 1,414 students in FY07. Of those, 392 were enrolled in long-term (six weeks or longer) training programs with a completion rate of 85%.
- Began the process to forge Distance Training Partnerships with 6-8 Regional Training Centers to provide coordination of training programs. Installed distance training infrastructure and developed 4 distance training programs to meet the specific and broad training requirements of the region and state.
- Jointly developed and began delivery of the Associate of Arts Degree in Career and Technical Education in partnership with Alaska Pacific University. The degree is offered by distance education so vocational education professionals, and those who seek to become vocational educators, can conveniently obtain the credential they need to advance their careers.
- Developed a Math for the Trades online course in partnership with Alaska Works Partnership and the Plumbers and Pipefitters union to support union apprenticeship coordinators' need to increase math skills for apprentice applicants. Training provided by this program can be accessed from anywhere in Alaska with a capacity to serve 60-80 students.
- Facility Maintenance Construction training students built a house through a partnership with North Pacific Rim Housing Authority and funding from the Denali Training Fund. This was the second house built in as many years, with excellent results.
- AVTEC completed construction of the new Connected Education Center (formerly known as the Distance Training Center) in partnership with the federal Economic Development Administration. This will facilitate distance-delivered vocational training anywhere in Alaska, with a focus on rural Alaska's Regional Training Centers.

Statutory and Regulatory Authority

Statutory Authority:

- | | |
|-----------------|---|
| AS 14.07.020 | Provide Post Secondary Vocational Technical Education |
| AS 44.27.020(1) | Administer Post Secondary Vocational Technical Education |
| AS 37.07.020(e) | Propose Budget for Facility Operations, Maintenance, Repairs, and Renewals/Replacements |
| AS 23.15.830 | Alaska Technical and Vocational Education Program Account |

Contact Information

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**Alaska Vocational Technical Center
Component Financial Summary**

All dollars shown in thousands

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,521.3	5,719.5	5,892.6
72000 Travel	58.7	66.7	86.2
73000 Services	2,293.1	2,412.7	2,416.5
74000 Commodities	1,107.0	1,100.4	1,179.4
75000 Capital Outlay	247.1	41.5	41.5
77000 Grants, Benefits	245.0	347.0	372.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,472.2	9,687.8	9,988.2
Funding Sources:			
1002 Federal Receipts	230.1	450.0	450.0
1004 General Fund Receipts	4,868.4	4,681.2	4,800.2
1007 Inter-Agency Receipts	1,175.5	790.8	784.2
1151 Technical Vocational Education Program Account	1,125.1	1,253.7	1,417.2
1156 Receipt Supported Services	2,073.1	2,512.1	2,536.6
Funding Totals	9,472.2	9,687.8	9,988.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Unrestricted Revenues				
Technical Vocational Education Program	51433	1,125.1	1,253.7	1,417.2
Unrestricted Total		1,125.1	1,253.7	1,417.2
Restricted Revenues				
Federal Receipts	51010	230.1	450.0	450.0
Interagency Receipts	51015	1,175.5	790.8	784.2
Receipt Supported Services	51073	2,073.1	2,512.1	2,536.6
Restricted Total		3,478.7	3,752.9	3,770.8
Total Estimated Revenues		4,603.8	5,006.6	5,188.0

**Summary of Component Budget Changes
From FY2008 Management Plan to FY2009 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	4,681.2	450.0	4,556.6	9,687.8
Adjustments which will continue current level of service:				
-Transfer Interagency Authorization from AVTEC to AVTEC Facilities Maintenance	0.0	0.0	-19.5	-19.5
-Delete General Funds for First FY 2008 Fuel/Utility Cost Increase Funding Distribution	-61.4	0.0	0.0	-61.4
-FY 09 Health Insurance Increases for Exempt Employees	1.1	0.0	0.8	1.9
-FY 09 Bargaining Unit Contract Terms: General Government Unit	39.4	0.0	33.9	73.3
-FY 09 Bargaining Unit Contract Terms: Labor Trades and Crafts Unit	4.9	0.0	2.7	7.6
Proposed budget increases:				
-Increase Alaska Technical Vocational Education Program Authorization to Align with Available Revenue	0.0	0.0	163.5	163.5
-Add 1 PFT and General Funds for AGIA Training Program Implementation	135.0	0.0	0.0	135.0
FY2009 Governor	4,800.2	450.0	4,738.0	9,988.2

**Alaska Vocational Technical Center
Personal Services Information**

Authorized Positions		Personal Services Costs		
<u>FY2008</u>				
<u>Management</u>		<u>FY2009</u>		
<u>Plan</u>		<u>Governor</u>		
			Annual Salaries	4,026,251
Full-time	21	22	COLA	76,676
Part-time	55	55	Premium Pay	39,593
Nonpermanent	5	5	Annual Benefits	1,937,045
			<i>Less 3.08% Vacancy Factor</i>	(186,965)
			Lump Sum Premium Pay	0
Totals	81	82	Total Personal Services	5,892,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	0	1	1
Accounting Clerk II	0	0	0	1	1
Accounting Tech II	0	0	0	1	1
Administrative Assistant II	0	0	0	1	1
Administrative Clerk II	0	0	0	1	1
Asst.Dir.Instruction & Housing	0	0	0	1	1
AVTEC Instructor	2	0	0	16	18
Business Svcs Administrator	0	0	0	1	1
Department Head - AVTEC	0	0	0	6	6
Division Director	0	0	0	1	1
Dormitory Attendant	0	0	0	5	5
Education Assoc III	0	0	0	1	1
Education Prog Assistant	1	0	0	5	6
Food Service Journey	0	0	0	4	4
Food Service Lead	0	0	0	1	1
Food Service Sub Journey	0	0	0	4	4
Instructors Aide II	0	0	0	6	6
Micro/Network Tech II	0	0	0	1	1
Prog Coordinator	0	0	0	1	1
Recreation Assistant	0	0	0	1	1
Student Worker	0	0	0	1	1
Sub Teacher - AVTEC	0	0	0	1	1
Supply Technician II	0	0	0	1	1
Teacher - AVTEC	3	0	0	14	17
Totals	6	0	0	76	82