

State of Alaska
FY2011 Governor's Operating Budget

Department of Labor and Workforce Development
Kotzebue Technical Center Operations Grant
Component Budget Summary

Component: Kotzebue Technical Center Operations Grant

Contribution to Department's Mission

The Kotzebue Technical Center (ATC, Alaska Technical Center) Operations Grant component contributes to the mission of the department by providing market driven vocational and technical training in rural Alaska and by creating an environment that promotes commitment to education and career opportunities.

This is a pass-through grant. The department has no authority over the management of the program.

Core Services

- The Kotzebue Technical Center provides residential adult vocational training through the Northwest Arctic Borough School District. ATC operates programs in construction trades technology, office occupations, industrial mine technology, information technology, and health occupations in addition to short-term training in response to regional and statewide industry needs.
- ATC provides employability services that include training in the following areas: resume writing, job interview skills, standard first aid and CPR, and driver's education. This training improves communication skills and prepares students for the job market. ATC partners with the local Job Center to utilize their services as well.

Key Component Challenges

In FY2011 ATC will receive additional funding of \$86.1 from the Alaska Technical and Vocational Education Program (TVEP) account based on the statutory distribution formula.

Ensuring a consistent level of funding is critical to maintain the integrity of the existing programs while continuing to improve the quality of training and job placement rates. Having necessary resources to adapt training courses to meet industry needs is essential to providing job opportunities for students.

Maintaining ATC's facilities is also an ongoing issue, as the funding has not been sufficient to address deferred maintenance projects on nearly thirty-year-old facilities. Additionally, the high cost of energy to operate existing facilities has had a negative impact on the resources available for direct instructional services. Coupled with the increased costs for employee wage and benefits packages, it is difficult to maintain levels of staffing needed for current programs and this limits our ability to address new training initiatives.

ATC does not have adequate shop and classroom space for training in priority industry areas.

ATC lacks family housing for students and affordable family housing needs are not available in the community.

Significant Changes in Results to be Delivered in FY2011

No significant changes in results are anticipated.

Major Component Accomplishments in 2009

ATC was the first training center in the nation to deliver a core driller registered apprenticeship program to provide a workforce needed in the resource development industry. Sponsors for this new apprenticeship program included Pebble Ltd. Partnership, Foundex Pacific Inc., NANA Major Drilling LLC, and Calista Corporation. This innovative project was envisioned and funded by the Alaska Department of Labor and Workforce Development and in partnership with the Alaska Mining Industry, the U.S. Department of Labor's Office of Apprenticeship, and Mining and Petroleum Training Services of the University of Alaska.

Through partnerships, ATC continued necessary services to students at the village level using village-based Adult Basic Education (ABE) tutors to build readiness for further training or obtaining employment.

Red Dog Mine has hired 85% of the graduates of the Millwright training program.

Funding for Construction Trades Technology for the National Center for Construction Education and Research (NCCER) apprenticeship training programs was obtained through industry partnerships for basic and progressive levels. ATC has also continued to provide nationally recognized certifications for information technology training and testing services for the largest regional employer.

Statutory and Regulatory Authority

Statutory Authority:
AS 23.15.830

Alaska Technical and Vocational Education Program Account

Contact Information
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Kotzebue Technical Center Operations Grant Component Financial Summary			
<i>All dollars shown in thousands</i>			
	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	1,450.2	1,450.2	1,536.3
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,450.2	1,450.2	1,536.3
Funding Sources:			
1004 General Fund Receipts	600.0	600.0	600.0
1151 Technical Vocational Education Program Account	850.2	850.2	936.3
Funding Totals	1,450.2	1,450.2	1,536.3

Estimated Revenue Collections						
Description	Master Revenue Account	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Authorized	FY2011 Governor
Unrestricted Revenues						
Technical Vocational Education Program	51433	850.2	0.0	0.0	850.2	936.3
Unrestricted Total		850.2	0.0	0.0	850.2	936.3
Restricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		850.2	0.0	0.0	850.2	936.3

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	600.0	0.0	850.2	1,450.2
Proposed budget increases:				
-Increase Alaska Technical Vocational Education Program Authorization to Align with Available Revenue	0.0	0.0	86.1	86.1
FY2011 Governor	600.0	0.0	936.3	1,536.3

Component Detail All Funds
Department of Labor and Workforce Development

Component: Kotzebue Technical Center Operations Grant (195)
RDU: Business Partnerships (481)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	1,450.2	1,450.2	1,450.2	1,450.2	1,536.3	86.1	5.9%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,450.2	1,450.2	1,450.2	1,450.2	1,536.3	86.1	5.9%
Fund Sources:							
1004 Gen Fund	600.0	600.0	600.0	600.0	600.0	0.0	0.0%
1151 VoTech Ed	850.2	850.2	850.2	850.2	936.3	86.1	10.1%
General Funds	600.0	600.0	600.0	600.0	600.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	850.2	850.2	850.2	850.2	936.3	86.1	10.1%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Kotzebue Technical Center Operations Grant (195)
RDU: Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee												
ConfCom		1,450.2	0.0	0.0	0.0	0.0	0.0	1,450.2	0.0	0	0	0
1004 Gen Fund		600.0										
1151 VoTech Ed		850.2										
Subtotal		1,450.2	0.0	0.0	0.0	0.0	0.0	1,450.2	0.0	0	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
Subtotal		1,450.2	0.0	0.0	0.0	0.0	0.0	1,450.2	0.0	0	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
Increase Alaska Technical Vocational Education Program												
Inc		86.1	0.0	0.0	0.0	0.0	0.0	86.1	0.0	0	0	0
1151 VoTech Ed		86.1										

For FY11, the estimated receipts of the Alaska Technical and Vocational Education Program account, including the carryforward amount, available for distribution is \$10,403.8 of which 9% is allocated by a legislative act (Ch 47, SLA 2008) to the Kotzebue Technical Center. This amounts to \$936.3 and this transaction increases component authorization from \$850.2 to that level.

FY11 TVEP Funding Distribution (in thousands)
Distributed per HB 2 (Ch 47, SLA 2008)

FY10 Est Ending Bal:	1,400.1
FY11 Est Revenue:	9,750.0
Less Reserve:	(250.0)
Net Available	10,900.1

Entity	FY10 Auth	FY11	Auth Change
Revenue Collection Costs (DOLWD)	367.8	367.8	0.0
Grants Administration and Reporting (DOLWD)	128.5	128.5	0.0
University of Alaska (45%)	4,251.2	4,681.7	430.5
Univ of AK Southeast (5%)	472.4	520.2	47.8
Galena (DEED) (4%)	377.9	416.2	38.3
Kotzebue (DOLWD) (9%)	850.2	936.3	86.1
AVTEC (DOLWD) (17%)	1,606.0	1,768.6	162.6
NACTEC (DOLWD) (3%)	283.4	312.1	28.7
SAVEC (DOLWD) (3%)	283.4	312.1	28.7
Yuut (DOLWD) (9%)	850.2	936.3	86.1

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Kotzebue Technical Center Operations Grant (195)

RDU: Business Partnerships (481)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions			
										PFT	PPT	NP	
Delta (DOLWD) (3%)			283.4	312.1	28.7								
New Frontier (DOLWD) (2%)			188.9	208.1	19.2								
Total			9,943.3	10,900.1	956.8								
Note: Due to the use of revenue projections to determine the annual appropriation amount, actual receipts may be higher or lower than budgeted authorization. To accommodate revenue shortfalls a reserve of 250.0 is maintained.													
	Totals	1,536.3	0.0	0.0	0.0	0.0	0.0	0.0	1,536.3	0.0	0	0	0

Line Item Detail
Department of Labor and Workforce Development
Grants, Benefits

Component: Kotzebue Technical Center Operations Grant (195)
RDU: Business Partnerships (481)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000	Grants, Benefits		1,450.2	1,450.2	1,536.3
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
77000 Grants, Benefits Detail Totals			1,450.2	1,450.2	1,536.3
77435	Development	Operations grant for Kotzebue Technical Center.	1,450.2	1,450.2	1,536.3

Unrestricted Revenue Detail
Department of Labor and Workforce Development

Component: Kotzebue Technical Center Operations Grant (195)
RDU: Business Partnerships (481)

Master Account	Revenue Description	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51433	Technical Vocational Education Program	850.2	850.2	936.3

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
51433	Technical Vocational Education Program		AR 28648	11100	850.2	850.2	936.3

This funding is authorized through AS 23.15.840 and provides resources to support technical and vocational training programs to Alaska residents.

These funds are used by the Kotzebue Technical Center to upgrade instructional materials and equipment, provide program enhancement, and to develop the capacity to support industry specific training programs in order to address critical areas where there is a shortage of trained workers in the state.