

State of Alaska FY2011 Governor's Operating Budget

Department of Labor and Workforce Development Alaska Vocational Technical Center Results Delivery Unit Budget Summary

Alaska Vocational Technical Center Results Delivery Unit

Contribution to Department's Mission

The Alaska Vocational Technical Center's mission is to provide market-driven vocational and technical training to prepare state residents for jobs that are Alaska's future.

Core Services

- Provide post-secondary vocational technical education programs for Alaskans across the state.

Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

END RESULT A: Maximize the return on investment for training resources.

- Since 2001, Alaska Vocational Technical Center's percentage of long-term graduates employed in their area of training has been at or above the target rate of 90%.

Status of Strategies to Achieve End Result

- AVTEC's percentage of long-term (longer than six weeks) students who graduate has met or exceeded our target of 77% since 2001.

Key RDU Challenges

The most significant challenge Alaska Vocational Technical Center (AVTEC) faces is to have the capacity to meet the existing demand for in-state training needs of Alaska's employers. Demand for AVTEC graduates is growing and so our capability should expand to meet the anticipated needs of industry in support of projects such as the Alaska Gas Pipeline and other natural resource extraction and production projects.

AVTEC uses funds from the Alaska Technical and Vocational Education Program (TVEP) to support the hands-on training provided to students. For FY2011, the estimated receipts of the Alaska Technical and Vocational Education Program account, including the carry forward amount, available for distribution is \$10,403.8 of which 17% is allocated by a legislative act (Ch 47, SLA 2008) to AVTEC. This amounts to \$1,768.6, a \$162.6 increase in TVEP authorization from FY2010.

AVTEC is requesting \$1,000.0 in general funds for deferred maintenance to continue the upgrading and ongoing maintenance needs. The campus grounds need to be improved, especially parking lots and alleyways that are graveled and lack lighting, security, and drainage. Hazardous material abatement needs include removing and replacing underground fuel tanks with above ground fuel tanks. Three of AVTEC's maintenance staff are fully funded by these deferred maintenance funds and another is partially funded from them. Deferred maintenance funds are necessary to provide adequate and safe environments for AVTEC students.

The Industrial Electricity training facility needs to be expanded and upgraded to meet capacity requirements for adding two alternative energy training programs, wind turbine and hydro. The requested \$1,139.0 in general funds for this project would also provide for connectivity of the wind turbine to the switchgear and power plant located inside the Industrial Electricity building. AVTEC is receiving a \$500.0 Denali grant in FY2010 to add a wind turbine and training program. The Industrial Electricity building mechanical systems will need to be upgraded and expanded to support the additional training space.

AVTEC has applied for a \$1,000.0 federal Economic Development Administration (EDA) grant to support the purchase of heavy duty truck and culinary training equipment. Existing capital expenditures from the Culinary Academy Replacement project will provide the required match for the culinary equipment, but AVTEC will need \$500.0 of general fund match to comply with EDA match requirements for the heavy duty truck training equipment. The FY2011 capital budget includes a request for the necessary funding for this grant.

AVTEC has been awarded a federal US Department of Agriculture-Rural Utilities Service grant of \$312.7 to purchase and install video teleconferencing equipment in the new Culinary Academy building training classrooms/kitchens and in 8

Alaskan high schools (7 in the Iditarod School District and one in Eagle River). After the installation of the equipment, the Culinary instructors will be able to connect with the 8 high schools and include those students in demonstrations and presentations from the AVTEC Culinary classrooms. The grant has a state match requirement of \$137.6 (44%). The FY2011 capital budget includes a request for the necessary funding for this grant.

Significant Changes in Results to be Delivered in FY2011

AVTEC is continually seeking grants as a source of revenue to expand and establish training programs to support workforce development needs of Alaska industries. A full-time Grants Administrator is required to research, write, and administer grants. A trained grant writer/administrator would increase AVTEC's ability to take advantage of applicable grant opportunities. AVTEC is requesting to add \$83.6 in operating funds to hire a Grants Administrator. \$41.8 (50%) will come from Receipt Supported Services generated by increased tuition and fee receipts for additional or expanded programs as a result of new grants to be received and the other \$41.8 will be provided by grants for performing grant administration duties. AVTEC estimates receiving \$3,000.0-\$5,000.0 in additional grants to expand and improve training programs, facilities, and equipment. AVTEC anticipates training up to an additional 50 Alaskans a year.

Major RDU Accomplishments in 2009

AVTEC trained 1,098 students in FY2009, with a graduation rate at 84%. The national graduation average is 70%. Of those graduating, 90% were hired into training related employment. The national employment in the area of training average is 80%.

AVTEC began construction of two new facilities: The Maritime Safety Training Facility and the Culinary Academy Replacement facility.

AVTEC began development of the Medium/Heavy Truck Related Studies program in partnership with Alaska trucking and hospitality industry.

AVTEC formalized its Foundation Skills distance delivered testing and training curriculum in partnership with Regional Training Centers to assist applicants to achieve minimum postsecondary prerequisite academic standards.

Contact Information

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**Alaska Vocational Technical Center
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2009 Actuals				FY2010 Management Plan				FY2011 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
AVTEC	4,881.8	236.6	4,769.5	9,887.9	4,888.2	450.0	5,323.3	10,661.5	5,011.8	491.8	5,552.6	11,056.2
AVTEC Facilities Maintenance	0.0	0.0	1,618.8	1,618.8	0.0	0.0	1,558.1	1,558.1	0.0	0.0	1,558.1	1,558.1
Totals	4,881.8	236.6	6,388.3	11,506.7	4,888.2	450.0	6,881.4	12,219.6	5,011.8	491.8	7,110.7	12,614.3

**Alaska Vocational Technical Center
Summary of RDU Budget Changes by Component
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	4,888.2	450.0	6,881.4	12,219.6
Adjustments which will continue current level of service:				
-AVTEC	123.6	0.0	24.9	148.5
Proposed budget increases:				
-AVTEC	0.0	41.8	204.4	246.2
FY2011 Governor	5,011.8	491.8	7,110.7	12,614.3