

State of Alaska FY2022 Governor's Operating Budget

Department of Labor and Workforce Development Employment and Training Services Results Delivery Unit Budget Summary

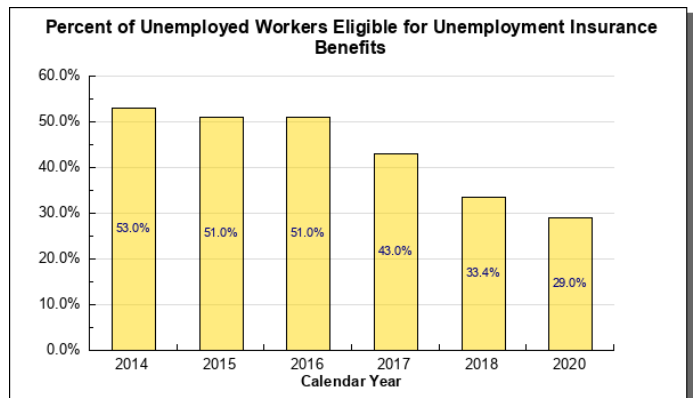
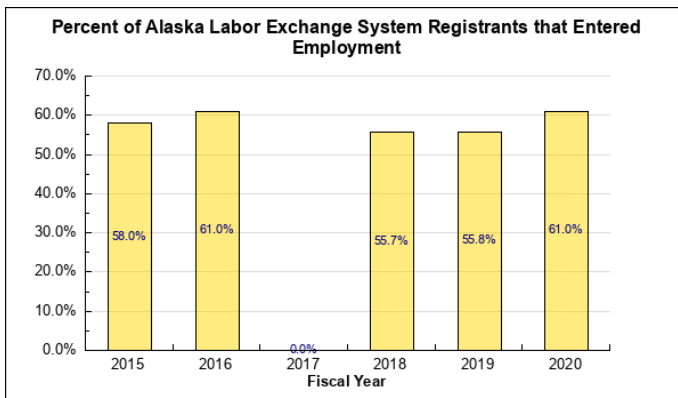
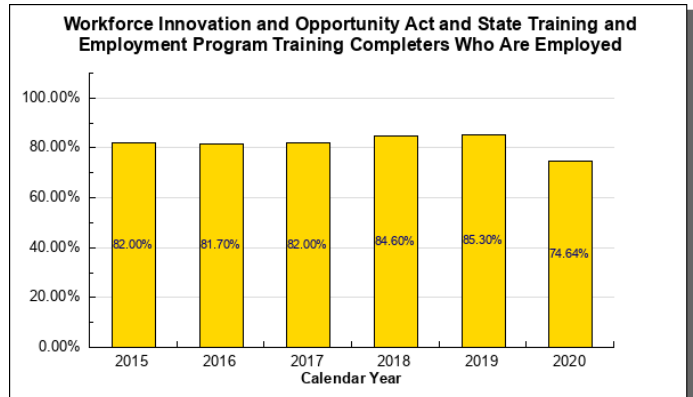
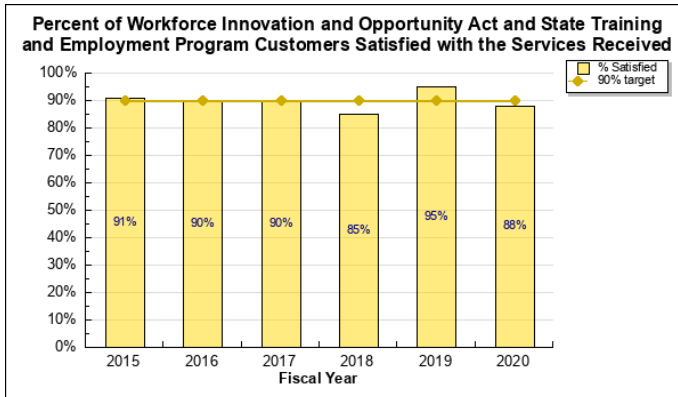
Employment and Training Services Results Delivery Unit

Contribution to Department's Mission

Provide labor exchange, employment and training services, and unemployment insurance to Alaskans and Alaska businesses thereby advancing opportunities for employment and providing economic stability for communities in Alaska.

Results

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



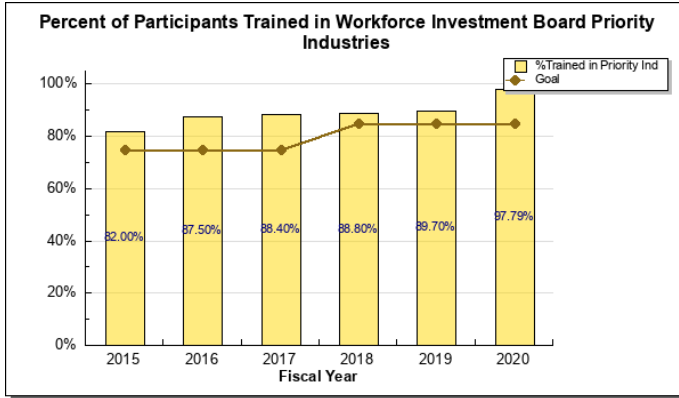
Core Services

- Maximize the degree to which workforce investment resources are invested according to the Alaska Workforce Investment Board priority industries.
- Meet all negotiated performance standards set by the Alaska Workforce Investment Board and the United States Department of Labor.
- Connect employers with qualified job seekers.
- Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.
- Pay unemployment insurance benefits to Alaskans while they are temporarily unemployed.

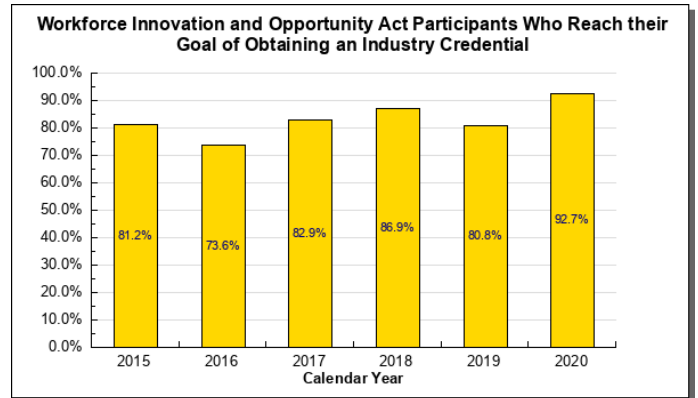
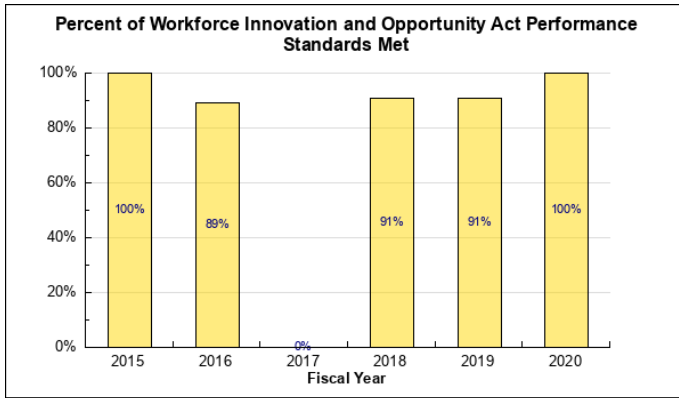
Measures by Core Service

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

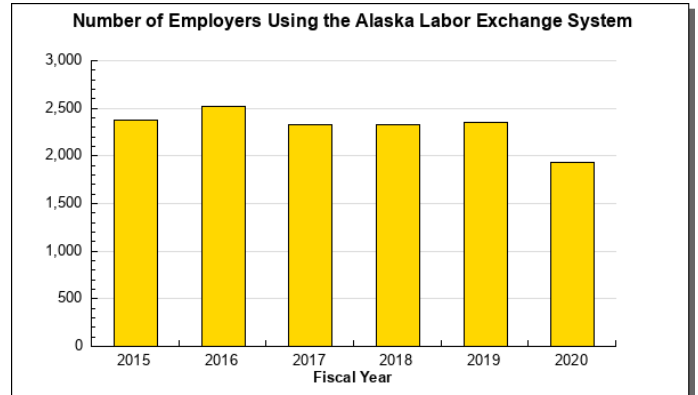
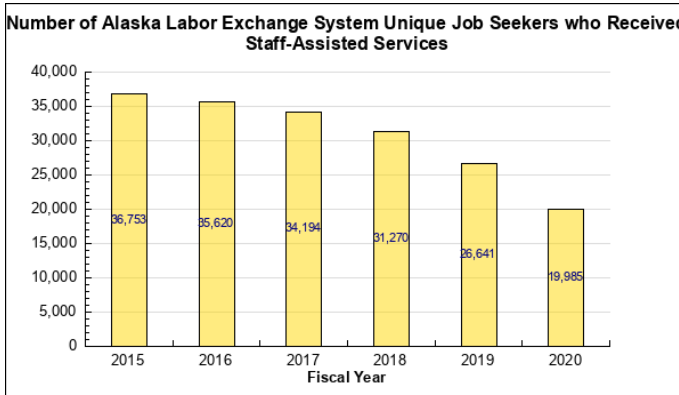
1. Maximize the degree to which workforce investment resources are invested according to the Alaska Workforce Investment Board priority industries.



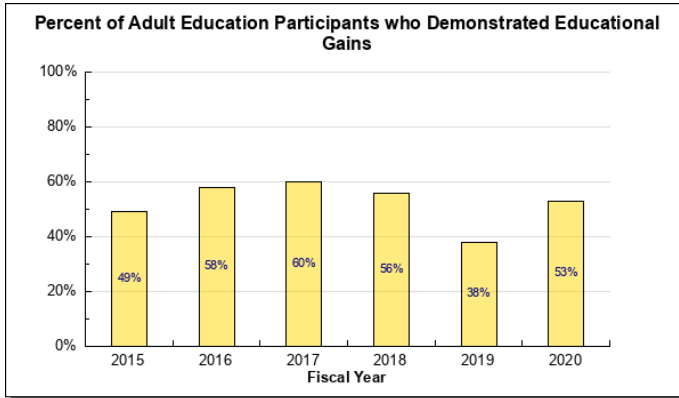
2. Meet all negotiated performance standards set by the Alaska Workforce Investment Board and the United States Department of Labor.



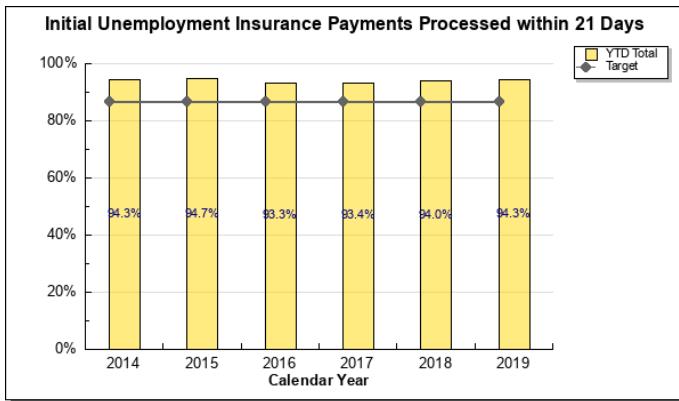
3. Connect employers with qualified job seekers.



4. Prepare more Alaskans for jobs requiring the equivalent of a high school diploma.



5. Pay unemployment insurance benefits to Alaskans while they are temporarily unemployed.



Major RDU Accomplishments in 2020

- Paid Unemployment Insurance (UI) benefits in a timely manner to 76,701 claimants, totaling over \$502.7 million in benefits to assist workers who are temporarily out of work due to no fault of their own.
- Deposited over \$109.7 million of UI contributions into the UI Tax Trust Account. Over \$21 million was collected and deposited into the accounts of the State Training and Employment Program and Alaska Technical and Vocational Education Program.
- Provided 144,661 job seekers with self-service and staff-assisted services through the Alaska Job Centers.
- Provided 3,194 WorkKeys assessments resulting in 863 job seekers earning a National Career Readiness Certificate that affirms a job seeker has the skills desired by employers. This represents increases of 21.4 percent and 24.7 percent over FY19 figures, respectively.
- Procured a new online labor exchange, participant, and grants management system. The System will enhance the user experience, co-locate data, and provide for a single sign-on between the employment, training and Unemployment Insurance programs, and allow for federally required common participant reporting.
- Rebranded Adult Basic Education to Alaska Adult Education to better align with the instruction rigor and requirements for obtaining an alternate high school equivalency diploma.

Key RDU Challenges

- The global pandemic and temporary transition to 100% distance and on-line services for the Workforce Services component has been challenging since the onset in March 2020. Beginning two years prior, the division began a project to invest significantly in adopting a new Virtual One-Stop system to promote online services and access. The AlaskaJobs system was launched in June 2020, integrating several previously disparate customer access and case management systems. Staff and partner agency training, followed by

job seeker and employer registration has been ongoing as part of the implementation. Inherent data conversion and customer familiarization to the new system are current challenges. Significant IT remediation of data and registration assistance through the Job Centers are working to remediate these challenges.

- Although Alaska’s Unemployment Insurance (UI) program continues to exceed U.S. Department of Labor’s benchmarks for issuing timely first payments of UI benefits, in FY2020 due to COVID-19, many businesses in Alaska temporarily closed their doors resulting in a level of unemployment claims never before seen in the state. The immediate substantial increase in UI claims presented a variety of challenges in processing claims timely. To address the extraordinary number of claims, as well as the multiple UI pandemic assistance programs enacted by Congress, Alaska’s UI program hired and trained over 160 short-term non-permanent staff.
- Beginning in March 2020, COVID-19 impacted the Workforce Development component with a substantial change to internal work structure which created challenges to providing technical support and carrying out monitoring and evaluation activities since sites were closed. Additionally, the impact of significant statewide job losses, temporary and permanent business closures, secondary and post-secondary education facility closures, struggles to find innovative ways to teach students, and occupational training facility closures, all resulted in challenges for delivering core services.
- As a result of the impacts on the results delivery unit (RDU) of COVID-19 emergency response and assistance, the DETS Administrative Unit provided support for numerous administrative needs for all components within the RDU, from facilitating the hiring of 160 short-term non-permanent staff, building the fiscal structure to support numerous overlapping pandemic-related funding mechanisms enacted by Congress, to providing fiscal support for new contracts related to needed pandemic-related services.

Significant Changes in Results to be Delivered in FY2022

- The solicitation and administration of grants for federal and state training and employment programs will be issued through the AlaskaJobs system.
- The Administrative Regulations (8AAC 99010-8AAC 99200) will be updated to align the Alaska Adult Education program with the federal definition of Adult Education.
- Additional implementation of distance learning options for Alaska Adult Education participants to increase Alternative High School Graduates and improve skills for transition into higher education, training, or employment.
- The Benefit Payment Control Unit and the Data Processing Unit (DPL) is developing additional programming that will enable the UI program to connect to the Integrity Data Hub. Once programming is completed, Alaska will be able to leverage more information collected by multiple states, focus more on addressing identity theft, and automate flagging of suspicious data for further investigation in an effort to reduce fraud and overpayments. In FY2021, the Division of Employment and Training Services will implement the new labor exchange and case management system that will integrate business and job seeker services. As a result, the Workforce Services component will have to reevaluate current business practices and identify necessary changes to its service delivery model.
- Implement distance learning opportunities to increase Alaskans access to educational opportunity and greater success of GED completion.

Contact Information
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**Employment and Training Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2020 Actuals				FY2021 Management Plan				FY2022 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
DETS	0.0	96.0	1,104.6	1,200.6	0.0	203.7	1,141.4	1,345.1	0.0	204.0	1,145.1	1,349.1
Administration												
Workforce Services	445.1	1,364.0	12,989.1	14,798.2	773.6	4,439.1	12,474.2	17,686.9	775.1	4,443.3	12,521.5	17,739.9
Workforce Development	14,275.8	0.0	9,860.8	24,136.6	4,786.9	0.0	6,456.3	11,243.2	4,169.3	0.0	6,467.9	10,637.2
Unemployment Insurance	669.3	267.1	21,342.8	22,279.2	861.9	359.9	22,400.6	23,622.4	865.7	360.6	21,501.5	22,727.8
Totals	15,390.2	1,727.1	45,297.3	62,414.6	6,422.4	5,002.7	42,472.5	53,897.6	5,810.1	5,007.9	41,636.0	52,454.0

**Employment and Training Services
Summary of RDU Budget Changes by Component
From FY2021 Management Plan to FY2022 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2021 Management Plan	2,580.7	3,841.7	5,002.7	42,472.5	53,897.6
One-time items:					
-Unemployment Insurance	0.0	0.0	0.0	-1,000.0	-1,000.0
Adjustments which continue current level of service:					
-DETS Administration	0.0	0.0	0.3	3.7	4.0
-Workforce Services	0.0	1.5	4.2	47.3	53.0
-Workforce Development	-617.8	0.2	0.0	11.6	-606.0
-Unemployment Insurance	0.0	3.8	0.7	100.9	105.4
FY2022 Governor	1,962.9	3,847.2	5,007.9	41,636.0	52,454.0