

State of Alaska FY2024 Governor's Operating Budget

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

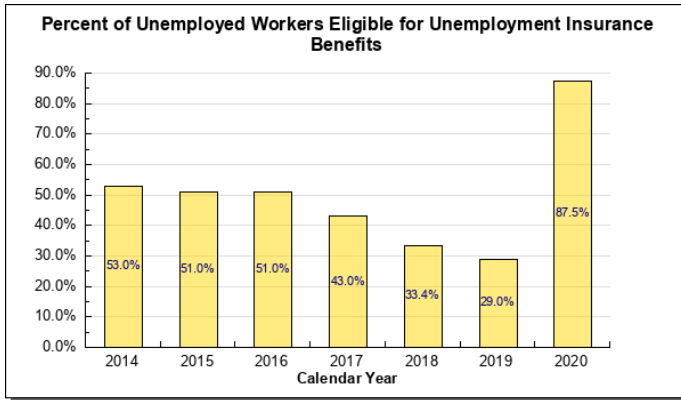
Employment and Training Services Results Delivery Unit

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>.)



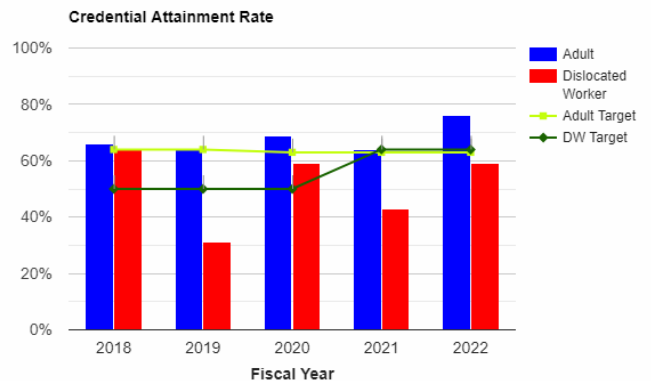
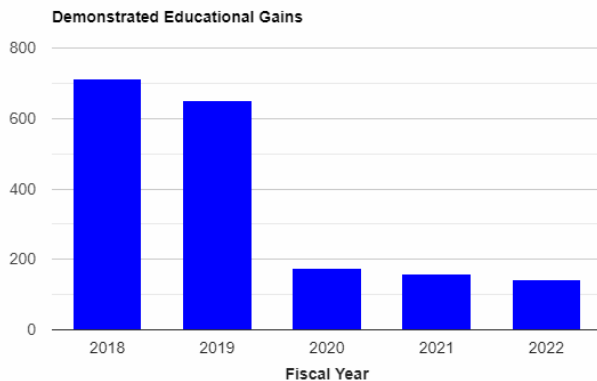
Core Services

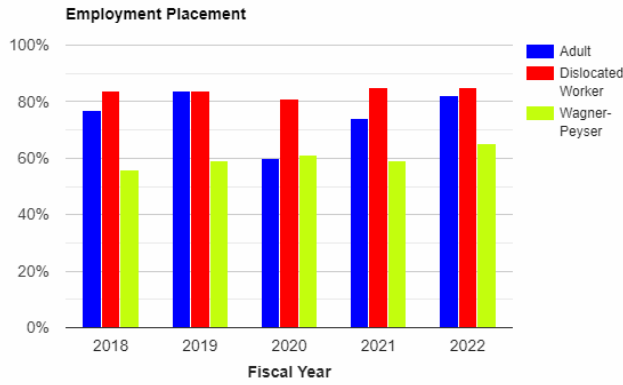
- Prepare Alaskans to enter the workforce.
- Ensure Alaskans are positioned to maintain employment.
- Provide Alaskans the training needed to be more economically self-sufficient.
- Pay unemployment insurance benefits to Alaskans while they are temporarily unemployed.

Measures by Core Service

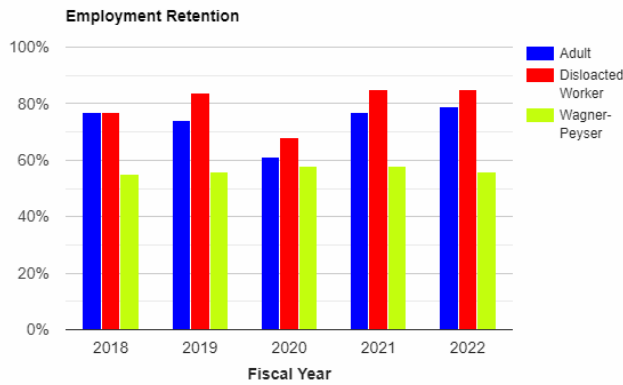
(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Prepare Alaskans to enter the workforce.

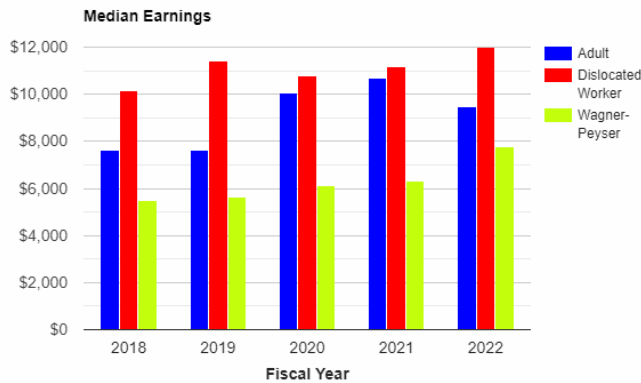




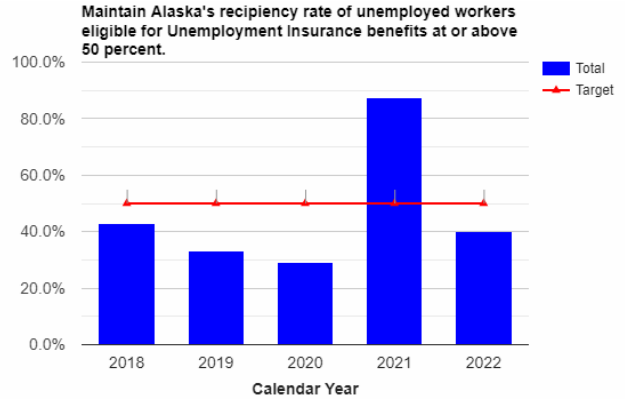
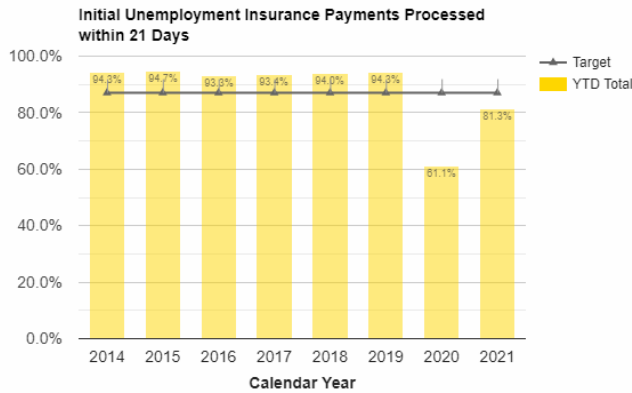
2. Ensure Alaskans are positioned to maintain employment.



3. Provide Alaskans the training needed to be more economically self-sufficient.



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



Major RDU Accomplishments in 2022

- Paid Unemployment Insurance (UI) benefits in a timely manner to 92,665 claimants, totaling over \$865 million in benefits to assist workers who were temporarily out of work due to no fault of their own.
- Deposited over \$119 million of UI contributions into the UI Tax Trust Account. Over \$19.4 million was collected and deposited into the accounts of the State Training and Employment Program and Alaska Technical and Vocational Education Program.
- Employment and training services provided through Alaska Job Centers adjusted to distance and online delivery during periods when Alaska Job Centers were not opened for in-person services. 37,056 job seekers received services provided through Alaska’s Job Centers and 44,233 employer job openings were posted for recruitment through the AlaskaJobs system during FY2021. Distance and on-line delivery continues to be promoted, utilized, and further integrated into a combined service delivery strategy through the adoption of technologies such as the AlaskaJobs system and other virtual services.
- Successful implementation of the new, virtual AlaskaJobs one-stop system. This upgraded and modern integrated system provides for single sign-on through myAlaska, supports common Workforce Innovation and Opportunity Act (WIOA) participant federal reporting, increases self-service options for external users, and allows staff the ability to provide better overall services to customers.
- The National Health Emergency (Opioid) Dislocated Worker Grant closed June 30, 2021. The program served a total of 1,037 individuals impacted by the opioid epidemic with incumbent worker training, direct participation, community-centered opioid training for the Kodiak and Nome Police Departments, and skills upgrade training for counselors.
- The Work Opportunity Tax Credit (WOTC) program applied for and received a \$100,000 award from Employment and Training Administration to address its backlog in August 2021. By leveraging the enhanced capacity of the AlaskaJobs WOTC module and with the help of two additional non-permanent technicians, the program issued a record 7,518 certifications for up to \$24,590,850 in tax credits for Alaska employers who hired at-risk job seekers.
- The Rapid Response program worked with 73 businesses to address layoffs due to closures, downsizing and natural disasters impacting 3,458 workers. While Rapid Response workshops are normally conducted in person, usually at the worksite, staff provided in-depth information on filing for unemployment insurance benefits, job center services, and training options by phone, email, and virtual means during the year due to the pandemic.
- DETS Administration provided administrative and fiscal support and reporting for six temporary COVID-19 pandemic response federal supplemental budget requests for Unemployment Insurance as well as the Federal Emergency Management Agency (FEMA) for the Lost Wage Assistance (LWA) program.
- Provided administrative HR support for management and on-boarding of over 200 short-term non-permanent staff to assist with increased Unemployment Insurance claims related to COVID-19.

Key RDU Challenges

- The UI program faced a critical challenge with its antiquated legacy mainframe system. The pandemic brought the 30-year old system shortcomings to the forefront as Congress passed many new UI programs to help

unemployed workers affected by the pandemic. Although Congress provided \$2 billion to the U.S. Department of Labor (USDOL) to modernize state UI systems, USDOL decided to not provide states with direct funding to replace antiquated UI systems.

- With the end of the UI programs enacted due to the COVID-19 pandemic, Alaska has started to close out the multiple programs and is gearing up for the associated audits. These audits include the state's Division of Legislative Audit, Federal Emergency Management Agency (FEMA) for the Lost Wage Assistance (LWA) program, and USDOL audits for multiple CARES Act programs. The audits consume a great deal of staff time and agency resources.
- In addition, as these emergency programs come to an end, the additional staff, supplies, leases, and contracts hired, purchased, and established due to increased funding and needs related to the division's response to the economic emergency associated with the COVID-19 pandemic will also gradually wind down, requiring additional administrative and accounting support through DETS Administration to ensure a smooth transition back to standard division operations.
- The Workforce Services component continues to be challenged to increase utilization of Registered Apprenticeships. While efforts included promoting program benefits, identifying related occupation instruction, assisting employers in identifying Alaskan candidates for the apprenticeship opportunity, and providing financial assistance to support new apprenticeship programs and eligible participants, the hesitance of companies to bring on apprentices during an economic downturn hampered these efforts.
- COVID-19 continues to result in substantial changes to the internal work structure for Workforce Development and created challenges in providing technical support and carrying out monitoring and evaluation activities. Additionally, significant statewide job losses, temporary and permanent business closures, secondary and post-secondary education facility closures, and occupational training facility closures all continue to result in challenges for delivering core services.

Significant Changes in Results to be Delivered in FY2024

- The UI program continues to collaborate with Workforce Services and Workforce Development partners to implement strategies to speed unemployment insurance claimants' return to work. Alaska's Reemployment Services and Eligibility Assessment (RESEA) program began its evidence-based evaluation to ensure program effectiveness in getting unemployed individuals back to work. As program interventions are being reviewed, the UI program and Workforce Services and Workforce Development will continue to assist workers to enable their quick and safe return to work. Efforts are underway in program design and future data systems updates to implement ongoing case management for RESEA through the introduction of a required second interview to assist UI claimants in their return-to-work efforts, increase the active labor pool, and address workforce shortages experienced by Alaska's employers.
- A new Virtual Job Fair module is being implemented into the AlaskaJobs system, allowing employers the choice to pursue connecting to job seekers through technology and removing the barrier of distance or lack of ability to meet in-person.
- In FY2023, Workforce Services and Workforce Development will be consolidated into a single component, Workforce Services and Development. This administrative change will unify management and further align program delivery with required federal reporting and benchmarks, ensuring a seamless delivery of services and information for Alaska's employers, job seekers, and workforce development programs.
- Continued 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.
- To align Information Technology (IT) services with the programs they serve, the Data Processing unit was transferred from Management Services in the Division of Administrative Services into Employment and Training Services Administration. These IT professionals provide critical support to all division programs, including the legacy UI program and the AlaskaJobs system supporting the programs of the Workforce Investment Opportunity Act and Wagner-Peyser Act.

Contact Information

Contact Information

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

All dollars shown in thousands

	FY2022 Actuals				FY2023 Management Plan				FY2024 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	751.6	5,875.7	6,627.3	15.0	438.5	6,808.5	7,262.0	15.0	1,357.5	6,886.6	8,259.1
Administration												
Workforce Services	418.1	1,343.3	13,478.8	15,240.2	1,790.3	4,245.9	12,346.6	18,382.8	4,725.4	2,574.5	18,552.5	25,852.4
Workforce Development	3,385.9	0.0	6,635.2	10,021.1	8,714.4	0.0	6,170.6	14,885.0	0.0	0.0	0.0	0.0
Unemployment Insurance	695.4	146.5	25,554.2	26,396.1	900.3	366.1	30,452.1	31,718.5	914.8	368.6	27,195.6	28,479.0
Totals	4,499.4	2,241.4	51,543.9	58,284.7	11,420.0	5,050.5	55,777.8	72,248.3	5,655.2	4,300.6	52,634.7	62,590.5

Employment and Training Services
Summary of RDU Budget Changes by Component
From FY2023 Management Plan to FY2024 Governor

All dollars shown in thousands

	<u>Unrestricted</u> <u>Gen (UGF)</u>	<u>Designated</u> <u>Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal</u> <u>Funds</u>	<u>Total Funds</u>
FY2023 Management Plan	7,585.8	3,834.2	5,050.5	55,777.8	72,248.3
One-time items:					
-Workforce Services	-1,000.0	0.0	0.0	0.0	-1,000.0
-Workforce Development	-4,600.0	0.0	0.0	0.0	-4,600.0
-Unemployment Insurance	0.0	0.0	0.0	-10,000.0	-10,000.0
Adjustments which continue current level of service:					
-DETS Administration	0.0	0.0	919.0	78.1	997.1
-Workforce Services	1,974.2	1,960.9	-894.8	4,693.5	7,733.8
-Workforce Development	-1,970.8	-2,143.6	0.0	-6,170.6	-10,285.0
-Unemployment Insurance	0.0	14.5	2.5	365.4	382.4
Proposed budget increases:					
-Workforce Services	0.0	0.0	0.0	1,512.4	1,512.4
-Unemployment Insurance	0.0	0.0	0.0	6,378.1	6,378.1
Proposed budget decreases:					
-Workforce Services	0.0	0.0	-776.6	0.0	-776.6
FY2024 Governor	1,989.2	3,666.0	4,300.6	52,634.7	62,590.5