

State of Alaska FY2026 Governor's Operating Budget

Department of Labor and Workforce Development Vocational Rehabilitation Administration Component Budget Summary

Component: Vocational Rehabilitation Administration

Contribution to Department's Mission

Provide administrative support and oversight to the Division of Vocational Rehabilitation programs.

Core Services

- Set policy and provide oversight and evaluation of the activities of the division.
- Monitor grants to public and private non-profit organizations providing disabilities services.
- Identify new federal and state resources available to support the program.
- Participate in a collaborative partnership with the State Vocational Rehabilitation Council and the Statewide Independent Living Council - two federally required consumer-controlled councils to ensure an effective service delivery system.

Major Component Accomplishments in 2024

- Provided administrative oversight and support across division components to ensure streamlined operations and effective resource management.
- Developed and documented internal controls for managing federal awards in compliance with federal statutes, regulations, and award terms to maintain accountability and transparency.
- Recruited and onboarded new accounting and administrative staff to fill vacancies resulting from external promotions, ensuring team capacity and continuity.
- Through House Bill 219 the Assistive Technology Loan Guarantee and Interest Subsidy Program was repealed. The remaining funds will be transferred to Assistive Technology of Alaska (ATLA) to bolster service delivery and expand access to assistive technology statewide.

Key Component Challenges

The Vocational Rehabilitation Administration component faces the challenge of training new accounting and administrative staff while maintaining consistent, high-quality support for the division. Balancing staff development with uninterrupted service delivery is essential to meeting operational goals and sustaining effective administrative functions.

Significant Changes in Results to be Delivered in FY2026

No significant changes in results to be delivered are anticipated.

Statutory and Regulatory Authority

Federal Authority:

34 CFR Part 361
Public Law 113-128

State Vocational Rehabilitation Services Program
Workforce Innovation and Opportunity Act

Statutory Authority:

AS 23.15

Employment Service – Vocational Rehabilitation Program

Administrative Regulations:

8 AAC 98

Vocational Rehabilitation Program

Contact Information

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Vocational Rehabilitation Administration Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2025</u> <u>Management</u> <u>Plan</u>	<u>FY2026</u> <u>Governor</u>		
Full-time	7	7	Annual Salaries	561,896
Part-time	0	0	COLA	17,069
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	384,506
			<i>Less 3.00% Vacancy Factor</i>	<i>(28,904)</i>
			Lump Sum Premium Pay	0
Totals	7	7	Total Personal Services	934,567

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant 3	0	0	1	0	1
Accounting Technician 1	0	0	1	0	1
Accounting Technician 2	0	0	1	0	1
Administrative Assistant 1	0	0	1	0	1
Administrative Officer 1	0	0	1	0	1
Admn OPS Mgr 1	0	0	1	0	1
Division Director - Px	1	0	0	0	1
Totals	1	0	6	0	7

Component Detail All Funds
Department of Labor and Workforce Development

Component: Vocational Rehabilitation Administration (202)
RDU: Vocational Rehabilitation (65)

Non-Formula Component

	FY2024 Actuals	FY2025 Enrolled	FY2025 Authorized	FY2025 Management Plan	FY2026 Governor Adjusted Base	FY2026 Governor	FY2025 Management Plan vs FY2026 Governor		
1000 Personal Services	736.0	953.6	972.4	907.4	934.6	934.6	27.2	3.0%	
2000 Travel	15.0	26.0	26.0	28.5	28.5	28.5	0.0	0.0%	
3000 Services	93.6	230.2	230.2	228.7	220.8	220.8	-7.9	-3.5%	
4000 Commodities	5.6	41.2	41.2	105.2	20.2	20.2	-85.0	-80.8%	
5000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
7000 Grants, Benefits	0.0	97.5	97.5	97.5	97.5	97.5	0.0	0.0%	
8000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Totals	850.2	1,348.5	1,367.3	1,367.3	1,301.6	1,301.6	-65.7	-4.8%	
Fund Sources:									
1002 Fed Rcpts (Fed)	586.1	952.0	958.1	958.1	983.0	983.0	24.9	2.6%	
1004 Gen Fund (UGF)	0.0	97.5	104.1	104.1	6.6	6.6	-97.5	-93.7%	
1007 I/A Rcpts (Other)	264.1	299.0	305.1	305.1	312.0	312.0	6.9	2.3%	
Unrestricted General (UGF)	0.0	97.5	104.1	104.1	6.6	6.6	-97.5	-93.7%	
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Other Funds	264.1	299.0	305.1	305.1	312.0	312.0	6.9	2.3%	
Federal Funds	586.1	952.0	958.1	958.1	983.0	983.0	24.9	2.6%	
Positions:									
Permanent Full Time	7	7	7	7	7	7	0	0.0%	
Permanent Part Time	0	0	0	0	0	0	0	0.0%	
Non Permanent	0	0	0	0	0	0	0	0.0%	

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

Component: Vocational Rehabilitation Administration (202)
RDU: Vocational Rehabilitation (65)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2025 Enrolled To FY2025 Authorized *****												
FY2025 Enrolled	Enrolled	1,348.5	953.6	26.0	230.2	41.2	0.0	97.5	0.0	7	0	0
1002 Fed Rcpts		952.0										
1004 Gen Fund		97.5										
1007 I/A Rcpts		299.0										
Compensation for Certain State Employees Ch5 SLA2024 (SB259) (Sec2 Ch7 SLA2024 P54 L23 (HB268))												
	FisNot	7.8	7.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		2.5										
1004 Gen Fund		2.8										
1007 I/A Rcpts		2.5										
One salary step adjustment for employees not covered by a collective bargaining agreement.: \$7.8												
Compensation for Certain State Employees Ch5 SLA2024 (SB259) (Sec2 Ch7 SLA2024 P54 L23 (HB268))												
	FisNot	11.0	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		3.6										
1004 Gen Fund		3.8										
1007 I/A Rcpts		3.6										
Five percent cost of living adjustment for employees not covered by a collective bargaining unit.: \$11.0												
Subtotal		1,367.3	972.4	26.0	230.2	41.2	0.0	97.5	0.0	7	0	0
***** Changes From FY2025 Authorized To FY2025 Management Plan *****												
Align Authority to Address Personal Services, Travel, Services, and Commodities Needs	LIT	0.0	-65.0	2.5	-1.5	64.0	0.0	0.0	0.0	0	0	0
Transfer federal indirect and interagency authority from personal services and services to align authority with anticipated expenditures in travel and commodities. The remaining personal services authority is the result of moving Project Assistant (052046) to the Client Services component.												
Subtotal		1,367.3	907.4	28.5	228.7	105.2	0.0	97.5	0.0	7	0	0
***** Changes From FY2025 Management Plan To FY2026 Governor Adjusted Base *****												
Reverse Maintain Vocational Rehabilitation Administration Support	OTI	-97.5	-97.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-97.5										
Reverse one-time backstop funding for uncollectable federal indirect revenue.												

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

Component: Vocational Rehabilitation Administration (202)
RDU: Vocational Rehabilitation (65)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
FY2026 Salary, Health Insurance, and Retirement Increases												
	SalAdj	31.8	31.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		24.9										
1007 I/A Rcpts		6.9										
Salary, health and retirement increases: \$31.8												
AlaskaCare increase from \$1908 to \$2030.11 per member per month: \$5.9												
FY2026 APEA (non-law enforcement) 3% cost of living adjustment: \$11.4												
FY2026 3% cost of living adjustment for employees not covered by a collective bargaining agreement: \$5.5												
FY2026 PERS rate adjustment from 26.76% to 28.33%: \$9.0												
Align Authority to Address Personal Services Needs												
	LIT	0.0	92.9	0.0	-7.9	-85.0	0.0	0.0	0.0	0	0	0
Transfer federal authority from commodities and services to align authority to personal services to address personal services needs. The remaining services and commodities authority is sufficient to meet anticipated expenditures.												
Subtotal		1,301.6	934.6	28.5	220.8	20.2	0.0	97.5	0.0	7	0	0
*****		Changes From FY2026 Governor Adjusted Base To FY2026 Governor							*****			
Totals		1,301.6	934.6	28.5	220.8	20.2	0.0	97.5	0.0	7	0	0

Line Item Detail (1676)
Department of Labor and Workforce Development
Travel

Component: Vocational Rehabilitation Administration (202)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
2000	Travel		15.0	28.5	28.5
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
2000 Travel Detail Totals			15.0	28.5	28.5
2000	In-State Employee Travel	In-state employee travel to support the department's mission.	11.1	16.4	16.4
2002	Out of State Employee Travel	Out of state employee travel.	3.9	12.1	12.1

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Vocational Rehabilitation Administration (202)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000	Services		93.6	228.7	220.8
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000 Services Detail Totals			93.6	228.7	220.8
3000	Education Services	Training, education, and memberships.	1.9	2.0	2.0
3001	Financial Services	Financial services, including auditing and accounting, consulting, insurance, or interest expense.	0.0	1.0	1.0
3003	Information Technology	Information technology, including training, consulting, leases, and software licensing and maintenance.	1.4	5.0	5.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	1.4	3.0	3.0
3006	Delivery Services	Freight, courier services, and postage.	0.3	2.0	2.0
3007	Advertising and Promotions	Advertising for regulation changes, board meetings, recruitments, or other public notices.	0.0	0.1	0.1
3008	Utilities	Electricity, heating fuel, water, sewage, recycling, heating fuel, trash, and confidential document and other disposal services.	0.3	0.7	0.7
3009	Structure/Infrastructure/Land	Room rental for training and seminar space, board or council meetings, or storage and archiving needs.	0.7	4.0	4.0
3010	Equipment/Machinery	Machinery, furniture, and equipment purchase, repairs, maintenance,	0.0	3.0	3.0

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Vocational Rehabilitation Administration (202)

Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000 Services Detail Totals			93.6	228.7	220.8
		rentals, and leases.			
3011	Other Services	Other services including interpreters, consulting, print, copy and graphic services, and safety services.	0.1	85.0	85.0
3012	Inter-Agency Federal Indirect Rate Allocation	Labor - Management Services (335) Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services.	46.4	53.5	53.5
3013	Inter-Agency Data Processing Operations Allocation	Labor - Management Services (335) Allocation for Data Processing network and support services.	5.4	8.0	8.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Reimbursable services agreement with the Office of Information Technology for non-telecommunications support, including software and computer services.	21.7	24.5	24.5
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Reimbursable services agreement with the Office of Information Technology for telecommunication support.	3.9	4.1	5.0
3021	Inter-Agency Mail	Admin - Department-wide Reimbursable services agreement with Shared Services of Alaska for central mailroom support and services.	0.1	0.2	0.2
3022	Inter-Agency Human Resources	Admin - Department-wide Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services.	4.3	4.3	4.9
3023	Inter-Agency Building Leases	Admin - Department-wide State-owned facility space rent or other property leases.	0.0	26.5	17.1
3025	Inter-Agency Auditing	Admin - Department-wide Reimbursable services agreement with the Department of	0.0	0.2	0.2

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Vocational Rehabilitation Administration (202)

Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000 Services Detail Totals			93.6	228.7	220.8
3026	Inter-Agency Insurance	Admin - Department-wide Administration for auditing services, including federal compliance audits.	0.4	0.5	0.5
3027	Inter-Agency Financial	Admin - Department-wide Reimbursable services agreement with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.	5.2	1.0	1.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Reimbursable services agreement with the Department of Administration for Americans with Disabilities Act (ADA) services.	0.0	0.1	0.1
3029	Inter-Agency Education/Training	Admin - Department-wide Procurement Training.	0.1	0.0	0.0

Line Item Detail (1676)
Department of Labor and Workforce Development
Commodities

Component: Vocational Rehabilitation Administration (202)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
4000	Commodities		5.6	105.2	20.2
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
4000 Commodities Detail Totals			5.6	105.2	20.2
4000	Business	General business supplies such as office consumables and computer equipment.	4.5	105.2	20.2
4004	Safety	Safety gear and protective clothing.	1.1	0.0	0.0

Line Item Detail (1676)
Department of Labor and Workforce Development
Grants, Benefits

Component: Vocational Rehabilitation Administration (202)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
7000	Grants, Benefits		0.0	97.5	97.5
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
		7000 Grants, Benefits Detail Totals	0.0	97.5	97.5
7002	Benefits	Uncollectible federal authority reserved for future flexibility.	0.0	97.5	97.5

Revenue Detail (1681)
Department of Labor and Workforce Development

Component: Vocational Rehabilitation Administration (202)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			922.1	958.1	983.0
5003 Federal - Indirect Recovery		Indirect recovery of federal funds.	586.2	958.1	983.0
5003 Federal - Indirect Recovery		Prior year carryforward of Federal receipts.	335.9	0.0	0.0
5007 I/A Rcpts (1007 I/A Rcpts)			264.1	305.1	312.0
5301 Inter-Agency Receipts	Labor - Client Services (1828)	Interagency receipts.	0.0	247.1	254.0
5301 Inter-Agency Receipts	Labor - Disability Determination (206)	Interagency receipts.	0.0	58.0	58.0
5301 Inter-Agency Receipts	Labor - Voc Rehab Administration (202)	Admin Inter-Agency.	264.1	0.0	0.0

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Vocational Rehabilitation Administration (202)

				FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
Component Totals				87.5	122.9	115.0
With Department of Labor and Workforce Development				51.8	61.5	61.5
With Department of Administration				35.7	61.4	53.5
Object Class	Servicing Agency	Explanation		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3012	Inter-Agency Federal Indirect Rate Allocation	Labor - Management Services (335)	Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services.	46.4	53.5	53.5
3013	Inter-Agency Data Processing Operations Allocation	Labor - Management Services (335)	Allocation for Data Processing network and support services.	5.4	8.0	8.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Reimbursable services agreement with the Office of Information Technology for non-telecommunications support, including software and computer services.	21.7	24.5	24.5
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Reimbursable services agreement with the Office of Information Technology for telecommunication support.	3.9	4.1	5.0
3021	Inter-Agency Mail	Admin - Department-wide	Reimbursable services agreement with Shared Services of Alaska for central mailroom support and services.	0.1	0.2	0.2
3022	Inter-Agency Human Resources	Admin - Department-wide	Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services.	4.3	4.3	4.9
3023	Inter-Agency Building Leases	Admin - Department-wide	State-owned facility space rent or other property leases.	0.0	26.5	17.1
3025	Inter-Agency Auditing	Admin - Department-wide	Reimbursable services agreement	0.0	0.2	0.2

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Vocational Rehabilitation Administration (202)

Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3026	Inter-Agency Insurance	Admin - Department-wide			
		with the Department of Administration for auditing services, including federal compliance audits.			
		Reimbursable services agreement with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.	0.4	0.5	0.5
3027	Inter-Agency Financial	Admin - Department-wide			
		Reimbursable services agreement with the Division of Finance for system services for State accounting and payroll (IRIS), and reporting (ALDER) systems.	5.2	1.0	1.0
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide			
		Reimbursable services agreement with the Department of Administration for Americans with Disabilities Act (ADA) services.	0.0	0.1	0.1
3029	Inter-Agency Education/Training	Admin - Department-wide			
		Procurement Training.	0.1	0.0	0.0

Personal Services Expenditure Detail
Department of Labor and Workforce Development

Scenario: FY2026 Governor (22363)
Component: Vocational Rehabilitation Administration (202)
RDU: Vocational Rehabilitation (65)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
052001	Division Director - Px	FT	A	XE	Anchorage	N00	27D / E	12.0		131,387	5,551	0	78,006	214,944	0
052003	Accountant 3	FT	A	SS	Juneau	205	18A / B	12.0		78,714	3,325	0	56,649	138,688	0
052023	Admn OPS Mgr 1	FT	A	SS	Juneau	205	22D / E	12.0		112,024	4,733	0	70,246	187,003	0
052042	Accounting Technician 2	FT	A	GP	Juneau	205	14A / B	12.0		54,644	0	0	41,376	96,020	0
052044	Administrative Officer 1	FT	A	SS	Juneau	205	17E	12.0		81,910	3,460	0	57,954	143,324	0
057007	Accounting Technician 1	FT	A	GP	Juneau	205	12E / F	12.0		54,750	0	0	41,420	96,170	0
077009	Administrative Assistant 1	FT	A	GP	Juneau	205	12B / C	12.0		48,467	0	0	38,855	87,322	0

	Total Positions	New	Deleted	Total Salary Costs:
Full Time Positions:	7	0	0	561,896
Part Time Positions:	0	0	0	Total COLA: 17,069
Non Permanent Positions:	0	0	0	Total Premium Pay: 0
Positions in Component:	7	0	0	Total Benefits: 384,506
Total Component Months:	84.0			Total Pre-Vacancy: 963,471
				Minus Vacancy Adjustment of 3.00%: (28,904)
				Total Post-Vacancy: 934,567
				Plus Lump Sum Premium Pay: 0
				Personal Services Line 100: 934,567

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1002 Federal Receipts	716,070	694,588	74.32%
1007 Interagency Receipts	247,401	239,979	25.68%
Total PCN Funding:	963,471	934,567	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Department of Labor and Workforce Development
Division of Vocational Rehabilitation
Vocational Rehabilitation Administration (202)
FY2026 Governor's Budget Organization Chart

