

Alaska Department of Labor and Workforce Development

**House Finance Subcommittee
Department Overview
Commissioner Dianne Blumer
January 27, 2014**



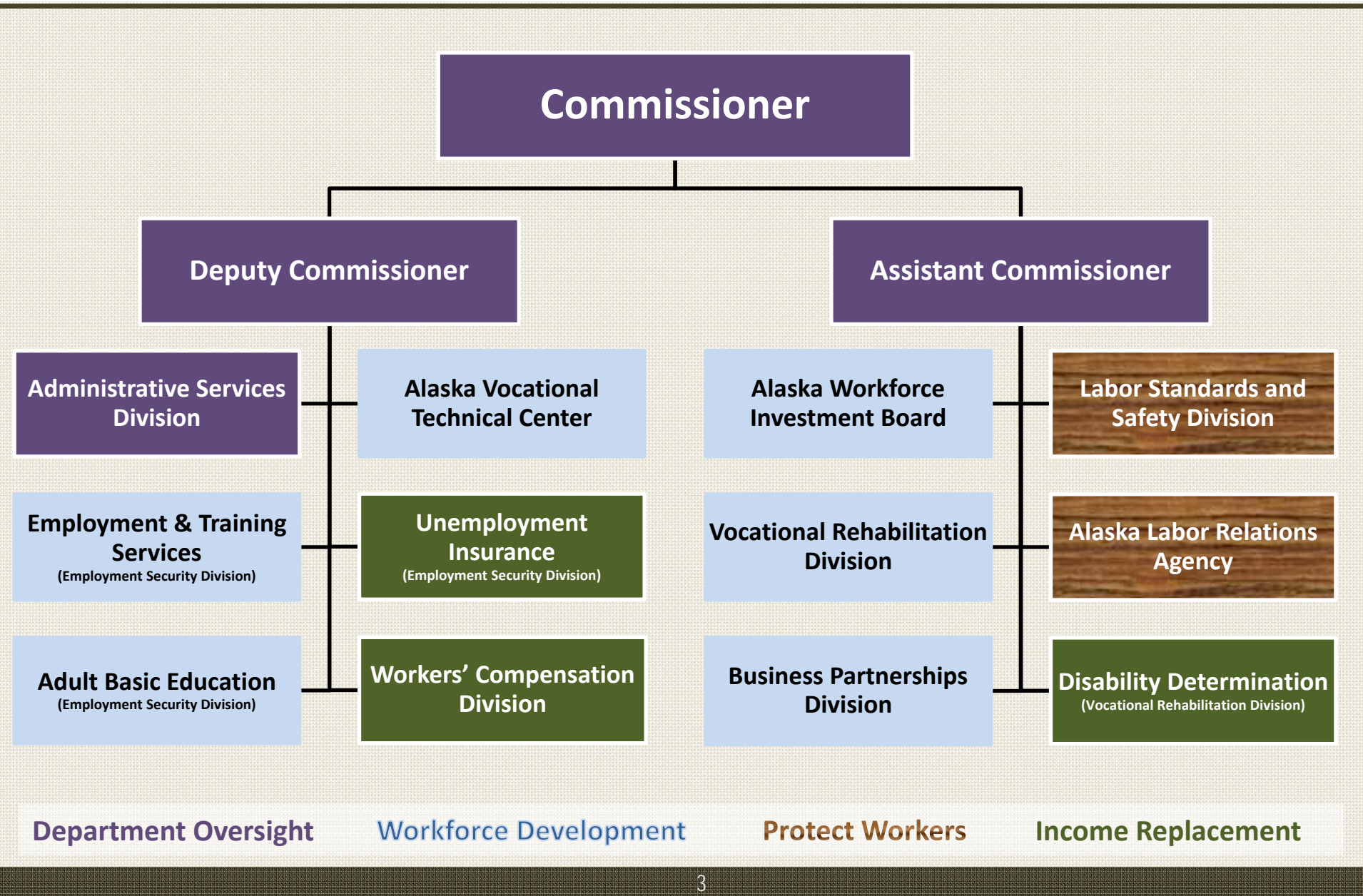
Department of Labor and Workforce Development

Mission: Provide safe and legal working conditions and advance opportunities for employment.

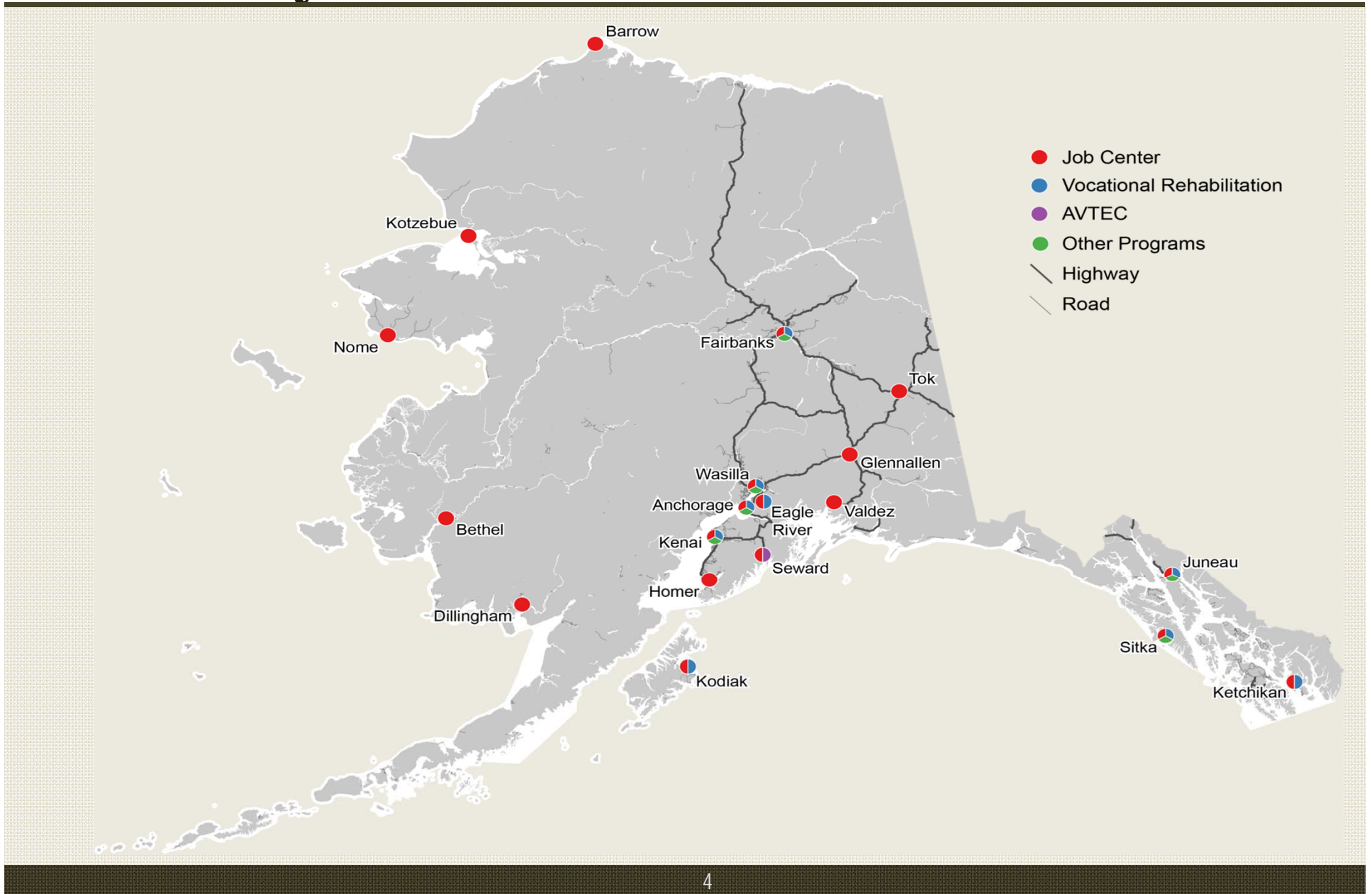
Core Services:

- **Protect Alaska's workers** through statutory and regulatory assistance and enforcement.
- **Income replacement** for injured, unemployed, and permanently disabled workers.
- **Workforce development** to support Alaska hire and economic development.

Organization Chart



Services by Location



State and Private Partnerships

State Partners

- **Veteran Services**
 - Department of Military and Veterans Affairs
- **Economic and Demographic Data Production**
 - Department of Health and Social Services
 - Department of Commerce, Community and Economic Development
 - Department of Education and Early Development
- **Prisoner Reentry**
 - Department of Corrections
- **Training and Education Program Outcomes**
 - Department of Education and Early Development
 - University of Alaska
 - Commission on Postsecondary Education

State and Private Partnerships

Private Partners

- **Training and Education**
 - Tribal Vocational Rehabilitation Programs
 - Community Rehabilitation Programs
 - Construction Education Foundation
 - Alaska Works Partnership
 - School Districts
 - Association of General Contractors
 - Home Building Associations
 - Regional Training Centers
 - Other Private Training Providers
 - Employers
- **Private Sector Membership on Boards and Commissions**
- **Centers for Independent Living**

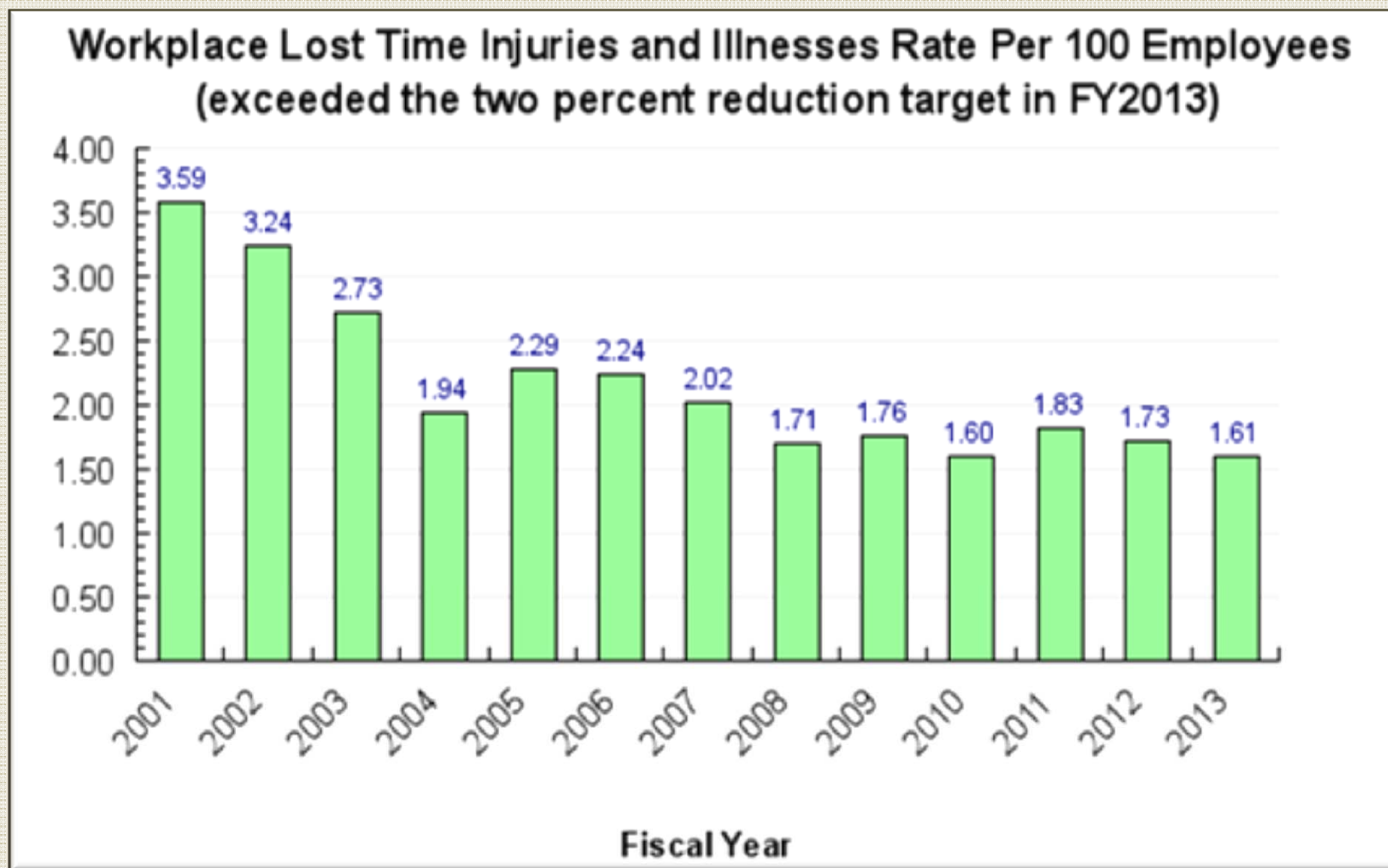
Development Challenges

Maintaining services to Alaskans while managing:

- **A trained Alaskan labor force for new projects**
- **Flat or declining federal revenue**
- **Increasing operating expenses**

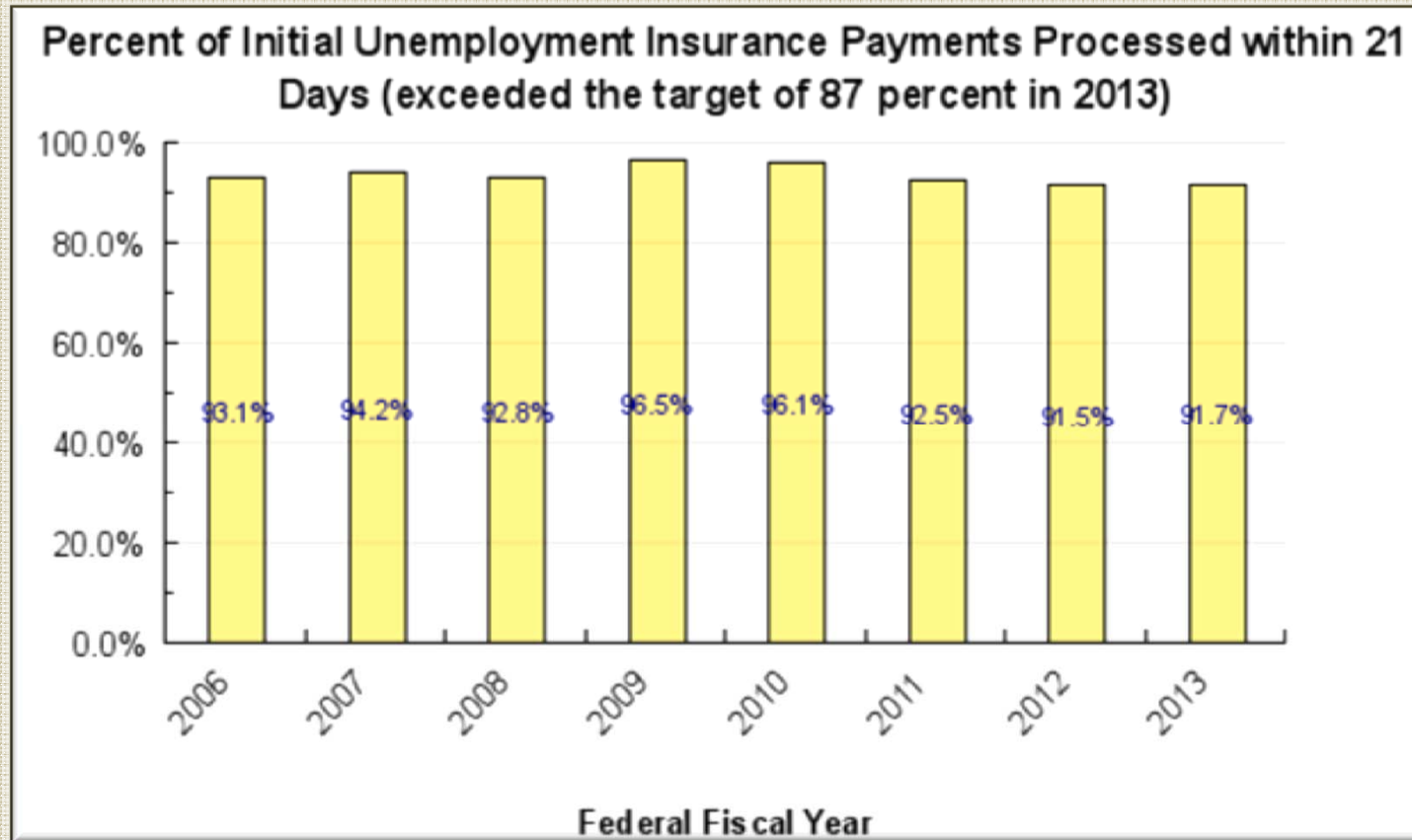


Protect Workers





Income Replacement





Department of Labor and Workforce Development

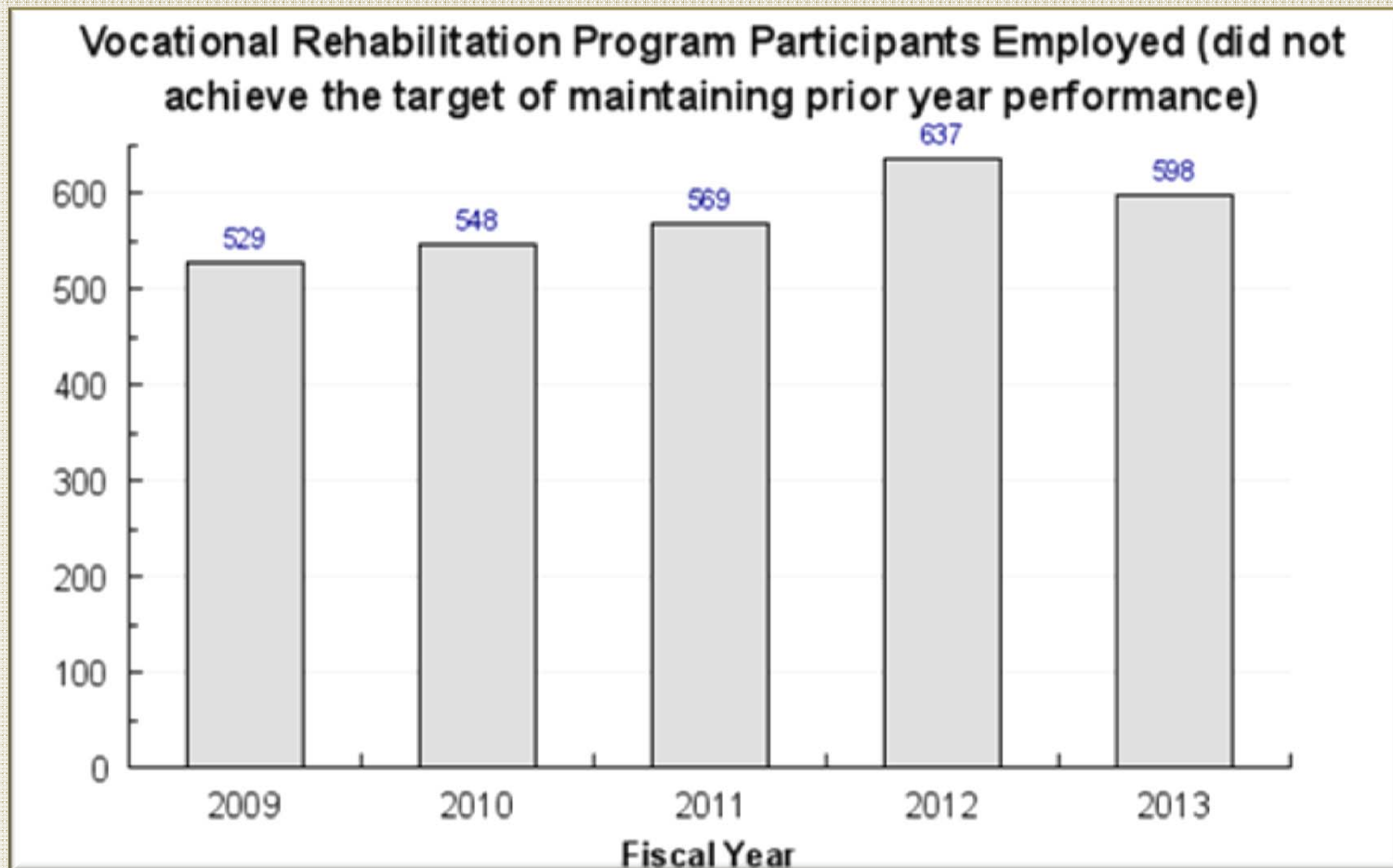
Workforce Development





Department of Labor and Workforce Development

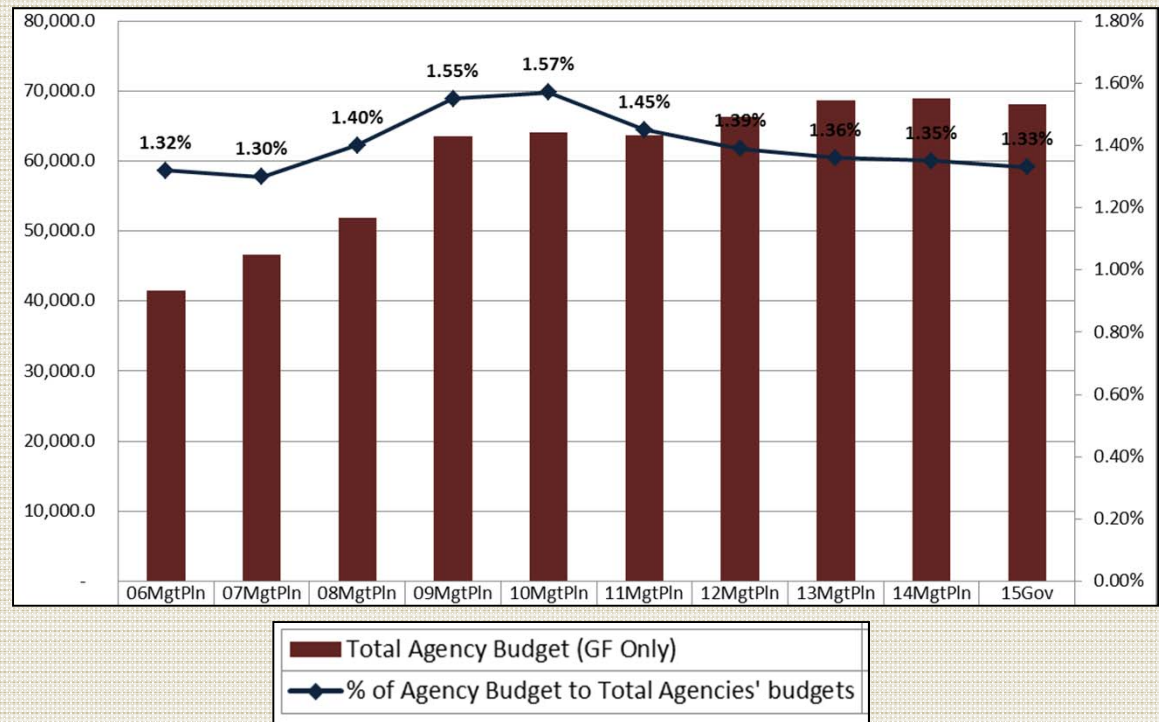
Workforce Development



Share of Total Agency Operations

- The department's general fund budget grew by \$26.5 million between FY06 and the FY15 Governor's Request – an average annual growth rate of 7.1%.
- Growth since FY09 has been \$4.5 million (1.2% growth rate).
- The department continues to represent a small portion of the overall statewide budget (six straight years of decline).

General Funds Only (thousands)



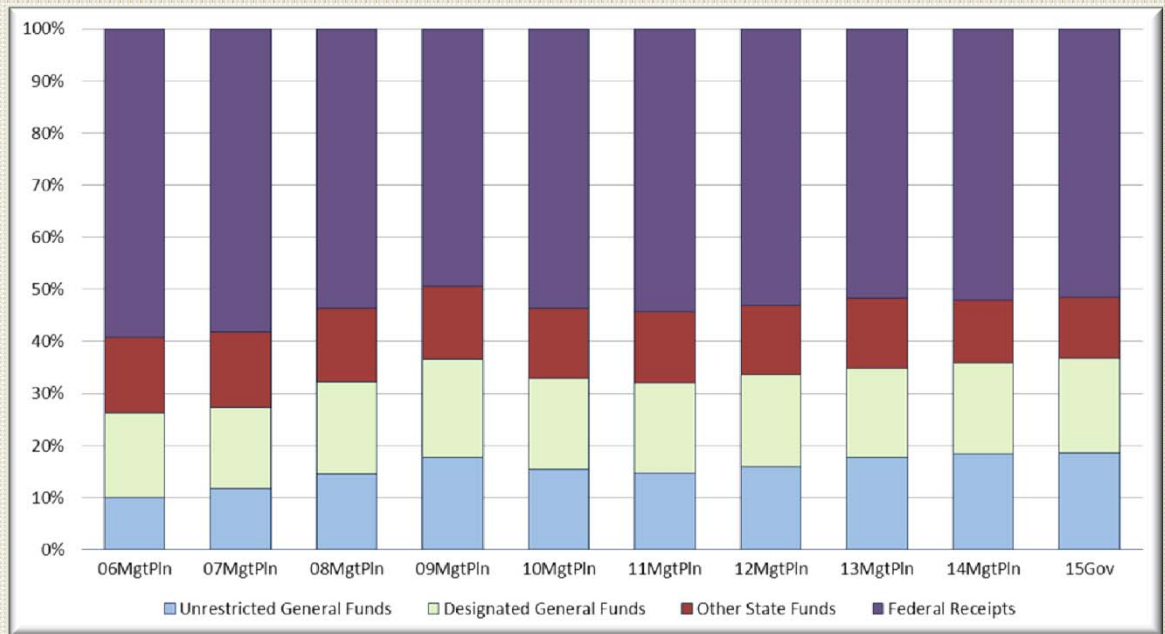
Total Funding Comparison by Fund Group

Between FY06 & FY15:

- Federal Funds remained relatively flat, increasing by \$1.4 million (1.5%)
- Other funds decreased by \$1.4 million (-6.2%)
- DGF increased by \$7.9 million (30.9%)
- UGF increased by \$18.6 million (117.8%)

Thus state funds have increased as a percentage of the total

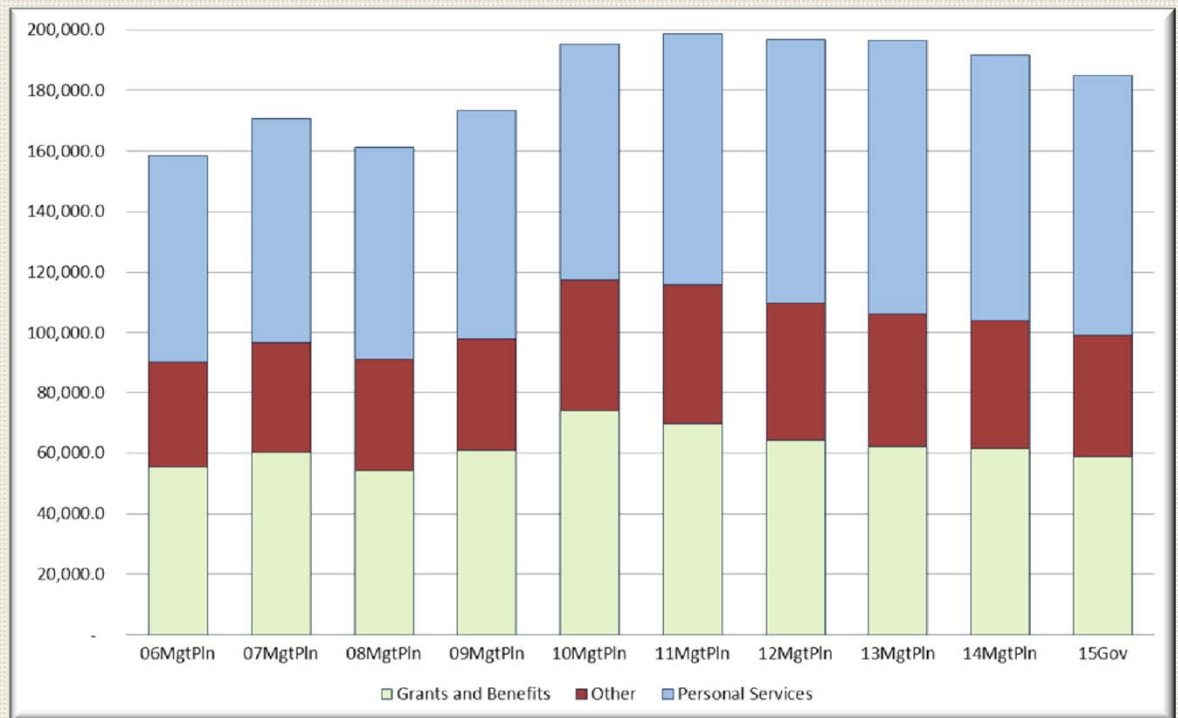
All Funds (thousands)



Line Item Distribution

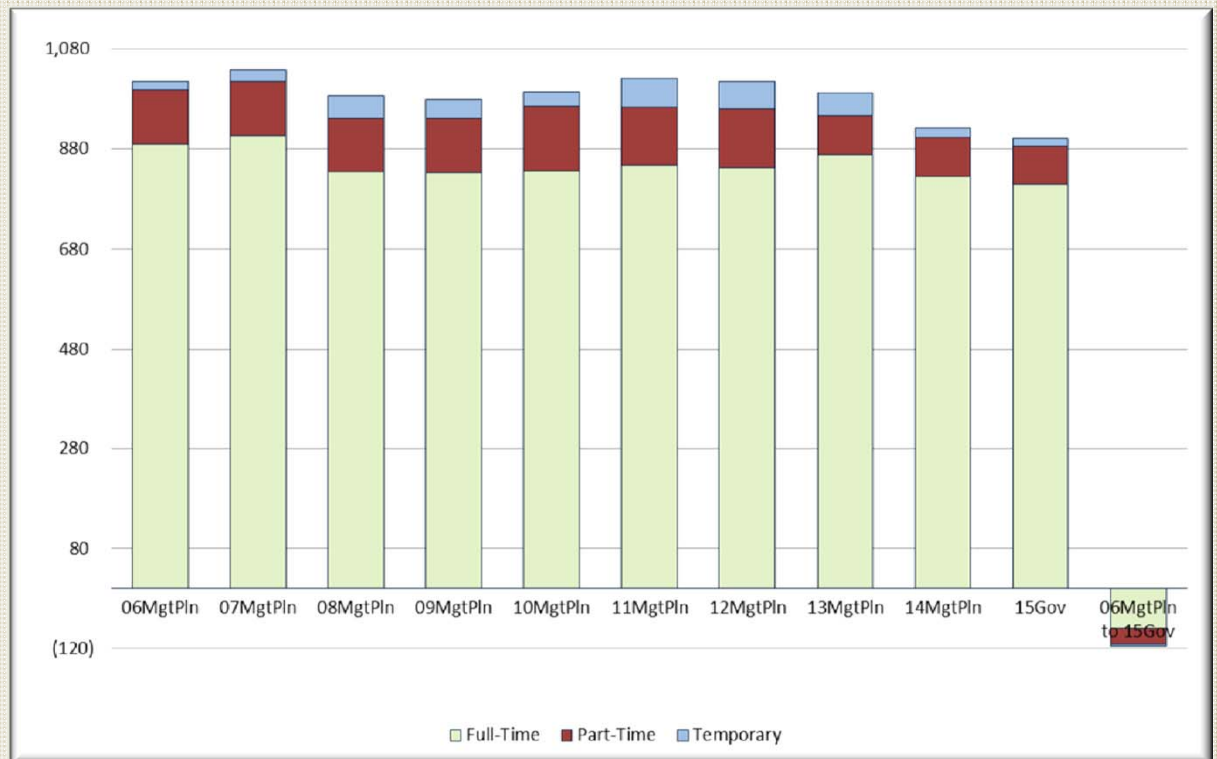
- The majority of funding in FY15 is in the following line items:
 - Personal Services: 46%
 - Grants: 32%
- About 54% (\$31.5 million) of the grants funding is in the Business Partnerships appropriation (with the majority housed in two allocations):
 - \$23.4 million in Business Services
 - \$3.2 million in the Construction Academy

All Funds (thousands)



Budgeted Positions

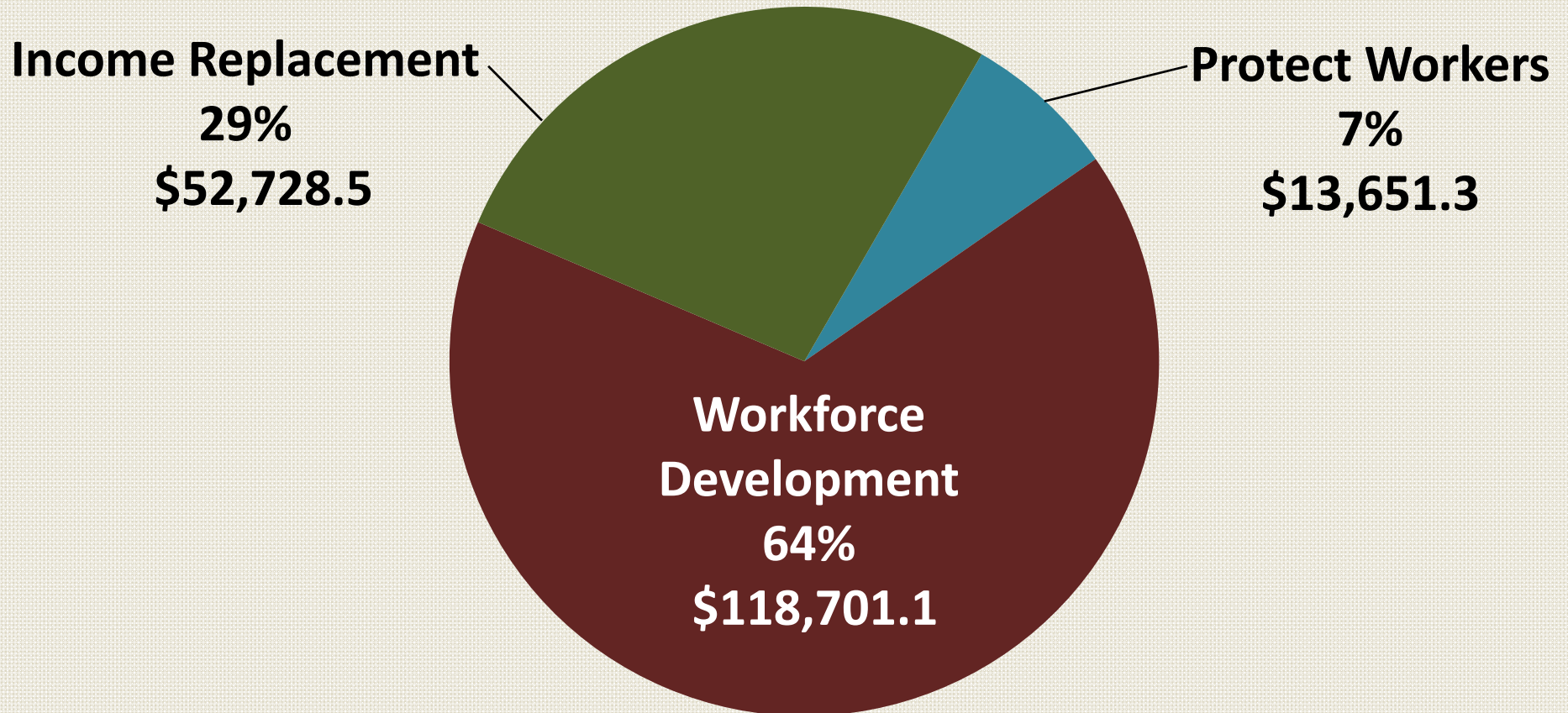
- Between FY06 & FY15 the total number of budgeted positions decreased by 115.
- Reduction in positions is due to flat or declining base operating federal funds and the expiration of one-time federal grant funds.



FY2015 Budget Request: \$185,080.9

UGF: \$34,404.4
DGF: \$34,069.8
Other: \$21,769.1
Federal: \$94,837.6

Budget by Priority Program



- 809 Full-Time Positions
- 77 Part-Time Positions
- 14 Temporary Positions

Governor's Budget Overview

FY2015 Operating Budget

Department-wide Long Term Vacant Position deletions

- -\$975.5 total reduction for deleting 20 positions including 10 vacant for more than two years

Department-wide uncollectible receipt authority reduction

- -\$4,900.0 Fed/Other reduction to reflect decreased receipt collection due to federal sequestration

Employment Security Division (ESD)

- \$125.0 DGF increase in Training and Building fund receipts for support of Job Centers

Business Partnerships (DBP)

- -\$159.6 UGF decrease by deleting one vacant Gasline position

TVEP funding distribution change

- \$47.6 DGF increase to distribution amounts based on available fund balance

Governor's Budget Overview

FY2015 Capital Budget

Heavy Equipment/Diesel/Pipe Welding Relocation Phase 2 of 3

- \$8,000.0 this phase, \$15,000.0 all three phases, replaces a training facility with safety issues

Deferred Maintenance

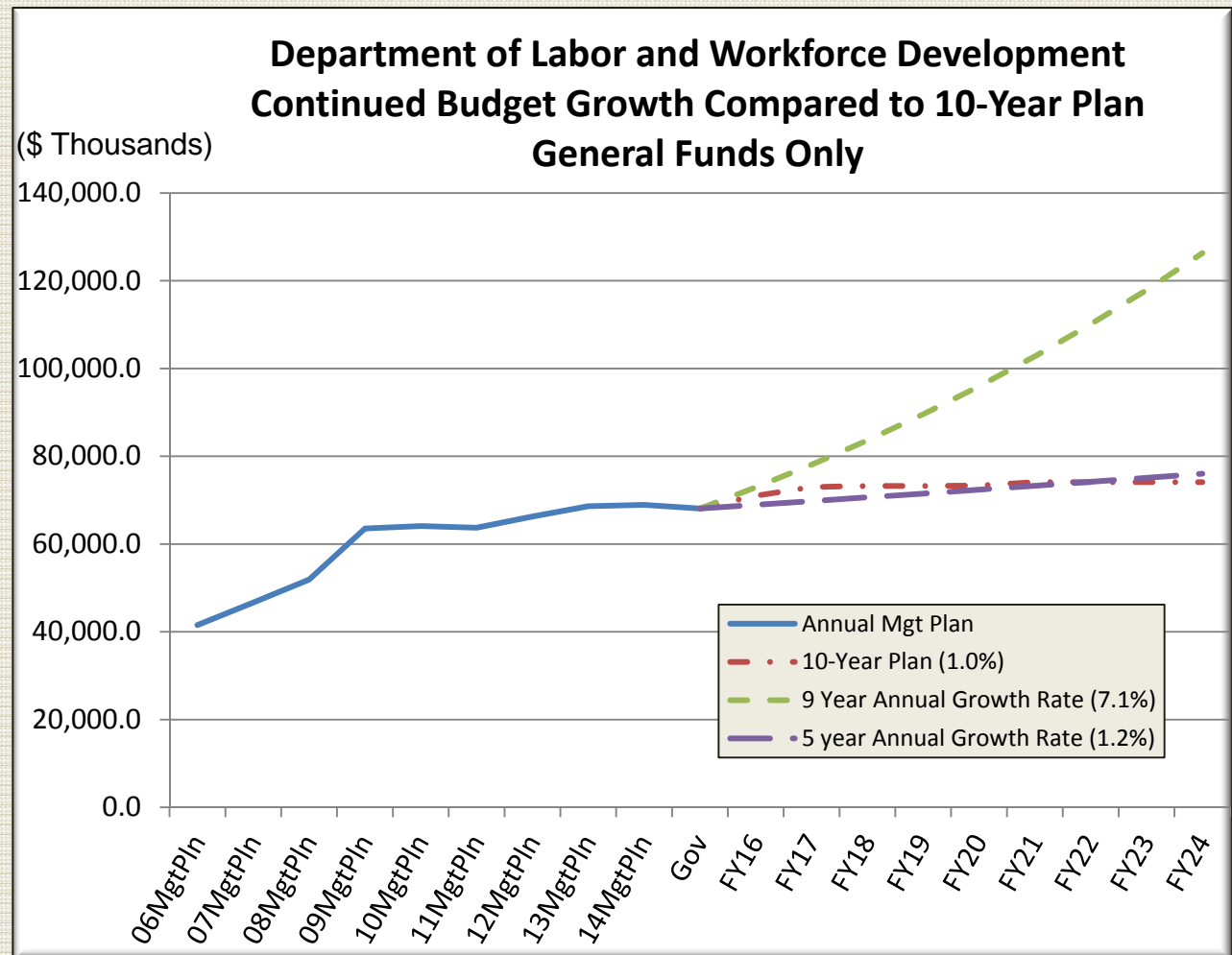
- \$1,000.0 UGF for reducing the backlog of maintenance needs on the Alaska Vocational Technical Center's (AVTEC) aging infrastructure

Public Access Network

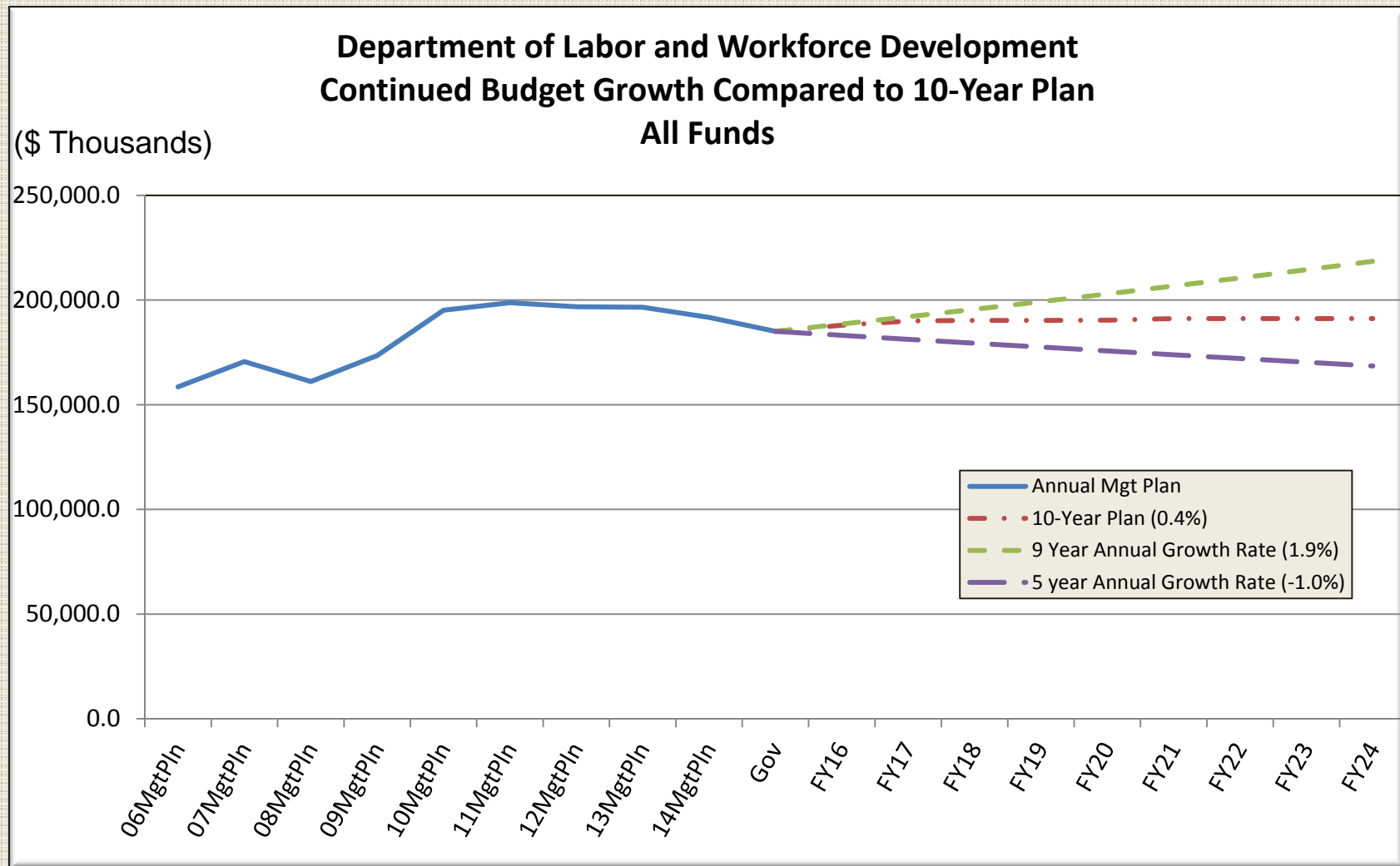
- \$170.0 UGF for development of a public access network across statewide Job Centers

Ten Year Plan- General Funds Only

- The department's general fund budget grew by \$26.6 million between FY06 and the FY15 Governor's Request - an average annual growth rate of 7.1%.
- Growth since FY10 has been \$4.0 million (1.2% growth rate).
- The department's ten year plan equates to an average annual growth rate of 1.0%.



Ten Year Plan- All Funds



For More Information Please Contact

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