

# FISCAL NOTE No. 1

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

Bill Version: SB 289  
(S) Publish Date: 3-29-00

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Education & Early Dev.  
 Title An Act establishing and relating to the BRU New component will be established  
Alaska Board of Technical and Vocational Education Component Alaska Technical & Vocational  
 Sponsor Senate Finance Committee Education Board  
 Requester Senate Labor and Commerce Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	104.0	104.0	104.0	104.0	104.0	104.0
Travel	7.6	7.6	7.6	7.6	7.6	7.6
Contractual	70.0	70.0	70.0	70.0	70.0	70.0
Supplies	20.0	15.0	15.0	15.0	15.0	15.0
Equipment						
Land & Structures						
Grants & Claims	3,225.0	4,300.0	4,300.0	4,300.0	4,300.0	4,300.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>3,426.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	201.6	196.6	196.6	196.6	196.6	196.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)	3,225.0	4,300.0	4,300.0	4,300.0	4,300.0	4,300.0
<b>TOTAL</b>	<b>3,426.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>	<b>4,496.6</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time	2					
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached three (3) pages.

Prepared by: Barbara Thompson Phone 465-8727  
 Division Teaching & Learning Support Date/Time 3/27/00 12:00 AM  
 Approved by Commissioner [Signature] Date 3/27/00  
 Agency Department of Education & Early Development

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## SB 289 Fiscal Note Narrativ

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SB 289 establishes a new Alaska Board of Technical and Vocational Education to provide educational opportunities in the areas of vocational education and training. Planning and coordination activities for the federal Carl D. Perkins Vocational and Applied Technology Education Act (Perkins III) and the Tech Prep Program are moved from the Alaska Human Resource Investment Council (AHRIC) to this new board. The bill also establishes the Alaska technical and vocational education program account (Sec. 23.15.830), new supplementary grant program funded by employer contributions.

### Alaska Technical and Vocational Education Program Account

It is estimated that in FY2001, additional employer contributions to establish this account will total \$3,225,000. In subsequent years, it is estimated that \$4,300,000 will be collected annually. These amounts are reflected on page one of this fiscal note in the Operating Expenditures, under the grant line and in the "Other" category of the Fund Source. These funds will be generated by the Department of Labor and Workforce Development and will be transferred to the new Board.

### New Costs Related to the Establishment and Operation of the Board (ABTVE)

The ABTVE would consist of five members and would meet at the call of the chair to conduct its business, either face-to-face, by audio or teleconferences. Members of the board serve without compensation but are entitled to per diem and travel expenses. New, general fund costs related to the establishment and ongoing operation of this board are reflected below. These costs are reflected on page one of this fiscal note under the Operating Expenditures section. Costs reflect new duties and expenses above and beyond any existing resources available for this Board.

#### Personal Services = \$103,996

- ✓ 1 FTE Secretary for the Board, salary and benefits, range 14 A = \$49,000
- ✓ 1 FTE Grants Administrator II, range 17 A = \$54,996

#### Travel = \$7,600

- ✓ Travel and per diem for 5 Board Members, two trips per year for 2 days each, meeting in Anchorage - \$766 per member, per meeting = \$7,660

#### Contractual = \$70,000

- ✓ Rental of Copier = \$100 per month x 12 months = \$1,200
- ✓ Costs for using phone, copier, postage, fax, \$400 per month x 12 months = \$4,800
- ✓ Four (4) audio or teleconferences per year to conduct business = \$4,000
- ✓ Printing and dissemination (related to publications generated by the Board) = \$10,000
- ✓ Consultants/contractors to assist board in developing standards, data collection requirements, and program evaluation = \$50,000

March 27, 2000

Alaska Department of Education & Early Development

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### Supplies - \$20,000

- ✓ Computer, printer, office furniture, phone, fax machine, file cabinets, paper products, etc. = \$20,000 in year one. Costs will be less in outgoing years.

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Existing Resources in the Department of Education & Early Development

Federal Vocational Education and Tech Prep Grant Funding

If an Alaska Board of Technical and Vocational Education (ABTVE) is established, it is expected to manage the non-k-12 portions of the department's vocational technical education programs. Non K-12 portions of the federal Perkins III and Tech Prep grants that are related to postsecondary vocational technical education would transfer to the ABTVE. The amounts to be transferred, dependent upon the FY2001 federal grant award amounts, are reflected below. These amounts include the administrative funds related to each grant that will be needed to carry out these federal grant programs and the .75% management assessment fee to be paid to the Board, as per Section 25.15.825 of the bill. The funding below reflects existing federal resources and is not reflected on page one of this fiscal note.

Tech Prep Grant

Tech Prep Grant Funds	\$356,750
Tech Prep Administrative Funds	<u>\$ 18,776</u>
Total	\$375,526

Carl D. Perkins Basic Grant (Perkins III)

Postsecondary Grant Funds	\$483,662
Corrections Postsecondary Grant Funds	\$ 10,000
Vocational Leadership Funds	\$ 29,747
Administrative Funds	<u>\$ 55,000</u>
Total	\$578,409

Alaska Vocational Technical Center (AVTEC)

The Alaska Vocational Technical Center (AVTEC) currently pays the Alaska Human Resource Investment Council (AHRIC) a management assessment fee of .75% of its total program costs. If SB 289 becomes law, this fee will go to the newly established Technical Vocational Education Board.