

Analysis of Budget Request

Appropriation: 554 - Workforce Investment

Funding Sources: MIB - Workforce Investment

Public Law 105-220 created the federal Workforce Investment Act to promote and fund employment and training activities at the state level. A.C.A. §15-4-2204 established the Arkansas Workforce Investment Board to develop a State plan to provide workforce investment activities that increase employment, retention and earnings of participants and increases skill attainment thereby improving the quality of the workforce, reducing welfare dependency and enhancing productivity and competitiveness. The Board consists of 48 representatives of the Executive and Legislative branches of government and members of the business community. The Board is authorized to select from among its membership a maximum of 15 members to serve as the Executive Committee reporting to the Board quarterly.

The duties of the Board are to advise and assist the Governor and the General Assembly in the development of a State workforce development plan; develop and improve a system of activities through the one-stop career centers funded by federal workforce investment funds; designate local workforce investment areas; develop allocation formulas for distribution of funds to the local areas; develop and improve comprehensive state performance measures; prepare an annual report for submission to the U. S. Secretary of Labor; develop a statewide information management system; develop an application process for inventive grants; make recommendations on program consolidation or realignment; and evaluate the workforce investment system statewide and report to the Arkansas General Assembly prior to each regular session recommendations for statutory changes that would enhance workforce investment in Arkansas.

This appropriation is 100% federally funded through the federal Workforce Investment Act as a transfer from the Department of Workforce Services.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3 % Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests Base Level for the 2009-2011 biennium.

The Executive Recommendation is to transfer the Base Level appropriation and positions established for this Agency to the Department of Workforce Services.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

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Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	532,483	578,898	589,757	598,131	0	0	611,551	0	0
#Positions		13	13	13	13	0	0	13	0	0
Personal Services Matching	5010003	182,879	191,510	206,050	207,937	0	0	211,115	0	0
Operating Expenses	5020002	122,596	222,394	222,394	222,394	0	0	222,394	0	0
Conference & Travel Expenses	5050009	6,705	24,092	24,092	24,092	0	0	24,092	0	0
Professional Fees	5060010	5,500	30,000	30,000	30,000	0	0	30,000	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		850,163	1,046,894	1,072,293	1,082,554	0	0	1,099,152	0	0
Funding Sources										
Federal Revenue	4000020	850,163	1,046,894		1,082,554	0	0	1,099,152	0	0
Total Funding		850,163	1,046,894		1,082,554	0	0	1,099,152	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		850,163	1,046,894		1,082,554	0	0	1,099,152	0	0

The Executive/Legislative Recommendation is to transfer the Base Level positions and appropriation associated with this program to the Department of Workforce Services (see pages 1733-1734).