

**SB**

**229**

03/18/96

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

13:29:01

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:FBX

TCN:60565

SCHEDULED FOR:03/18/96 13:30 TO 15:00

FOR:FBX

PUBLIC HEARING

SENATE COMMUNITY & REGIONAL AFFAIRS

LOCATION:FAIRBANKS

SB 229

MR.

DAVID

DEAN

PIC

TESTIFY



**SENATE COMMITTEE REPORT  
First Committee of Referral**

DATE: 1/19/96

FURTHER: Labor & Commerce  
Finance

Date of 5-Day Notice: 2/1/96  
(in accordance with Uniform Rule 23)

DATE TURNED  
INTO OFFICE: \_\_\_\_\_

The Community & Regional Affairs Committee considered SB 229

Relating to state training and employment program.

and recommends:

- be replaced with CS SB 229 (CRA)
- adopt previous CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**  
 same title  
 new title  
**House Bill:**  
 same title  
 technical title  
 new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>		<i>[Signature]</i>	✓		
<i>[Signature]</i>		<i>[Signature]</i>	✓		
CHAIR: <i>[Signature]</i>	✓				

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal

<del>LABOR</del>	<del>2/1/96</del>		<del>✓</del>
CS Comm & Reg'l Affairs #1012			✓
CS Comm & Reg'l Affairs #1178			✓
CS Gov Office Human Res Involvement 2644		✓	

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date      Zero      Fiscal

CS LABOR	12/12/95		✓

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

CS FOR SENATE BILL NO. 229(CRA)  
 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
 Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to employment contributions and to the state training and  
 2 employment program; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 \* Section 1. FINDINGS. The legislature finds that

5 (1) an inadequate number of jobs exist in this state to meet the needs of those  
 6 seeking employment;

7 (2) many Alaskans are having difficulty finding jobs, especially in trying to  
 8 meet the changing technology needs in this state;

9 (3) employer and employee contributions paid into the unemployment  
 10 insurance system are used for payment of compensation to unemployed workers and allocation  
 11 of a small portion of employment contributions paid by employees would provide money to  
 12 develop a state training and employment program to meet the training needs of Alaskans;

13 (4) a state training and employment program would

14 (A) help prevent future claims against unemployment benefits;

1 (B) foster new jobs by encouraging businesses to locate in the state due  
2 to availability of a skilled labor force and by minimizing employers' unemployment  
3 costs; and

4 (C) increase training opportunities to those workers severely affected  
5 by the fluctuations in the state economy or technological changes in the workplace in  
6 the state;

7 (5) it would be beneficial to the state for state training and employment  
8 programs funded by the state training and employment program to supplement, but not to  
9 displace, programs funded by money available to a training entity for public or private  
10 training, and not to replace, parallel, compete with, or duplicate existing federally approved,  
11 jointly administered apprenticeship and training programs;

12 (6) it would be beneficial to the state to make the state training and  
13 employment program a permanent state program to benefit Alaska workers, businesses, and  
14 industry.

15 \* Sec. 2. AS 23.15 is amended by adding new sections to read:

16 ARTICLE 4A. STATE TRAINING AND EMPLOYMENT PROGRAM.

17 Sec. 23.15.620. STATE TRAINING AND EMPLOYMENT PROGRAM.

18 There is created in the department a program to finance and award grants to  
19 employment assistance and training entities. Employment assistance and training  
20 entities shall give appropriate state agencies full access to accounting records  
21 concerning grants received to assure compliance with program standards.

22 Sec. 23.15.625. EMPLOYMENT ASSISTANCE AND TRAINING  
23 PROGRAM ACCOUNT. The employment assistance and training program account  
24 is established in the general fund. The commissioner of administration shall separately  
25 account for money collected under AS 23.15.630 that the department deposits in the  
26 general fund. The annual estimated balance in the account may be appropriated by the  
27 legislature to the department to implement AS 23.15.620 - 23.15.660. The legislature  
28 may appropriate the lapsing balance of the account to the unemployment compensation  
29 fund established in AS 23.20.130.

30 Sec. 23.15.630. SPECIAL EMPLOYEE UNEMPLOYMENT CREDIT AND  
31 CONTRIBUTIONS FOR PROGRAM. (a) In the manner provided in AS 23.20, the

1 department shall collect from each employee an amount equal to one-tenth of one  
2 percent of the wages, as set out in AS 23.20.175, on which the employee is required  
3 to make contributions under AS 23.20.290(d). The department shall remit to the  
4 Department of Revenue, in accordance with AS 37.10.050, money collected under this  
5 subsection.

6 (b) Notwithstanding AS 23.20.290(d), the department shall credit each  
7 employee with an amount equal to the amount collected from the employee under (a)  
8 of this section against unemployment contributions owed by the employee under  
9 AS 23.20.

10 (c) The department shall assess and collect, under AS 23.20.185 - 23.20.275,  
11 interest and penalties for delinquent reports and payments due under this section.  
12 Interest and penalties collected shall be handled in accordance with AS 23.20.130(d).

13 Sec. 23.15.635. PEOPLE TO BE SERVED. Within the limits of its grant, an  
14 employment assistance and training entity receiving a grant under AS 23.15.651 shall  
15 provide services set out in AS 23.15.640 to state residents who, immediately before  
16 beginning training or receiving benefits under a grant financed by this program,

17 (1) are unemployed and

18 (A) are receiving unemployment insurance benefits; or

19 (B) have exhausted the right to unemployment insurance  
20 benefits within the past three years;

21 (2) are employed, but liable to be displaced within the next six months  
22 because of

23 (A) reductions in overall employment within a business;

24 (B) elimination of the worker's current job; or

25 (C) a change in conditions of employment requiring that, to  
26 remain employed, the employee must learn substantially different skills that the  
27 employee does not now possess; or

28 (3) have worked in a position covered by AS 23.20 at any time during  
29 the last three years, and are not currently eligible for unemployment insurance benefits  
30 because

31 (A) their employment has been seasonal, temporary, part-time,

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or marginal;

(B) their qualifying wages are insufficient because of limited job opportunity; or

(C) they are employed but, because they are underemployed, they are in need of employment assistance and training to obtain full employment.

Sec. 23.15.640. SERVICES FOR ELIGIBLE PEOPLE. Subject to the limits of its grant, an entity receiving a grant under AS 23.15.651 shall provide one or more program elements. The program elements include

- (1) industry-specific training;
- (2) on-the-job training;
- (3) institutional or classroom job-linked training;
- (4) support services, including allowances;
- (5) relocation assistance; or
- (6) provisions of necessary tools, work-related clothing, safety gear, or other necessities to obtain or retain employment.

Sec. 23.15.645. DUTIES AND POWERS OF THE DEPARTMENT. (a) The department shall award a grant to the council to

- (1) administer a state training and employment program; and
- (2) award grants to qualified entities.

(b) When a grant is awarded to the council, the department shall annually provide to the council a priority list of targeted projects or services, based on unemployment statistics, unemployment insurance claims, occupational and industrial projections, availability of other training and employment programs, and other relevant data. The department shall also provide annually to the council a priority list of criteria for eligibility to maximize services to those people most in need of training under AS 23.15.620 - 23.15.660. In developing the priority list for targeted projects and services, the department shall solicit comments from the Department of Community and Regional Affairs, Department of Education, Department of Commerce and Economic Development, University of Alaska, organized labor, the council, and the administrative entities of the substate service delivery areas established for the

1 council. The department shall give preference to projects and services that train  
2 individuals in industries identified in the resident hire report required under  
3 AS 36.10.130 as employing a disproportionate percentage of nonresident individuals.

4 (c) The department may adopt regulations necessary to implement this chapter.

5 (d) The council shall establish grant administration requirements including  
6 accounting procedures that apply to qualified entities and their grantees.

7 (e) In making a grant under this section, the council shall require that the  
8 qualified entity and grantees of the qualified entity limit the amount of the grant  
9 proceeds spent on administration so that the total spent on administration from the  
10 proceeds of the employment assistance and training program account, including  
11 amounts spent by the council itself, does not exceed 20 percent. The amount collected  
12 and remitted in accordance with the shared cost requirements of the federal Office of  
13 Management and Budget Circular A-87 entitled "Cost Principles for State and Local  
14 Governments" is not considered an amount spent on administration under this  
15 subsection.

16 Sec. 23.15.651. DUTIES OF ALASKA HUMAN RESOURCE INVESTMENT  
17 COUNCIL; GRANTS; ELIGIBLE ENTITIES. (a) In implementing this program  
18 under a grant received under AS 23.15.645, and subject to the limit of its grant the  
19 council shall award grants, in accordance with the priority list established by the  
20 department under AS 23.15.645(b) to employment assistance and training entities. A  
21 training entity is eligible for a grant under this section if the entity meets program  
22 requirements and can demonstrate that

23 (1) its accounting systems include controls adequate to check the  
24 accuracy and reliability of accounting data, promote operating efficiency, and assure  
25 compliance with program requirements and generally accepted accounting principles;  
26 and

27 (2) its activities do not replace or compete in any way with a federally  
28 approved, jointly administered apprenticeship program or any other existing training  
29 programs.

30 (b) The council may not award a grant if the grant would displace money  
31 available through existing public or private training programs.

1 (c) To provide administration of the program, the council may use the  
2 administrative entities of the substate service delivery areas.

3 (d) The council shall annually provide the department with financial and  
4 performance reporting on the activities of the program and recommendations  
5 concerning continuation of funding.

6 Sec. 23.15.660. DEFINITIONS. In AS 23.15.620 - 23.15.660,

7 (1) "council" means the Alaska Human Resource Investment Council  
8 established in AS 44.19.620;

9 (2) "program" means the state training and employment program  
10 established in AS 23.15.620 - 23.15.660; and

11 (3) "substate service delivery areas" means those areas designated by  
12 the governor under 29 U.S.C. 1532.

13 \* Sec. 3. AS 23.15.620, 23.15.625, 23.15.630, 23.15.635, 23.15.640, 23.15.645, 23.15.651,  
14 and 23.15.660 are repealed June 30, 1998.

15 \* Sec. 4. This Act takes effect July 1, 1996.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSB 229(CRA) version "C" dated 2/26/96

1 Page 1, line 1:

2 Delete "making"

3 Page 1, line 2:

4 Delete "a permanent state program"

5 Page 5, following line 25:

6 Insert a new bill section to read:

7 "\*\* Sec. 3. AS 23.15.620, 23.15.625, 23.15.630, 23.15.635, 23.15.640, 23.15.645,  
8 23.15.651, and 23.15.660 are repealed June 30, 1998."

9 Renumber the following bill section accordingly.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSB 229(CRA) version 'C' dated 2/26/96

1 Page 1, line 1:

2 Delete "making"

3 Page 1, line 2:

4 Delete "a permanent state program"

5 Page 4, following line 30:

6 Insert a new subsection to read:

7 "(d) In making a grant under this section, the council must require that the  
8 qualified entity and grantees of the qualified entity limit the amount of the grant  
9 proceeds spent on administration so that the total spent on administration from the  
10 proceeds of the employment assistance and training program account, including  
11 amounts spent by the council itself, does not exceed 20 percent."

*Insert highlighted  
sentence from attached.*

Administrative expenses will be limited to twenty percent (20%) of the annual estimated balance in the employment assistance and training program account. } Administrative expenses exclude the amount collected in accordance with the shared cost requirements of the federal government's OMB Circular A-87 "Cost Principles for State and Local Governments." }

465-2029

Terry Cramer  
J

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSB 229(CRA) version "C" dated 2/26/96

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2 Delete "making"

3 Page 1, line 2:

4 Delete "a permanent state program"

5 Page 4, following line 30:

6 Insert a new subsection to read:

7 "(d) The council shall establish grant administration requirements including  
8 ~~uniform~~-accounting procedures that apply to qualified entities and their grantees."

9-GS2026\C ✓

Cramer

2/26/96

## CS FOR SENATE BILL NO. 229(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to employment contributions and to making the state training  
2 and employment program a permanent state program; and providing for an  
3 effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 \* Section 1. FINDINGS. The legislature finds that

6 (1) an inadequate number of jobs exist in this state to meet the needs of those  
7 seeking employment;

8 (2) many Alaskans are having difficulty finding jobs, especially in trying to meet  
9 the changing technology needs in this state;

10 (3) employer and employee contributions paid into the unemployment insurance  
11 system are used for payment of compensation to unemployed workers and allocation of a small  
12 portion of employment contributions paid by employers would provide money to develop a state  
13 training and employment program to meet the training needs of Alaskans;

14 (4) a state training and employment program would

- 1 (A) help prevent future claims against unemployment benefits;  
2 (B) foster new jobs by encouraging businesses to locate in the state due  
3 to availability of a skilled labor force and by minimizing employers' unemployment  
4 costs; and  
5 (C) increase training opportunities to those workers severely affected by  
6 the fluctuations in the state economy or technological changes in the workplace in the  
7 state;

8 (5) it would be beneficial to the state for state training and employment programs  
9 funded by the state training and employment program to supplement, but not to displace,  
10 programs funded by money available to a training entity for public or private training, and not  
11 to replace, parallel, compete with, or duplicate existing federally approved, jointly administered  
12 apprenticeship and training programs;

13 (6) it would be beneficial to the state to make the state training and employment  
14 program a permanent state program to benefit Alaska workers, businesses, and industry.

15 \* Sec. 2. AS 23.15 is amended by adding new sections to read:

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24 the general fund. The commissioner of administration shall separately account for money  
25 collected under AS 23.15.630 that the department deposits in the general fund. The  
26 annual estimated balance in the account may be appropriated by the legislature to the  
27 department to implement AS 23.15.620 - 23.15.660. The legislature may appropriate the  
28 lapsing balance of the account to the unemployment compensation fund established in  
29 AS 23.20.130.

30 Sec. 23.15.630. SPECIAL EMPLOYEE UNEMPLOYMENT CREDIT AND  
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32 department shall collect from each employee an amount equal to one-tenth of one percent

1 of the wages, as set out in AS 23.20.175, on which the employee is required to make  
2 contributions under AS 23.20.290(d). The department shall remit to the Department of  
3 Revenue, in accordance with AS 37.10.050, money collected under this subsection.

4 (b) Notwithstanding AS 23.20.290(d), the department shall credit each employee  
5 with an amount equal to the amount collected from the employee under (a) of this  
6 section against unemployment contributions owed by the employee under AS 23.20.

7 (c) The department shall assess and collect, under AS 23.20.185 - 23.20.275,  
8 interest and penalties for delinquent reports and payments due under this section. Interest  
9 and penalties collected shall be handled in accordance with AS 23.20.130(d).

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11 employment assistance and training entity receiving a grant under AS 23.15.651 shall  
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13 beginning training or receiving benefits under a grant financed by this program,

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15 (A) are receiving unemployment insurance benefits; or

16 (B) have exhausted the right to unemployment insurance benefits

17 within the past three years;

18 (2) are employed, but liable to be displaced within the next six months

19 because of

20 (A) reductions in overall employment within a business;

21 (B) elimination of the worker's current job; or

22 (C) a change in conditions of employment requiring that, to  
23 remain employed, the employee must learn substantially different skills that the  
24 employee does not now possess; or

25 (3) have worked in a position covered by AS 23.20 at any time during  
26 the last three years, and are not currently eligible for unemployment insurance benefits  
27 because

28 (A) their employment has been seasonal, temporary, part-time, or  
29 marginal;

30 (B) their qualifying wages are insufficient because of limited job  
31 opportunity; or

32 (C) they are employed but, because they are underemployed, they

1 are in need of employment assistance and training to obtain full employment.

2 Sec. 23.15.640. SERVICES FOR ELIGIBLE PEOPLE. Subject to the limits of  
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6 (2) on-the-job training;

7 (3) institutional or classroom job-linked training;

8 (4) support services, including allowances;

9 (5) relocation assistance; or

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14 (1) administer a state training and employment program; and

15 (2) award grants to qualified entities.

16 (b) When a grant is awarded to the council, the department shall annually  
17 provide to the council a priority list of targeted projects or services, based on  
18 unemployment statistics, unemployment insurance claims, occupational and industrial  
19 projections, availability of other training and employment programs, and other relevant  
20 data. The department shall also provide annually to the council a priority list of criteria  
21 for eligibility to maximize services to those people most in need of training under  
22 AS 23.15.620 - 23.15.660. In developing the priority list for targeted projects and  
23 services, the department shall solicit comments from the Department of Community and  
24 Regional Affairs, Department of Education, Department of Commerce and Economic  
25 Development, University of Alaska, organized labor, the council, and the administrative  
26 entities of the substate service delivery areas established for the council. The department  
27 shall give preference to projects and services that train individuals in industries identified  
28 in the resident hire report required under AS 36.10.130 as employing a disproportionate  
29 percentage of nonresident individuals.

30 (c) The department may adopt regulations necessary to implement this chapter.

31 Sec. 23.15.651. DUTIES OF ALASKA HUMAN RESOURCE INVESTMENT  
32 COUNCIL; GRANTS; ELIGIBLE ENTITIES. (a) In implementing this program under

1 a grant received under AS 23.15.645, and subject to the limit of its grant the council  
2 shall award grants, in accordance with the priority list established by the department  
3 under AS 23.15.645(b) to employment assistance and training entities. A training entity  
4 is eligible for a grant under this section if the entity meets program requirements and can  
5 demonstrate that

6 (1) its accounting systems include controls adequate to check the  
7 accuracy and reliability of accounting data, promote operating efficiency, and assure  
8 compliance with program requirements and generally accepted accounting principles; and

9 (2) its activities do not replace or compete in any way with a federally  
10 approved, jointly administered apprenticeship program or any other existing training  
11 programs.

12 (b) The council may not award a grant if the grant would displace money  
13 available through existing public or private training programs.

14 (c) To provide administration of the program, the council may use the  
15 administrative entities of the substate service delivery areas.

16 (d) The council shall annually provide the department with financial and  
17 performance reporting on the activities of the program and recommendations concerning  
18 continuation of funding.

19 Sec. 23.15.660. DEFINITIONS. In AS 23.15.620 - 23.15.660,

20 (1) "council" means the Alaska Human Resource Investment Council  
21 established in AS 44.19.620;

22 (2) "program" means the state training and employment program  
23 established in AS 23.15.620 - 23.15.660; and

24 (3) "substate service delivery areas" means those areas designated by the  
25 governor under 29 U.S.C. 1532.

26 \* Sec. 3. This Act takes effect July 1, 1996.

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 229

1 Page 4, line 17:

2 Delete "may"

3 Insert "shall"

4 Page 4, line 20:

5 Delete "pilot project"

6 Page 4, line 21:

7 Delete "If"

8 Insert "When"

9 Page 5, lines 5 - 6:

10 Delete "a pilot project grant for a period of up to two years"

11 Insert "grants"

12 Page 5, line 7:

13 Delete "an"

14 Page 5, line 8:

15 Delete "training entity"

16 Insert "training entities. A training entity is eligible for a grant under this section"

17 Page 5, line 16:

18 Delete "pilot project"

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 229

1 Page 5, line 1, after ".":

2       Insert "The department shall give preference to projects and services that train  
3 individuals in industries identified in the resident hire report required under AS 36.10.130 as  
4 employing a disproportionate percentage of nonresident individuals."

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: SB 229

1 Page 5, line 19:

2 Delete "established for the council"

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO: SB229

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An act relating to employment contributions and the BRU: Employment/Training/Rural Dev.  
state training program Component: Statewide Service Delivery  
 Sponsor: Rules Committee  
 Requestor: Governor COMPONENT SERIAL NO. 1012

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	11.0	11.0	11.0	11.0	11.0	11.0
CONTRACTUAL	87.0	87.0	87.0	87.0	87.0	87.0
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS	1,724.6	1,724.6	1,724.6	1,724.6	1,724.6	1,724.6
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( ) Revenue Code						
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**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other	1,824.6	1,824.6	1,824.6	1,824.6	1,824.6	1,824.6
<b>TOTAL</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>	<b>1,824.6</b>

Estimate of current year (FY 96) impact: \$ \_\_\_\_\_

**POSITIONS:**

FULL-TIME					
PART-TIME					
TEMPORARY					

**ANALYSIS: (Attach a separate page if necessary.)**

This bill makes the state training and employment program permanent. The program is funded by a worker contribution on one-tenth of one percent of covered wages collected by the Department of Labor. This is done at no additional cost to the worker by giving credit of this amount for the employee contribution currently provided for in AS 23.20.290. Budget numbers for information only.

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 02/20/96  
 Approved by Commissioner: Mike Irwin, Commissioner *Mike Irwin* Date: 02/20/96  
 Agency: Community & Regional Affairs

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# FISCAL NOTE

STATE OF ALASKA

BILL NO: SB229

1996 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An act relating to employment contributions and the BRU: Employment/Training/Rural Dev.  
state training program Component: Statewide Service Delivery  
 Sponsor: Rules Committee  
 Requestor: Governor COMPONENT SERIAL NO. 1178

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	63.6	63.6	63.6	63.6	63.6	63.6
TRAVEL	18.3	18.3	18.3	18.3	18.3	18.3
CONTRACTUAL	43.0	43.0	43.0	43.0	43.0	43.0
SUPPLIES	4.0	4.0	4.0	4.0	4.0	4.0
EQUIPMENT	1.5	1.5	1.5	1.5	1.5	1.5
LAND & STRUCTURES						
GRANTS, CLAIMS	1,378.6	1,378.6	1,378.6	1,378.6	1,378.6	1,378.6
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
Revenue Code						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other	1,509.0	1,509.0	1,509.0	1,509.0	1,509.0	1,509.0
<b>TOTAL</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>	<b>1,509.0</b>

Estimate of current year (FY 96) impact: \$ \_\_\_\_\_

**POSITIONS:**

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

**ANALYSIS: (Attach a separate page if necessary.)**  
 This bill makes the state training and employment program permanent. The program is funded by a worker contribution on one-tenth of one percent of covered wages collected by the Department of Labor. This is done at no additional cost to the worker by giving credit of this amount for the employee contribution currently provided for in AS 23.20.290. Budget numbers for information only.

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 02/20/96  
 Approved by Commissioner: Mike Irwin, Commissioner *Mike Irwin* Date: 02/20/96  
 Agency: Community & Regional Affairs

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# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 229

Revision Date: \_\_\_\_\_ Dept. Affected: Office of the Governor  
 Title: "An Act relating to employment contributions and BRU: Commissions/Special Offices  
to making the state training and employment program a permanent..." Component: Human Resource Investment  
 Sponsor: Rules Committee Council  
 Requester: Governor COMPONENT SERIAL NO. 2055

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Mike Andrews, Exec. Director Phone: 269-7490  
 Division: Human Resource Investment Council Date: 2/2/96  
 Approved by Commissioner: Jim Ayers, Chief of Staff Date: 2/2/96  
 Agency: Office of the Governor

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# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to employment contributions BRU: Employment/Training/Rural Dev.  
and the state training program Component Statewide Service Delivery  
 Sponsor: Rules Committee  
 Requestor: Governor COMPONENT SERIAL NO. 1178

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	-63.6	-63.6	-63.6	-63.6	-63.6	-63.6
TRAVEL	-18.3	-18.3	-18.3	-18.3	-18.3	-18.3
CONTRACTUAL	-43.0	-43.0	-43.0	-43.0	-43.0	-43.0
SUPPLIES	-4.0	-4.0	-4.0	-4.0	-4.0	-4.0
EQUIPMENT	-1.5	-1.5	-1.5	-1.5	-1.5	-1.5
LAND & STRUCTURES						
GRANTS, CLAIMS	-1,328.2	-1,328.2	-1,328.2	-1,328.2	-1,328.2	-1,328.2
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1007 I/A	-1,458.6	-1,458.6	-1,458.6	-1,458.6	-1,458.6	-1,458.6
<b>TOTAL</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>	<b>-1,458.6</b>

Estimate of current year (FY96) costs:

POSITIONS:						
FULL-TIME	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill makes the state training and employment program permanent. The program is funded by a worker contribution on one-tenth of one percent of covered wages collected by the Department of Labor. This is done at no additional cost to the worker by giving a credit of this amount for the employee contribution currently provided for in AS 23.20.290. Budget numbers for information only; this shows impact if legislation does not pass.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Division of Administrative Services Date: 01/04/96

Approved by Commissioner: *Mike Duran* Date: 01/04/96

Agency: Community & Regional Affairs

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# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to employment contributions and the state training program BRU: Employment/Training/Rural Dev.  
 Sponsor: Rules Committee Component: State Training & Employment Pgm.  
 Requestor: Governor COMPONENT SERIAL NO. 1012

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	-11.0	-11.0	-11.0	-11.0	-11.0	-11.0
CONTRACTUAL	-87.1	-87.1	-87.1	-87.1	-87.1	-87.1
SUPPLIES	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-2,065.1	-2,065.1	-2,065.1	-2,065.1	-2,065.1	-2,065.1
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>

CAPITAL EXPENDITURES						
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REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1007 I/A	-2,165.4	-2,165.4	-2,165.4	-2,165.4	-2,165.4	-2,165.4
<b>TOTAL</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>	<b>-2,165.4</b>

Estimate of current year (FY96) costs: \$ 2,165.4

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill makes the state training and employment program permanent. The program is funded by a worker contribution on one-tenth of one percent of covered wages collected by the Department of Labor. This is done at no additional cost to the worker by giving a credit of this amount for the employee contribution currently provided for in AS 23.20.290. Budget numbers for information only; this shows impact if legislation does not pass.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708

Division: Division of Administrative Services Date: 01/04/96

Approved by Commissioner: *Mike Duran* Date: 01/04/96

Agency: Community & Regional Affairs

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# FISCAL NOTE

Bill Vers. No. 3  
SB 229  
 (S) Publish Date: 1/19/96

STATE OF ALASKA  
 1996 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to employment contributions and the state training program..."  
 Sponsor: Rules Committee  
 Requestor: Governor

Department Affected: Labor  
 BRU: Employment Security  
 Component: State Training & Employment Program  
 COMPONENT SERIAL NO. 1184

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>

CAPITAL						
---------	--	--	--	--	--	--

CHANGE IN REVENUE FUND SOURCE #						
---------------------------------	--	--	--	--	--	--

**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1054 St Empl & Trng Prgm	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *	3,946.2 *
<b>TOTAL</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>	<b>3,946.2 *</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ None

**ANALYSIS:** (Attach a separate page if necessary)

This bill makes the State Training and Employment Program permanent. The program is funded by a worker contribution of one-tenth of one percent of covered wages collected by the Department of Labor. This is done at no additional cost to the worker by diverting a portion of the employee contribution currently provided for in AS 23.20.290.

- Per instruction from the Office of Management & Budget, to avoid disruption to other budgets which rely on this funding, existing expenditure authorization has not been deleted from the department's operating budget. The amounts shown above are for informational purposes only.

Prepared by: Rebecca Nance, Director Phone: 465-2712  
 Division: Employment Security Division Date: 12/12/95  
 Approved by Commissioner: Tom Cashen, Commissioner  
 Agency: Department of Labor Date: 12/12/95

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# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF LABOR

### OFFICE OF THE COMMISSIONER

P.O. BOX 21149  
JUNEAU, ALASKA 99802-1149  
PHONE: (907) 465-2700  
FAX: (907) 465-2784

rec'd 1/23/96: 11:45 AM

January 22, 1996

The Honorable John Torgerson  
Alaska State Senate  
State Capitol  
Juneau, AK 99811

Dear Senator Torgerson:

I respectfully request that you calendar a hearing in the Community & Regional Affairs Committee which you chair, for Senate Bill No. 229, "An Act relating to employment contributions and to making the state training and employment program a permanent state program; and providing for an effective date."

If you should have any questions please don't hesitate to contact me.

Sincerely,



Tom Cashen  
Commissioner

**SECTION BY SECTION ANALYSIS**  
**Senate Bill No. 229**

Section 1 of the bill describes the labor market conditions which support a finding that a state training program is needed to provide a trained Alaskan work force. The goals of the program are to reduce claims for unemployment benefits, foster new jobs, and provide opportunities for economically displaced workers.

Section 2 of the bill amends AS 23 by adding a new chapter 23 to establish the temporary state employment and training program (STEP) as a permanent state program. This new eight-section chapter (AS 23.23.010-23.23.900) closely follows the original language in the 1989 temporary program legislation, with some technical changes. The new sections are as follows:

AS 23.23.010 creates the STEP program as a permanent program in the Department of Labor to finance and award grants to employment assistance and training entities. It also requires these entities to make accounting records available for inspection by appropriate state agencies.

AS 23.23.020 establishes an employment assistance and training account in the general fund and provides for separate accounting of the money. The Legislature may appropriate these funds to the department to implement the program and may appropriate lapsing funds back to the unemployment compensation trust fund.

AS 23.23.030 provides the funding mechanism for the program. It is funded entirely by a small employee contribution of one-tenth of one percent of wages subject to unemployment insurance contributions. The employee is given a credit against the unemployment tax equal to the STEP contribution, so this provision in effect diverts part of the employee unemployment insurance contribution to fund STEP. The STEP programs would thus be closely tied to unemployment insurance outlays that would otherwise occur.

AS 23.23.040 targets the primary population eligible for the program. The intended target group consists of Alaska residents who are current, past or future unemployment insurance claimants. The first targeted subgroup includes current unemployment insurance recipients and those who have exhausted benefits in the previous three years. The

second subgroup includes workers who are employed but likely to be displaced by job-elimination or other industrial changes. The third subgroup includes people who have worked in covered employment during the last three years but are not eligible for unemployment benefits because they are working in seasonal, marginal, temporary or part-time jobs, or are underemployed. This makes training available to a number of Alaskan workers currently not eligible for federal job training programs.

AS 23.23.050 defines the services that must be provided by a grantee under the program. Services include industry-specific training; on-the-job training; classroom training; support services; relocation assistance; and tools, work-related clothing and safety gear.

AS 23.23.060 defines the duties of the department in awarding grants to the Alaska Human Resource Investment Council. The council may use the grants to administer employment and training programs or to award pilot project grants to other qualified entities. The section also directs the department to annually provide to the council a priority list of targeted projects or services, if a grant is awarded to the council. In making the list, the department must solicit and consider comments from the Department of Community and Regional Affairs, Department of Education, Department of Commerce and Economic Development, University of Alaska, organized labor, the council, and the service delivery areas established for the council. Finally, this section gives the department authority to adopt regulations implementing the chapter.

AS 23.23.070 sets out the duties of the Alaska Human Resource Investment Council in awarding STEP grants to qualified employment assistance and training entities. It provides controls to insure the integrity of the training entities, and insures the program will not compete with or displace other training programs or training money.

AS 23.23.900 defines terms used in the chapter.

Section 3 of the bill provides an effective date of July 1, 1996, for the program.

## Alaska's State Training and Employment Program (STEP)

### A Brief Overview

**Purpose:** The Alaska State Training and Employment Program (STEP) was established to:

- Help reduce future claims against unemployment benefits
- Foster new jobs by encouraging businesses to locate in Alaska due to the availability of a skilled labor force and minimized unemployment costs
- Increase training opportunities to those workers severely affected by fluctuations in the state economy or technological changes in the workplace.

**History:**

- STEP was established in 1989 as a two-year pilot under Chapter 95, SLA 1989.
- The program was extended in 1991 as a two-year pilot under Chapter 17, SLA 1991. In 1993, STEP was reauthorized through June 30, 1996.
- As of June 30, 1994, nearly 4,700 participants have received STEP training.

**Program Operation:**

- Funding:* The program is funded by employee contributions to Unemployment Insurance (UI). One-tenth of one percent of each worker's wages subject to regular UI contributions is collected by the Alaska Department of Labor (DOL) and put into a special "Employment Assistance and Training Program Account." The money is then appropriated by the state legislature to fund STEP.
- Who needs training:* DOL establishes eligibility priorities as required by Chapter 95, SLA 1989 and targets projects and services based upon labor market information and input from the Alaska Department of Community and Regional Affairs, Education, and Commerce and Economic Development, as well as the University of Alaska, organized labor, Alaska Native organizations, the Alaska Job Training Council (AJTC), and the private industry councils (PICs).
- How the funds are allocated:* DOL may award a grant to the AJTC to implement the program. The AJTC, through the Job Training Partnership Office, allocates funds to the three Service Delivery Areas (SDAs) using a formula that reflects target population characteristics. An SDA may contract with training organizations in the communities it serves to deliver such services as classroom training, on-the-job training, etc. SDAs may also directly provide training and services to clients in their respective areas.
- How funds are matched with those who need training:* Contractors actively recruit clients for their projects and the SDAs market their programs through mailings, a referral network with partner social service agencies, and presentations to other organizations. Participants must meet one of eight employment-related criteria specified in the legislation (such as unemployed and receiving UI benefits, unemployed and exhausted UI benefits within the last three years, etc.).

BILL NO: SB 229

DATE: February 6, 1996

TITLE: State Training and Employment Program CONTACT: Dwight Perkins  
465-2700

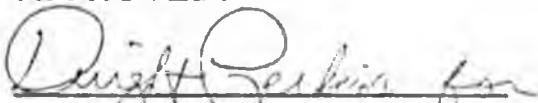
For the past six years, the State Training and Employment Program (STEP) has temporarily existed as a contingent training and employment program for Alaska's workers. The original 1989 legislation allowed the state to collect from each worker in Alaska one-tenth of one percent of their employee tax contribution to fund an alternative, flexible training program designed with a threefold purpose:

- 1) to reduce future claims against unemployment benefits;
- 2) to foster new jobs for Alaskans by encouraging businesses to locate in Alaska due to the availability of a skilled workforce; and
- 3) to increase training opportunities to Alaskans severely affected by economic and technological fluctuations.

Alaska's private sector employers, organized labor, and the now defunct Alaska Job Training Council are in accord that STEP is a proven and valid approach to advancing Alaskan residents opportunities for viable employment. In the six years since its inception as a temporary measure, STEP has demonstrated its efficacy. We know that STEP works for Alaskans.

The legislation before you will enable STEP to take its rightful place as an established, permanent program to keep Alaskans employment skills up to date and competitive in the rapidly changing world of work.

APPROVED:

  
Tom Cashen, Commissioner

DATE:

06 Feb 1996

**State Training and Employment Program  
1995 Program Review  
Executive Summary**

*Prepared By*  
Paul Engelman  
Jeff Hadland  
Todd Mosher

Alaska Department of Labor,  
Research and Analysis and  
Alaska Employment Service  
In Cooperation with The Alaska  
Department of Community and Regional Affairs,  
Job Training Partnership Office  
and Service Delivery Areas

## Program Overview

Between Program inception in the second half of 1989(Fiscal Year 90) and July of 1994 (Fiscal Year 94) the State Training and Employment Program spent \$9.79 million to provide training and services to 4,890 individuals at an average rate of \$2,002 per participant.

The program has provided support to a wide variety of workers. During the five year period, the average age of participants was 37. Sixty-three percent of the participants were men and 37% women. Nearly half of the participants (48%) had some post secondary education, 92% had a high school diploma or GED.

In fiscal year 1994 over 60% of all STEP participants were employed for at least one quarter of the year. These individuals earned in excess of \$68 million during this same period.

Part of the first year of the program (FY 90) was used to establish operational guidelines based on the authorizing legislation and develop the rules and contracts under which the administering agencies would operate. A result of this "set up" time was low enrollment for fiscal year 1990.

In the first years of the program the administering agencies (The Department of Community and Regional Affairs and the Service Delivery Areas ) targeted several specific projects such as the Over the Horizon /Backscatter project in order to accomplish the legislative intent of the program. In more recent years, using information and suggestions from legislators, unions, employers, and educational and training institutions, the process has evolved into a program that uses a combination of subcontracting agencies and provider developed programs to employ, maintain, and retain program participants in the Alaska marketplace while keeping them off of Unemployment Insurance rolls.

In the annual assessment of the program, the Alaska labor market is analyzed to determine those areas in which the employers must "import" laborers to work in their businesses. These occupations are then "targeted" by training programs in order to minimize the number of jobs in the state that use nonresident hire. The three administering Service Delivery Areas (SDAs) contracted with over 100 individual subcontractors to provide services to the 4,890 applicants. The contractors and the SDAs provided training that ranged from construction related training (often tied to union certification) to computer education and seafood processing. Highlights from the first years of the program follow.

## STEP Overall Funding and Expenditures

The Alaska State Training and Employment Program (STEP) was originally enacted by the Alaska Legislature in 1989 as a two year pilot program. The program was subsequently extended through 1995, retaining its pilot status. Overall funding and expenditures for the program are shown in Table 1. Data are shown for each fiscal year, however, the expenditure data for fiscal year 1994 may not be complete due to open vendor contracts.

Actual program revenues for the fiscal years 1990, 1991, 1992, 1993, and 1994 were \$2.18 million, \$3.09 million, \$3.20 million, \$3.17 million and \$3.47 million, respectively. The variation in the allocated amounts between years 1991 - 1994 reflects year-to-year changes in the UI Trust Fund collections. (i.e., UI Trust fund collections declined in 1993 compared to 1992). Some funds are allocated for program evaluation. The amounts shown in Table 1 reflect total STEP program expenditures.

Table 1			
Alaska State Training and Employment Program			
Funding Allocations and Expenditures			
Fiscal Year	Program Revenues (millions)	Total Expenditures* (millions)	Number of New Participants
1990	\$2.18	\$0.31	138
1991	3.09	1.82	1,256
1992	3.20	2.09	824
1993	3.17	2.66	1,239
1994	3.47	2.91	1,433

Source: Alaska Department of Labor, Research and Analysis and The Alaska Department of Community and Regional Affairs, JTPO.  
 \* The data for 1994 is preliminary and includes an assessment of \$250,445 to cover the cost of funding collection (A requirement stipulated by the US Department of Labor).

Expenditures increased at an average rate of slightly over 20% per year. The initial program year expenditures (FY 1990) were quite low due to a late start in the program caused by the development of programs, criteria, and the general logistic requirements of starting a new program. Much of the 20% annual increase is results from the low initial year expenditures.

## Program Analysis

STEP funds have been distributed through three different agencies<sup>1</sup>, the Fairbanks SDA, Anchorage/MatSu SDA, and the Alaska Statewide SDA. The Statewide SDA is made up of five regional offices: Juneau Statewide, Fairbanks Statewide, Nome Statewide, Bethel Statewide, and Anchorage Statewide. The analysis of the program is based on these project breakdowns. For the most part, the Statewide SDA is treated as a single entity in order to show multi-period data in a simpler format, however, its components are shown if relevant to the analysis.

The Alaska State Training and Employment Program (STEP) was enacted by the Alaska Legislature in 1989 to "reduce current and future claims against unemployment benefits, foster new jobs due to the availability of a skilled labor force, and increase training opportunities to the state's workers to protect against fluctuations in the economy and to prepare for technological changes in the workplace" (BACC 87.020). Overall, the program has been successful in meeting the goals established by the Alaska Legislature.

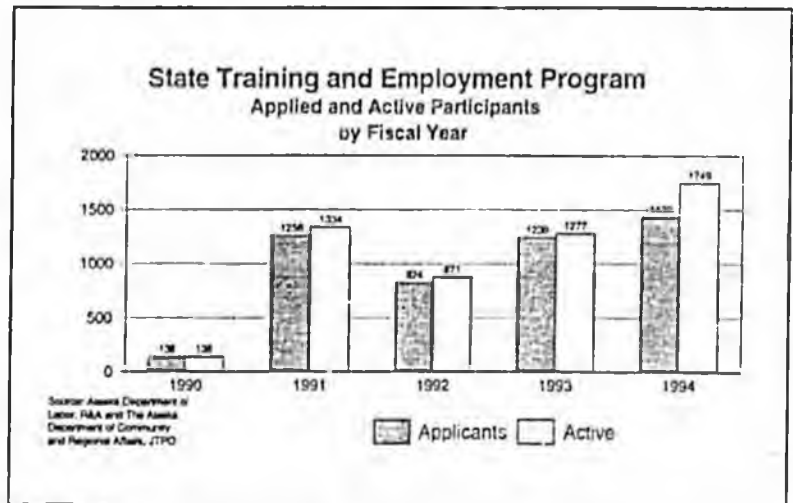


Figure 1

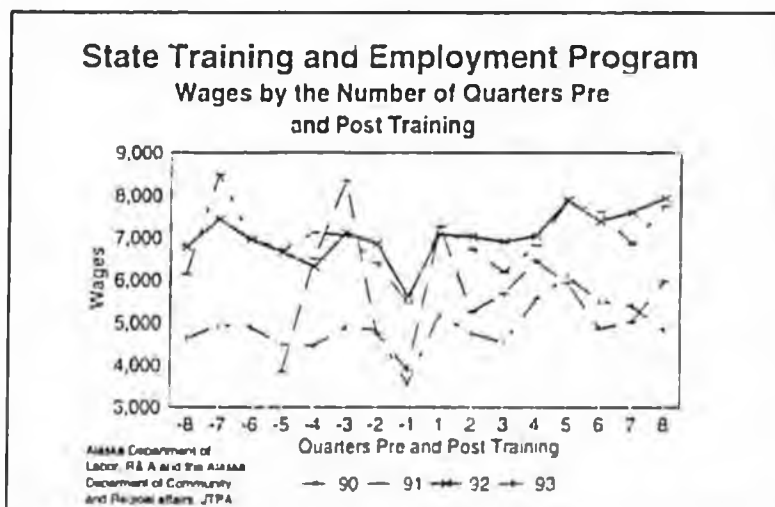


Figure 2

The number of participants who applied and were accepted into the STEP program together with the number of individuals active each fiscal year is shown in Figure 1. The number active exceeds or equals the number who applied because some of the those who applied in the previous fiscal year remained active the following year. In the four years of the program, 4,863 individuals participated in STEP activities. Because of implementation delays, only 138 participants received STEP services in the fiscal year 1990.

<sup>1</sup> A onetime grant was awarded to the Fairbanks Native Association in fiscal year 1993

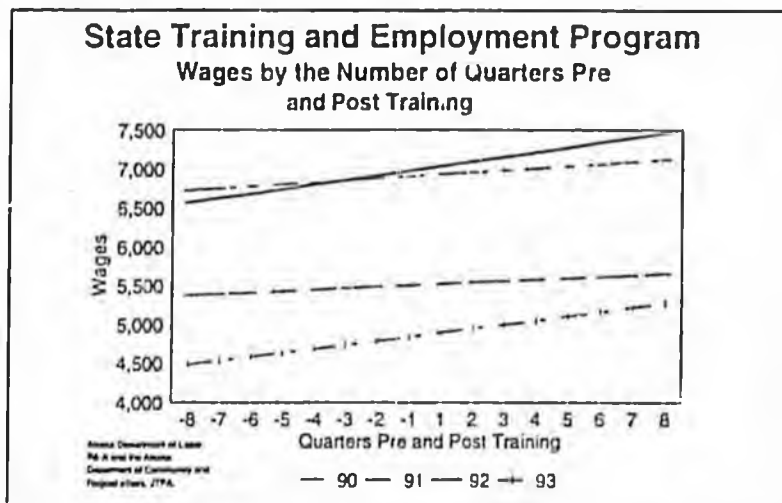


Figure 3

immediately prior to training and relatively high immediately after training. It is very difficult to identify the longer term effects from this graph because of the large number of fluctuations between quarters.

Figure 3 shows the average quarterly wage trend for participants using the pre and post training wages shown in figure 2. The trend lines indicate an average wage growth rates of about 3% per year. The trend implies that the wage levels improve as the time after training progresses.

### Employment

The employment data is not as positive. While employment the first quarter after training is very strong (see figure 4), the level of employment drops thereafter. Figure 5 shows that the trend in employment is down after termination from the program. Several factors can explain part of the loss in employment. An analysis of the Permanent Fund Dividend file indicates that participants leave Alaska at the rate of 1 to 2 percent per year ( some may return in later years

### Wages

An analysis of the participants wage and employment information, pre and post training, yields mixed results. Wages are showing a definite improvement. Figure 2 shows the wages by the number of quarters before and after training for each of the fiscal years of the program. An examination of the quarters immediately before and after entry (-1, 1, respectively) into the program show that the average quarterly wage is very low

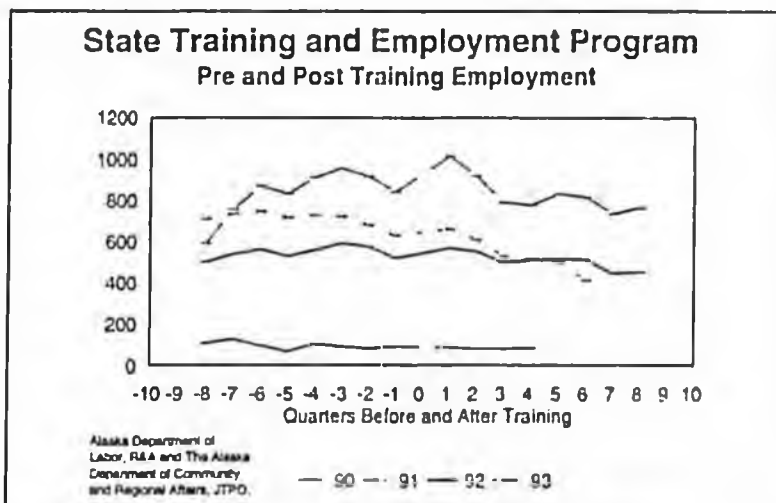


Figure 4

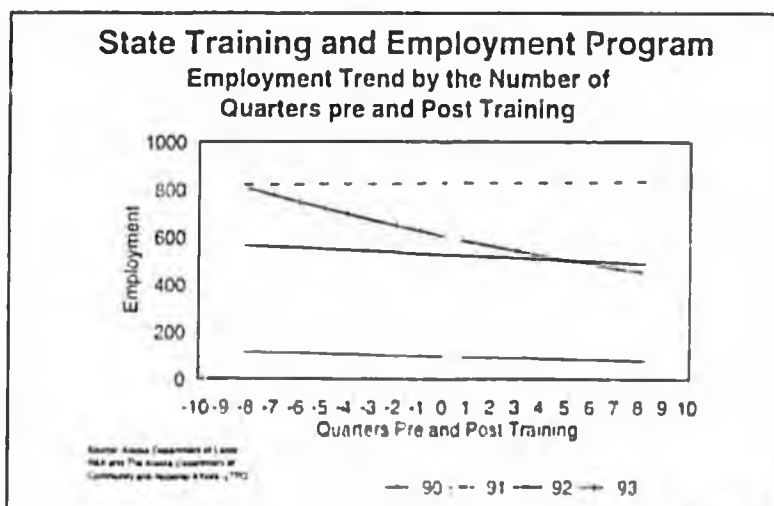


Figure 5

but the data does not show this trend to be significant ). The out-migration means that the pool of participants available for employment in Alaska decreases as time progresses accounting for part of the decrease in employment.

In addition to the out-migration, an analysis of the Alaska Business License File indicates that a surprisingly high 8% of the participants were holders of Alaska business licenses in 1994. The majority of these licenses were in industries with traditionally low startup costs (50.4% were in service related industries, see figure 6). This implies that many of these licenses are associated with active businesses. Since these individuals are self employed, they would not show up in the wage file data and should be eliminated from the potential measurable wage and salary employment pool.



Figure 6

Due to the combined effects of out-migration and self-employment the wage and salary employment level could decline by as much as 10% in each year. Since the self employed and out-migrants are likely to be the most aggressive in searching for a new source of income by either leaving the state to search for a job or by starting their own business it is likely that the impact on employment will be proportionately large and play a significant role in the decrease in measurable Alaska wage and salary employment.

Further, it is not surprising that an individual would have difficulty getting re-employed after layoff, or experiencing some other form of economic dislocation.

### New Hires

An analysis of the jobs being filled by the STEP participants indicates that in 1994 nearly 300 of the positions filled were in new businesses. This means that the program is providing trained personnel for new business in the state. A more detailed analysis of the second quarter 1994 wage and salary workers indicates that for the total Alaska "new hires," 8.5% were hired by start-up or new firms. For STEP participants that were "new hires," 12.2% were hired by start-up firms. Termination data for STEP participants indicates that 590 participants, or over 12% of all terminations from the program are to accept a job that did not exist previously. This would tend to confirm that STEP participants are filling the intended role of providing trained personnel to new firms in the state.

## Occupations

Table 2 shows training occupations, the number of applicants working in Alaska after training and the percent working in jobs related to employment. Participants are trained in occupations ranging from crafts to technical and service occupations. In total, of the number with identifiable training occupational codes, 60% are working in occupations for which they were trained.

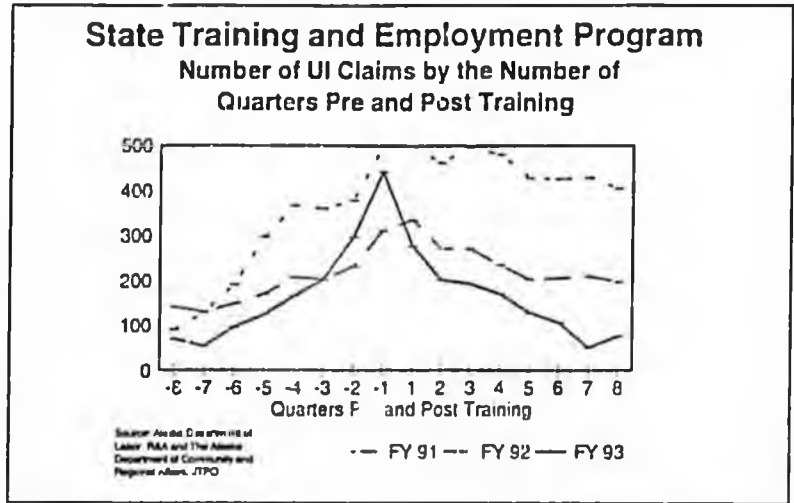


Figure 7

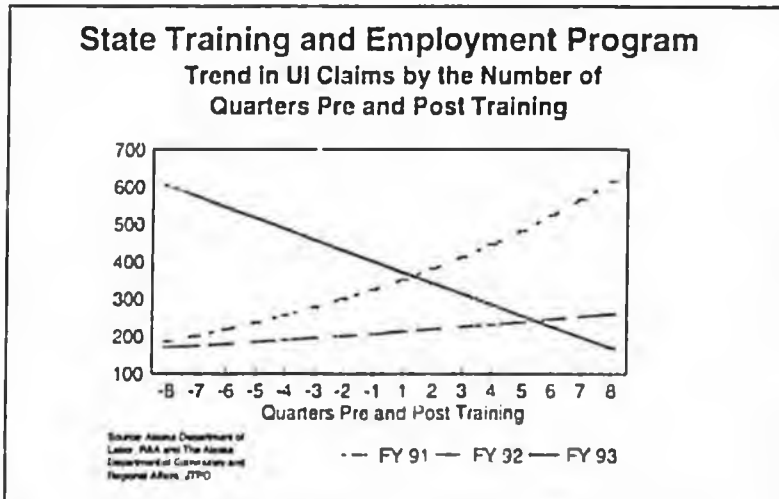


Figure 8

overall trends shown in figure 8 demonstrate that while the number of claims per quarter following training is up, that in 1992 the trend is nearly flat and in 1993 the trend is down. The program appears to be improving in each successive year as the program is refined to better meet legislative mandates. This change parallels the trend in statewide unemployment in that unemployment increased in 1991 and 1992 but decreased in 1993.

## Unemployment Insurance

For 1991 STEP participants, claims increased for each quarter before training and remained "relatively" level for the quarters following training (see figure 7). For 1992 participants, the number of claims increased before training and decreased or held steady in post training quarters. For 1993 participants the number of claims increased in each quarter before training and decreased in each quarter subsequent to training. The

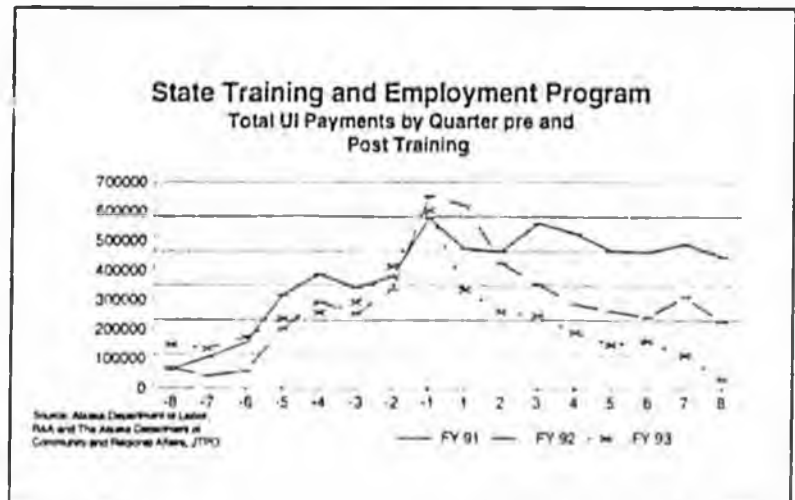


Figure 9

More importantly the pre and post training total UI payments to participants are improving dramatically as can be seen in figure 9. The level of pre training total Unemployment Insurance payments start out very close in each of the program years (between \$80,000 and \$120,000 per quarter). In each program year the maximum paid is between \$600,000 and \$700,000 per quarter. However, in 1991 the level remains at nearly \$500,000, in 1992 it decreases to around \$200,000 and in 1993 total Unemployment Insurance payments decrease to less than \$50,000 per quarter after 8 quarters. Clearly, in 1993 the program has successfully reduced the amount of Unemployment Insurance payments paid over what would otherwise be expected.

Table 2			
State Training and Employment Program			
Applicants by Training-Related Employment			
Largest occupational Categories			
FY 91 Through FY 94			
			Working in Alaska
			Pct. with
			Training
	Total		Related
Occupational Title	Trainees	Total	Employment
Computer Operator	355	253	50.0%
Manual Occ., NEC	256	219	76.0%
Construction Trades NEC	215	188	61.0%
Painter (Constr. & Maint.)	162	145	76.0%
Welfare Svc. Aide	131	98	68.0%
Hand Packer/Packager	125	101	46.0%
Freight/Stock Mover, NEC	105	85	50.0%
Electrician	102	79	96.0%
Nursing Aide, Attendant	100	78	47.0%
Plumber, Pipe/Steamfitter	93	86	83.0%
Carpenter	77	67	78.0%
Health Aide, not nursing	68	48	42.0%
Supv.: Handlers, Laborers	62	50	71.0%
Janitor, Cleaner	57	29	44.0%
Bookkeeper, Account Clerk	56	34	51.0%
Roofer	56	30	57.0%
Truck Driver, Heavy	54	34	16.0%
Secretary	50	39	72.0%

Table 2			
State Training and Employment Program			
Applicants by Training-Related Employment			
Largest occupational Categories			
FY 91 Through FY 94			
		Working in Alaska	
			Pct. with
			Training
	Total		Related
Occupational Title	Trainees	Total	Employment
Admin. Support, Clerical	49	18	59.0%
Sheet Metal Worker	43	37	85.0%
Crossing Guards	42	40	23.0%
Supv.: Other Constr. Trades	42	29	64.0%
Mechanic, Repairer, NEC	40	30	42.0%
Police/Detective, Public Svc.	36	34	67.0%
Social Worker	31	13	35.0%
General Office Occ.	29	23	57.0%
Power Plant/Systems Oprs.	29	21	56.0%
Welder, Cutter	27	12	27.0%
Hand Painter/Coater	25	22	45.0%
Auto Mechanic	24	9	25.0%
Misc. Material Moving Opr.	23	11	53.0%
Accountant, Auditor	22	15	23.0%
Stock/Inventory Clerk	21	15	24.0%

Source: Alaska Department of Labor, R&A and The Alaska Department of Community and Regional Affairs, JTPO

## Methodology

The Alaska Department of Labor wage file includes information on all employees covered by Alaska unemployment insurance. Information on self employed individuals is limited to those who held an Alaska Business License at any time during the fiscal year 1994. Whether the individual actually pursued the business as a form of livelihood or whether the business was successful cannot be determined from the file. Wage and employment information for federal government employees or those who work outside of Alaska was not available for this publication. Therefore, the data presented does not include all the earnings activity of the participants, but does provide a good view of the majority of those employed or collecting unemployment insurance benefits. In some cases data was unavailable to those collecting or entering the data. As much data as possible is presented with an annotation if the data is very sparse. Data are aggregated to protect the confidentiality of individuals. No employment or earnings information is released when there are fewer than six individuals in a particular group. To avoid double counting of applicants who are in the program for more than one fiscal year, report findings are based on the original date of application unless otherwise identified.

The primary sources of data are:

1. **The Department of Community and Regional Affairs.** All of the basic data and social security numbers used to identify program participants were supplied by the Department of Community and Regional Affairs. The data included project codes, education level, gender, ethnic group, program eligibility data, activities, beginning and ending dates, termination data, and vendor or agency.
2. **Alaska Department of Labor.** Provides industry or firm data, wages, unemployment compensation, duration of UI benefits, occupational codes, and area of employment.
3. **Permanent Fund Dividend file.** Provides gender and place of residence.
4. **Alaska Business License file.** Provides Business License Data and the industry for which license was purchased.

TONY KNOWLES  
GOVERNOR



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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 19, 1996

229  
The Honorable Drue Pearce  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear President Pearce:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill making the state training and employment program ("STEP") a permanent state program.

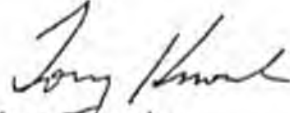
The STEP is an integral component of Alaska's job training program and has enabled participants to increase their average quarterly earnings from nine to 12 percent. The STEP was established as a temporary, pilot program in 1989 and has been extended twice -- in 1991 and 1993. Since its inception, STEP has trained 4,390 Alaska workers at an average cost of \$2,000 per participant which is covered by Alaska employees. The program is financed entirely by employee payroll contributions with no employer contributions or general fund monies.

The STEP serves workers who would often be ineligible for employment training assistance through other programs. It offers workers the opportunity to acquire skills by investing in themselves, and helps those workers who have been displaced from their jobs to learn more skills. Nearly 60 percent of those entering the program are receiving unemployment benefits, and over 80 percent of the participants successfully complete the training and increase their employment opportunities.

The STEP will expire June 30, 1996, unless renewed by the Legislature. As federal training money decreases from year to year, continuing STEP and making it a permanent program will help Alaskans receive the training they need to respond to the changing needs of business and industry.

I urge your support of this important bill.

Sincerely,

  
Tony Knowles  
Governor

# Alaska State Legislature

Committee Chair  
Community & Regional Affairs

Committee Vice-Chair  
Labor & Commerce

Committee Membership  
Legislative Council



District Address:  
145 Main St. Loop; Suite 226  
Kenai, AK 99611  
(907) 283-2690; fax 283-9267


Session Address:  
State Capitol, Room 427  
Juneau, AK 99801-1182  
(907) 465-2828; fax 465-4779

*Senator John Torgerson*

## SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

March 15, 1996

TO: Senator Randy Phillips, Vice-Chair  
Senator Tim Kelly  
Senator Lyman Hoffman  
Senator Fred Zharoff

FROM: Senator John Torgerson, Chair   
Senate Community and Regional Affairs Committee

RE: SB 229, State Training and Employment Program

At the last hearing on Senate Bill 229, held February 21, 1996, the committee adopted a committee substitute to SB 229 consisting of three amendments. Two of the amendments were technical changes and the third inserted a requirement that preference be given to projects and services that train individuals in industries identified in the resident hire report as employing a disproportionate percentage of nonresident individuals. These amendments are contained in the attached work draft of CS for Senate Bill 229 (CRA).

On February 22, we requested the following information: a spreadsheet of where and for what purpose STEP funds were used in FY 95, estimated for FY 96 and anticipated in FY 97; verification of how the 1/10 of 1 percent is collected from employees; and options on how administrative costs could be capped.

Attached to this memorandum is the response to this request. There is a letter of explanation and a general spreadsheet summarizing the three year expenditure data by department and function. Following are more detailed spreadsheets for each fiscal year. Accompanying the spreadsheets is a definition of the program categories used by STEP in allocating expenditures. Last are detailed lists of FY 95 grant recipients in each of the three substate service delivery areas.

We will be discussing this information at the next committee meeting where agency staff will be available to answer any questions.

Attachments

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

**DEPARTMENT OF LABOR**  
**OFFICE OF THE COMMISSIONER**

P.O. BOX 21149  
JUNEAU, ALASKA 99802-1149  
PHONE: (907) 465-2700  
FAX: (907) 465-2784

March 8, 1996

The Honorable John Torgerson  
Alaska State Legislature  
Capitol Building, Room 427  
Juneau, AK 99801-1182

Dear Senator Torgerson:

In response to your request for information regarding the State Training and Employment Program (STEP), enclosed are expenditure analysis spreadsheets which describe the distribution and uses of funds associated with STEP in FY 95, as well as budgeted expenditures for FY 96 and FY 97. The Departments of Community & Regional Affairs and Labor provide for program oversight and direction, while the municipalities and grantees in the program receive funds to provide training services to the public. The employee contribution at one-tenth of one percent is explained as a note on the first spreadsheet.

Given that federal funds cannot be used to administer a state program, these costs cannot be separated from STEP without alternative general funds being provided to administer the program. However, by first utilizing the federally funded programs in the Departments of Community & Regional Affairs and Labor, to the extent possible, administrative costs are kept to a minimum. Finally, federal JTPA funds cannot be enlisted to support the administrative costs associated with STEP.

Regarding the question of "capping" administrative costs, first, an explanation of fixed STEP costs is in order. Labor is mandated by the federal government to support 19 percent of collection costs shared by STEP with the UI program. In the regular course of managing our programs, we are working to ensure that the collection process is done economically, however, those costs cannot be capped. We did work with the federal government to reduce their demand for 50 percent of the costs of collection. Establishing and maintaining a separate collection system would be cost prohibitive.

Additionally, STEP also funds certain Labor Market Information (LMI) research in support of the STEP program which allows us to target grant recipients and resident Alaskans, and which measures

The Honorable John Torgerson

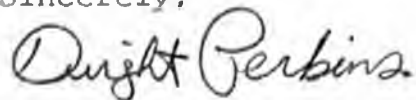
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March 8, 1996

the program's effectiveness. The costs in support of LMI should be considered programmatic because that support is critical to the success of the STEP program.

We look forward to discussing this information with you at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Dwight Perkins".

Dwight Perkins  
Special Assistant to  
the Commissioner

Enclosures

cc: Tom Cashen, Commissioner, Department of Labor  
Mike Irwin, Community & Regional Affairs  
Arbe Williams, Director, ASD, DOL  
Redmond Henderson, Director, ASD, C&RA

Type of Expense	Office of the Governor Alaska Human Resource Investment Council				Department of Community & Regional Affairs				Department of Labor				Total		
	FY 95 Actuals	FY 96 Budget	FY 97 Budget	Note (Division Name)	FY 95 Actuals	FY 96 Budget	FY 97 Budget	Note (Division Name)	FY 95 Actuals	FY 96 Budget	FY 97 Budget	Note (Division Name)	FY 95 Actuals	FY 96 Budget	FY 97 Budget
Administration	Now In FY 96			AHRIC				Community & Rural Development				Employ Sec & Admin			
Personal Services		55.4	73.8		135.9	151.0	63.6		289.0	390.5	360.9		424.9	596.6	498.3
Travel		20.0	9.5		10.8	24.0	29.3		0.3	2.5	1.3		11.1	46.5	40.1
Equipment		31.5					1.5		17.8	2.0	0.4		17.8	33.5	1.9
Commodities		2.8	2.0		1.1	3.2	5.0		4.8	7.9	6.8		5.9	13.9	14.8
Contractual		3.6	24.7		41.6	81.2	130.0		87.6	145.6	133.2		129.2	230.4	287.9
Subtotal Admin	N/A	113.0	110.0		189.4	259.4	230.4		399.5	548.5	502.6		588.9	920.9	843.0
Grantees															
Administration					228.4	182.6	217.2						228.4	182.6	217.2
Employ Assistance					475.9	629.8	707.2						475.9	629.8	707.2
Industry Specific					557.6	796.7	697.9						557.6	796.7	697.9
OJT					38.6	49.9	54.4						38.6	49.9	54.4
Class Occ Skills					546.8	606.9	935.3						546.8	606.9	935.3
Relocation Assist					9.4	10.5	9.4						9.4	10.5	9.4
Tool/Work Clothes					9.8	12.4	11.3						9.8	12.4	11.3
Support Svcs					345.8	393.3	470.5						345.8	393.3	470.5
Subtotal Grantees	N/A	0.0	0.0		2,212.3	2,682.1	3,103.2		0.0	0.0	0.0		2,212.3	2,682.1	3,103.2
Total Program	N/A	113.0	110.0		2,401.7	2,941.5	3,333.6		399.5	548.5	502.6		2,801.2	3,603.0	3,946.2

Under the UI tax provisions in AS 23.20.290(d), employees pay 18 percent of the average benefit cost rate. (The average benefit cost rate is the average tax rate which must be collected each year to keep the UI trust fund solvent.) The employee tax may not, however, be less than .5 percent or more than 1 percent of taxable wages. It is currently at .5 percent.

The STEP funding provisions are contained in sec. 3-4, ch. 95, SLA 1989. The law requires the Department of Labor to collect one-tenth of one percent of UI-taxable wages from each employee and deposit the tax in the employment assistance and training program account in the general fund. Each employee then receives a credit of one-tenth of one percent against the employee's UI tax liability. The net effect is that the total employee UI tax remains the same, but one-tenth of one percent of wages is diverted to the STEP program.

The Department totals employee tax receipts and computes the STEP portion automatically in the UI tax clearing account. Each week, the Department requests the Department of Revenue to transfer the STEP portion from the clearing account to the employment assistance and training program account. The Department of Revenue then creates a treasury receipt which is completed by the Department when the transfer is verified and posted.

**DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
STATE TRAINING AND EMPLOYMENT PROGRAM  
ESTIMATED FY97 BUDGET**

Line Item	Administration	Emplyt.Assist.	Indust.Spec	OJT	Class Occup.skill	Relocation Assist.	Tool/wk cloth	suppt.svces	Total
<b>JOB TRAINING PARTNERSHIP ACT OFFICE</b>									
71000									-
72000	11,000.00								11,000.00
73000	87,000.00								87,000.00
74000	2,000.00								2,000.00
75000	-								-
77000									-
<b>Sub-Total</b>	<b>100,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000.00</b>
<b>ALASKA STATEWIDE SERVICE DELIVERY AREA</b>									
71000	63,600.00								63,600.00
72000	18,300.00								18,300.00
73000	43,000.00								43,000.00
74000	4,000.00								4,000.00
75000	1,500.00								1,500.00
77000		285,920.00	219,000.00	560.00	484,384.00	6,000.00	7,000.00	375,736.00	1,378,600.00
<b>Sub-Total</b>	<b>130,400.00</b>	<b>285,920.00</b>	<b>219,000.00</b>	<b>560.00</b>	<b>484,384.00</b>	<b>6,000.00</b>	<b>7,000.00</b>	<b>375,736.00</b>	<b>1,509,000.00</b>
<b>ANCHORAGE SERVICE DELIVERY AREA</b>									
71000	87,000.00	66,000.00							153,000.00
72000	1,000.00								1,000.00
73000	72,040.00								72,040.00
74000	3,000.00								3,000.00
75000	500.00								500.00
77000		305,993.00	400,059.00	4,533.00	339,992.00	3,399.00	-	79,331.00	1,133,307.00
<b>Sub-Total</b>	<b>163,540.00</b>	<b>371,993.00</b>	<b>400,059.00</b>	<b>4,533.00</b>	<b>339,992.00</b>	<b>3,399.00</b>	<b>-</b>	<b>79,331.00</b>	<b>1,362,847.00</b>
<b>FAIRBANKS SERVICE DELIVERY AREA</b>									
71000	33,664.00								33,664.00
72000	1,838.00								1,838.00
73000	15,982.00								15,982.00
74000	2,000.00								2,000.00
75000	200.00								200.00
77000		49,291.00	78,865.00	49,291.00	110,905.00	-	4,313.00	15,404.00	308,069.00
<b>Sub-Total</b>	<b>53,634.00</b>	<b>49,291.00</b>	<b>78,865.00</b>	<b>49,291.00</b>	<b>110,905.00</b>	<b>-</b>	<b>4,313.00</b>	<b>15,404.00</b>	<b>351,753.00</b>
<b>TOTAL</b>	<b>447,624.00</b>	<b>707,204.00</b>	<b>697,924.00</b>	<b>54,384.00</b>	<b>935,281.00</b>	<b>9,399.00</b>	<b>11,313.00</b>	<b>470,471.00</b>	<b>3,333,600.00</b>

**DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
STATE TRAINING EMPLOYMENT PROGRAM  
FY96 ESTIMATED BUDGET BY CATAGORY**

Line Item	Administration	Emplyt.Assist.	Indust.Spec	OJT	Class Occup.skill	Relocation Assist.	Tool/wk cloth	suppt.svces	Total
<b>JOB TRAINING PARTNERSHIP ACT OFFICE</b>									
71000	56,000.00								56,000.00
72000	11,000.00								11,000.00
73000	27,400.00								27,400.00
74000	2,200.00								2,200.00
75000	-								-
77000									-
<b>Sub-Total</b>	<b>96,600.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,600.00</b>
<b>ALASKA STATEWIDE SERVICE DELIVERY AREA</b>									
71000	95,000.00	4,091.00							99,091.00
72000	13,000.00								13,000.00
73000	53,782.00								53,782.00
74000	1,000.00								1,000.00
75000	-								-
77000		249,906.00	378,521.00	1,028.00	209,153.00	7,500.00	8,500.00	310,034.00	1,164,642.00
<b>Sub-Total</b>	<b>162,782.00</b>	<b>253,997.00</b>	<b>378,521.00</b>	<b>1,028.00</b>	<b>209,153.00</b>	<b>7,500.00</b>	<b>8,500.00</b>	<b>310,034.00</b>	<b>1,331,515.00</b>
<b>ANCHORAGE SERVICE DELIVERY AREA</b>									
71000	76,204.00	61,000.00							137,204.00
72000	400.00								400.00
73000	65,000.00								65,000.00
74000	2,500.00								2,500.00
75000	200.00								200.00
77000		266,997.00	349,075.00	3,955.00	296,663.00	2,967.00		69,221.00	988,878.00
<b>Sub-Total</b>	<b>144,304.00</b>	<b>327,997.00</b>	<b>349,075.00</b>	<b>3,955.00</b>	<b>296,663.00</b>	<b>2,967.00</b>	<b>-</b>	<b>69,221.00</b>	<b>1,194,182.00</b>
<b>FAIRBANKS SERVICE DELIVERY AREA</b>									
71000	30,000.00								30,000.00
72000	1,500.00								1,500.00
73000	4,000.00								4,000.00
74000	2,461.00								2,461.00
75000	343.00								343.00
77000		47,881.00	68,972.00	44,944.00	101,124.00		3,933.00	14,045.00	280,899.00
<b>Sub-Total</b>	<b>38,304.00</b>	<b>47,881.00</b>	<b>68,972.00</b>	<b>44,944.00</b>	<b>101,124.00</b>	<b>-</b>	<b>3,933.00</b>	<b>14,045.00</b>	<b>319,203.00</b>
<b>TOTAL</b>	<b>441,990.00</b>	<b>629,875.00</b>	<b>796,568.00</b>	<b>49,927.00</b>	<b>606,940.00</b>	<b>10,467.00</b>	<b>12,433.00</b>	<b>393,300.00</b>	<b>2,941,500.00</b>

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
STATE TRAINING EMPLOYMENT PROGRAM  
FY95 ACTUALS BY CATAGORY

Line Item	Administration	Emplyt.Assist.	Indust.Spec	OJT	Class Occup.skill	Relocation Assist.	Tool/wk cloth	suppt.svces	Total
<b>JOB TRAINING PARTNERSHIP ACT OFFI</b>									
71000	55,399.00								55,399.00
72000	3,968.00								3,968.00
73000	33,998.00								33,998.00
74000	1,133.00								1,133.00
75000									-
77000									
<b>Sub-Total</b>	<b>94,498.00</b>								<b>94,498.00</b>
<b>ALASKA STATEWIDE SERVICE DELIVERY AREA</b>									
71000	80,530.00	9,582.00							90,112.00
72000	6,825.00								6,825.00
73000	7,612.00								7,612.00
74000	-								-
75000	-								-
77000		173,666.00	260,914.00	8,365.00	264,540.00	7,012.00	7,457.00	286,985.00	1,008,939.00
<b>Sub-Total</b>	<b>94,967.00</b>	<b>183,248.00</b>	<b>260,914.00</b>	<b>8,365.00</b>	<b>264,540.00</b>	<b>7,012.00</b>	<b>7,457.00</b>	<b>286,985.00</b>	<b>1,113,488.00</b>
<b>ANCHORAGE SERVICE DELIVERY AREA</b>									
<b>Line Item</b>									
71000	71,273.00	64,488.00							135,761.00
72000	204.00								204.00
73000	65,411.00								65,411.00
74000	2,009.00								2,009.00
75000	293.00								293.00
77000		200,351.00	253,819.00	3,116.00	221,733.00	2,355.00		49,915.00	731,289.00
<b>Sub-Total</b>	<b>139,190.00</b>	<b>264,839.00</b>	<b>253,819.00</b>	<b>3,116.00</b>	<b>221,733.00</b>	<b>2,355.00</b>	<b>-</b>	<b>49,915.00</b>	<b>934,967.00</b>
<b>FAIRBANKS SERVICE DELIVERY AREA</b>									
<b>Line Item</b>									
71000	68,370.00								68,370.00
72000	1,500.00								1,500.00
73000	11,000.00								11,000.00
74000	8,294.00								8,294.00
75000									-
77000		27,794.00	42,832.00	27,142.00	60,508.00		2,400.00	8,943.00	169,619.00
<b>Sub-Total</b>	<b>89,164.00</b>	<b>27,794.00</b>	<b>42,832.00</b>	<b>27,142.00</b>	<b>60,508.00</b>	<b>-</b>	<b>2,400.00</b>	<b>8,943.00</b>	<b>258,783.00</b>
<b>TOTAL SDAs</b>	<b>417,819.00</b>	<b>475,881.00</b>	<b>557,565.00</b>	<b>38,623.00</b>	<b>546,781.00</b>	<b>9,367.00</b>	<b>9,857.00</b>	<b>345,843.00</b>	<b>2,401,736.00</b>

## DEFINITION FOR STATE TRAINING EMPLOYMENT PROGRAMS (STEP) CATEGORIES

### EMPLOYMENT AND TRAINING SERVICES (EMPLOYMENT ASSISTANCE)

Services which may be available to youth and adults with funds provided under this title may include, but need not limited to;

- (1) job search assistance,
- (2) job counseling,
- (3) remedial education and basic skills training,
- (4) institutional skill training,
- (5) on-the-job training,
- (6) programs of advance career training which provide a formal combination of on-the-job and institutional training and internship assignments which prepares individuals for career employment,
- (7) training programs operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply,
- (8) outreach to make individuals aware of, and encourage the use of employment and training services,
- (9) specialized surveys not available through other labor market information sources,
- (10) programs to develop work habits and other services to individuals to help them obtain and retain employment,
- (11) supportive services (not to exceed six (6) months following completion of training) necessary to enable individuals to participate in the program and to assist them in retaining employment,
- (12) upgrading and retraining,
- (13) education-to-work transition activities,

- (14) literacy training and bilingual training,
- (15) work experience,
- (16) vocational exploration,
- (17) attainment of certificates of high school equivalency,
- (18) job development,
- (19) employment generating activities to increase job opportunities for eligible individuals in the area,
- (20) pre-apprenticeship programs,
- (21) disseminating information on program activities to employers,
- (22) use of advanced learning technology for education, job preparation, and skills training,
- (23) development of job openings,
- (24) on-site industry specific training programs supportive of industrial and economic development,
- (25) follow-up services with participants placed in unsubsidized employment,
- (26) coordinated programs with other federal employment-related activities,
- (27) needs based payments necessary to participation in accordance with a locally developed formula or procedure, and
- (28) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of that training.

In addition to the services for youth which may be available on accordance with Section 204 of the Act, the job training plan may, at the option of those responsible for its preparation, elect to include one or more of the exemplary youth programs each of which may be modified by the plan to accommodate local conditions. (JTPA-MIS)

#### **(A) INDUSTRY SPECIFIC PROGRAMS**

These training programs are expected to attract high growth industries through availability of a trained workforce.

Proposals should address employment needs of a specific industry and may include several training components (specialized occupational skills, on-the-job training, etc.) While operation of such a program does not hinge on firm employer commitment to hire specific graduates, participants must have a reasonable expectation of employment within the industry upon successful completion of training.

**(B) CLASSROOM/OCCUPATIONAL SKILLS TRAINING.**

This type of training is typically conducted in classrooms or other "institutional" settings. Curriculum is based on requirements for a specific occupation rather than on the needs of one employer or the general educational needs of a particular participant. Training is directed at achievement of a planned outcome of basic proficiency or knowledge in a specific occupational area.

**(C) ON-THE-JOB TRAINING (OJT) (AK)**

A training program in which the training is provided by employers at their business site to provide knowledge or skills essential to the full and adequate performance of the job. Employers must make a firm commitment to hire all participants successfully completing training and to provide necessary training to participants during the term of the OJT agreement. As compensation for the extraordinary cost of hiring and training unskilled individuals, employers are reimbursed up to and including 50% of the cost of the participant's wages for the duration of the on-the-job training period. Participants must be paid the prevailing entry level wage for that occupation and afforded the same rights and benefits as the employer's other employees, such as insurance and workers compensation coverage, retirement, or leave accrual. Wage cost reimbursement to the employer shall not exceed 50% of the total wages paid to the participant during the period of OJT, but may be designed so that a higher reimbursement rate is in effect during the first part of the training and a lower rate during the latter part of the training period. (P.I. 199 On-The-Job training contracts) (P.I. 420 Participant file) (P.I. 431 Activity Codes and Definitions for Youth and Adults) (P.I. 520 Program Activities and Services) (P.I. 620 Program Activities and Services)

**(D) RELOCATION ASSISTANCE (AK)**

The activities necessary to arrange for a family to move to a new abode for the purpose of accenting long-duration employment. Activities may include, but are not limited to: The cost of the actual transfer of goods and property, including mileage for the family's travel; emergency assistance; rent subsidies; and other supportive services. A Basic Readjustment activity and a Retraining activity. (LJTPA, JTPA-MIS) (P.I. 420 Participant File) (P.I. 431 Activity Codes and Definitions for Youth and Adults)

**(E) TOOLS, WORKCLOTHES/UNIFORMS, SAFETY EQUIPMENT, ETC**

These items may be provided when necessary to obtain and/or retain employment. When these items are primarily necessary for participation in TRAINING rather than EMPLOYMENT, they should NOT be considered supportive services, but instead should be charged to the training category.

## **TOOLS**

Individual tools purchased are viewed as expendable items, as long as the amount paid for the tools is below \$500. If purchased as a package, the invoiced amount should be less than \$500, otherwise the property tracking requirements of JTPO Policy 105 must be followed. In no case shall more than \$999 worth of tools be provided for a participant.

## **WORKCLOTHES/UNIFORMS**

If the participant does not have the means to provide the basic clothing necessary for a program activity, or obtain and/or retain employment, clothing may be provided. Such clothing will be limited to the "essentials" necessary. This may include clothing essential for job interviewing. It may not include "non-essential" items, such as jewelry, watches, etc. Clothing assistance is limited to a maximum amount of \$250, unless specifically required for a training course, in which case it shall be limited to \$499.

## **SAFETY EQUIPMENT, ETC**

Up to \$499 may be provided for safety equipment and/or supplies. This may include items such as head, ear and eye protection, as well as any other safety devices required for employment and not normally provided by the employer.

## **(F) SUPPORTIVE SERVICES**

Services which are necessary to enable an individual eligible for training under JTPA, but cannot afford to pay for such services, to participate in a training program funded under this Act. Such supportive services may include transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the training program and may be provided in-kind or through cash assistance. (JTPA Section 4 (24) and 204 (11) and 314 (c) (15)) (P.I. 420 Participant File) (P.I. 431 Activity Codes and Definitions for Youth and Adult) (P.I. 520 Program Activities and Services) (P.I. 620 Program Activities and Services)

NOTE: Supportive services necessary to assist individuals in retaining employment may be provided for not to exceed six months following completion of training (Section 204 (11)).

NOTE: Supportive services including child care, community assistance, and financial and personal counseling which shall terminate not later than the 90th day after the participant has completed other services under this part, except counseling necessary to assist participants to retain employment shall terminate not later than 6 months following the completion of the training. (Section 314 (c) (15))

FY95 ALASKA STATEWIDE SERVICE DELIVERY AREA  
GRANT LINE ITEM ACTUALS

Employment Assistance	173666.50
Industry Specific Training	260914.12
On-the-Job Training	8364.75
Class/Occupational Skills	264540.34
Relocation Assistance	7011.85
Tools/Clothes/Gear	7457.00
Support Services	<u>286985.00</u>
	1008939.56

STATE TRAINING AND EMPLOYMENT PROGRAM  
FY95 TOTALS FOR THE STATEWIDE SERVICE DELIVERY AREA

Total Subgrant and RSA Obligations	865942.22
Total Individual Referral Obligations	<u>142997.70</u>
	1008939.92

FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
SUBGRANTS AND RSA'S

Page 1

<u>Grant Name</u>	<u>Location</u>	<u>Grant Amount</u>
Chatham Straits	Petersburg	31250.00
OPAG, Inc.	Anchorage	80734.92
Golden Age Fishery	Seattle	16899.00
Painters Local	Fairbanks	84572.00
Alaska Laborers Training Trust	Anchorage	60715.00
Norton Sound Economic Dvlp Council	Elim	23909.00
Bristol Bay Native Assoc.	Anchorage	61476.00
Copper Valley	Glennallen	47454.00
People Count, Inc.	Kenai	63283.50
Hospice & Homecare	Juneau	15759.32
Project Career Course	Juneau	54935.50
SERRC	Juneau	33550.00
UAS Project New Chance	Silka	14174.00
Yukon Flats School District	Fort Yukon	949.20
Louden Village Council	Galena	1663.20
City of Koyukuk	Koyukuk	1125.55
Assoc. of Village Council Presidents	Bethel	24558.78
New Frontier Business School	Soldotna	1416.00
Preferred Plumbing and Heating	Kenai	4160.00
Alaska Joint Electrical Apprentice	Fairbanks	40640.00
Rural Assessment/Base Management		37320.00
STEP Pilot Project		121950.00
STEP Power Plant Operator		43447.25
<b>TOTAL FY95 SUBGRANTS AND RSA'S</b>		<b>865942.22</b>

FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
INDIVIDUAL REFERRALS

Grant Name	Location	Grant Amount
UAS	Juneau	1017.30
UAS	Sitka	205.91
UAS	Sitka	1824.00
SERRC	Juneau	3050.00
UAS	Sitka	516.00
UAS	Juneau	300.00
UAS	Juneau	282.00
UAS	Ketchikan	582.25
Ketchikan Gateway Borough Communication Skills	Ketchikan	75.00
UAS	Alabama	160.00
UAS	Juneau	218.00
UAS	Sitka	102.00
DOE/Avtec	Seward	750.00
UAS	Juneau	336.20
Barron's School of Driving	Juneau	700.00
Glacier Marine	Seattle, Wa.	448.00
Reliable Transfer	Juneau	2852.85
World Wide Movers	Juneau	3408.00
Paul Andrews	Juneau	303.00
Nugget Outfitters	Juneau	245.74
Driftwood Lodge	Juneau	748.00
Bed & Breakfast Inn	Juneau	1356.50
C & B of Juneau	Juneau	30.00
Peninsula Home Health Care	Soldotna	372.00
Seward Bus Line	Seward	60.00
Seward Marine Ventures	Seward	39.95
Southeast Executtravel	Juneau	198.00
Vista Optical	Juneau	209.00
Bon Marche	Ketchikan	96.00
Jim Dausel	Craig	222.50
UAS	Juneau	419.00
West Coast Training	Milwaukee, Ore	4125.00
Alisia Lopez	Healy	1191.21
DOE/Avtec	Seward	3230.00
UAF	Fairbanks	1162.49
Josephine Semaken	Fairbanks	2716.38
UAF	Fairbanks	129.88
DOE/Avtec	Seward	2999.00
Northstar Computing	Fairbanks	175.00
Mccauley's Reprographics	Fairbanks	244.00
Fairbanks North Star Borough	Fairbanks	180.00
Josephine Semaken	Fairbanks	760.00
Fairbanks Taxi	Fairbanks	43.60
Josephine Semaken	Fairbanks	415.61
Wolf Swartz	Healy	120.00
Alisia Lopez	Healy	1191.21
Fairview Manor Apts	Fairbanks	2286.00
Wolf Swartz	Healy	900.00
Byron Captain	Fairbanks	2000.00
Driftwood Lodge	Juneau	2058.17
Barney Anselment	McGrath	378.00
Jeremiah Vanderpool	McGrath	378.00
Bergman Hotel	Juneau	2178.00
C & B of Juneau	Juneau	60.00
<b>SUBTOTAL</b>		<b>50048.75</b>

FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
INDIVIDUAL REFERRALS

Page 2

Grant Name	Location	Grant Amount
Sears	Att. GA.	379.91
UAF N.W. Campus	Nome	395.80
DOE/Avtec	Seward	3850.00
DOE/Avtec	Seward	9556.50
George Krier	Nome	120.55
UAF N.W. Campus	Nome	1074.55
World Express Travel	Anchorage	1341.00
Robert Armstrong	Lakewood, Ore	3183.81
American Express Travel	Anchorage	369.00
Bering Air Inc.	Nome	352.00
Fat Freddie's	Nome	261.77
C.L. Tobin	Nome	800.00
Blanche White	Bethel	9420.00
Testing Institute of Alaska	Anch	5118.00
Blanche White	Bethel	7070.00
Kenai Peninsula Community College	Soldotna	798.00
People Count, Inc.	Kenai	3900.00
DOE/Avtec	Seward	795.00
New Frontier Vocational Tech	Soldotna	5450.00
Linn-Benton College	Albany, Ore.	1114.75
OPAG, Inc.	Anchorage	18400.00
New Frontier Vocational Tech	Soldotna	2450.00
Manny's Drivers	Kenai	240.00
Dan S. Ward	Soldotna	731.00
Tim Walker	Nikiski	200.00
Scott Koplin	Kenai	47.26
Alaska Industrial Hardware	Anchorage	496.55
US Travel	Anchorage	1629.50
Kris Simon	Albany, Ore.	1000.00
6 Mile Air Service	Nondalton	100.00
Quinnat Landing Hotel	King Salmon	11840.00
First National Bank of Anchorage	Anchorage	464.00
SUBTOTAL		92948.95
 TOTAL FY95 INDIVIDUAL REFERRALS		 142997.70

FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
GRANTS  
ALASKA STATEWIDE DELIVERY AREA

Grantee Name	Empl't. Asst.	Indust.Spec.	OJT	Class/Occup.Skill	Relocation Asst.	Tool/Cloth/Gear	Suppt.Svcs	Total
Chatham Straits		18950.00					12300.00	31250.00
OPAG, Inc.		46173.17					34561.25	80734.42
Golden Age Fishery		1300.00					15599.00	16899.00
Painters Local		84572.00						84572.00
Alaska Laborers Training Trust		13347.00					47368.00	60715.00
Norton Sound Economic Dvlp Council		10725.00					13184.00	23909.00
Bristol Bay Native Assoc.		41494.58					19981.42	61476.00
Copper Valley		7454.00					40000.00	47454.00
People Count, Inc.				63283.50				63283.50
Hospice & Homecare				15759.32				15759.32
Project Career Course				53948.32			987.18	54935.50
SERRC				32550.00			1000.00	33550.00
Alaska Joint Electrical Apprentice							40640.00	40640.00
UAS				1017.30				1017.30
UAS				205.91				205.91
UAS				1824.00				1824.00
SERRC				3050.00				3050.00
UAS				516.00				516.00
UAS				300.00				300.00
UAS				282.00				282.00
UAS				582.25				582.25
Ketchikan Gateway Borough							75.00	75.00
Communication Skills				160.00				160.00
UAS				218.00				218.00
UAS				102.00				102.00
DOE/Avtec				250.00			500.00	750.00
UAS				336.20				336.20
Barron's School of Driving				700.00				700.00
Glacier Marine					448.00			448.00
Reliable Transfer					2852.85			2852.85
World Wide Movers					3408.00			3408.00
Paul Andrews					303.00			303.00
Nugget Outfitters						245.74		245.74
Driftwood Lodge							748.00	748.00
Bed & Breakfast Inn							1356.50	1356.50
C & B of Juneau							30.00	30.00
Peninsula Home Health Care							372.00	372.00
Seward Bus Line							60.00	60.00
Seward Marine Ventures							39.95	39.95
Southeast Executavel							198.00	198.00
Vista Optical							209.00	209.00
Bon Marche							96.00	96.00
Jim Causel	222.50							222.50
UAS	14174.00							14174.00
UAS		419.00						419.00
Yukon Flats School District				949.20				949.20

**FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
GRANTS  
ALASKA STATEWIDE DELIVERY AREA**

Grantee Name	Empl't. Asst.	Indust. Spec.	OJT	Class/Occup. Skill	Relocation Asst.	Tool/Cloth/Gear	Suppt. Svcs	Total
West Coast Training				4085.00		40.00		4125.00
Alisia Lopez				15.00			1176.21	1191.21
DOE/Attec				750.00			2480.00	3230.00
UAF				1162.49				1162.49
Josephine Semaken				34.05			2682.33	2716.38
UAF				91.40			38.48	129.88
DOE/Attec				798.00			2201.00	2999.00
Northstar Computing				175.00				175.00
Louden Village Council			1663.20					1663.20
City of Koyukuk			1125.55					1125.55
Mccauley's Reprographics						244.00		244.00
Fairbanks North Star Borough							180.00	180.00
Josephine Semaken							760.00	760.00
Fairbanks Text							43.60	43.60
Josephine Semaken							415.61	415.61
Wolf Swartz							120.00	120.00
Alisia Lopez							1191.21	1191.21
Fairview Manor Apts							2286.00	2286.00
Wolf Swartz							900.00	900.00
Byron Captain							2000.00	2000.00
Driftwood Lodge							2058.17	2058.17
Barney Ansalment							378.00	378.00
Jeremiah Vanderpool							378.00	378.00
Bergman Hotel							2178.00	2178.00
C & B of Juneau							60.00	60.00
Sears							379.91	379.91
UAF N.W. Campus				395.80				395.80
DOE/Attec				3850.00				3850.00
DOE/Attec				9556.50				9556.50
George Krier				120.55				120.55
UAF N.W. Campus				1074.55				1074.55
World Express Travel							1341.00	1341.00
Robert Armstron							3183.81	3183.81
American Express Travel							369.00	369.00
Bering Air Inc.							352.00	352.00
Fat Freddie's							261.77	261.77
C.L. Tobin							800.00	800.00
Bianche White		9420.00						9420.00
Asso. of Village Council Presidents		13585.54				6626.64	4368.60	24558.78
Testing Institute of Alaska		5118.00						5118.00
Bianche White		7070.00						7070.00
Kenai Peninsula Comm. College				798.00				798.00
People Count, Inc.				3600.00				3600.00
DOE/Attec				299.00			456.00	755.00
New Frontier				5450.00				5450.00
Linn-Benton College				1114.75				1114.75

FY95 STATE TRAINING AND EMPLOYMENT PROGRAM  
GRANTS  
ALASKA STATEWIDE DELIVERY AREA

Grantee Name	Emplt. Asst.	Indust.Spec.	OJT	Class/Occup.Skill	Relocation Asst.	Tool/Cloth/Gear	Suppt.Svcs	Total
OPAG, Inc.				18400.00				18400.00
New Frontier				2450.00				2450.00
Manny's Drivers				240.00				240.00
Dan S. Ward				595.00			136.00	731.00
Tim Waiker				200.00				200.00
New Frontier			1416.00					1416.00
Preferred Plumbing and Heating			4160.00					4160.00
Scott Koplin						47.26		47.26
Alaska Industrial Hardware						496.55		496.55
US Travel							1629.50	1629.50
Kris Simon							1000.00	1000.00
6 Mile Air Service							100.00	100.00
Quinnat Landing Hotel							11840.00	11840.00
First National Bank of Anchorage							464.00	464.00
Rural Assessment/Base Management	37320.00							37320.00
STEP Pilot Project	121950.00							121950.00
STEP Power Plant Operator				43447.25				43447.25
<b>Total</b>	<b>173666.50</b>	<b>259608.29</b>	<b>8354.75</b>	<b>275036.34</b>	<b>7011.85</b>	<b>7700.19</b>	<b>277551.50</b>	<b>1008939.42</b>
Adjustments	0.00	1305.83	0.00	-10496.00	0.00	-243.19	9433.50	0.14
<b>Adjusted Total</b>	<b>173666.50</b>	<b>260914.12</b>	<b>8354.75</b>	<b>264540.34</b>	<b>7011.85</b>	<b>7457.00</b>	<b>286985.00</b>	<b>1008939.56</b>

FY95 ANCHORAGE SERVICE DELIVERY AREA  
GRANT LINE ITEM ACTUALS

Employment Assistance	200351.00
Industry Specific Training	253819.00
On-the-Job Training	3116.00
Class/Occupational Skill	221733.00
Relocation Assistance	2355.00
Tools/Clothes/Gear	0.00
Support Services	49915.00
	<u>731289.00</u>

STEP PROGRAM  
FY 95 ACTUAL EXPENDITURES  
ANCHORAGE SERVICE DELIVERY AREA

<u>CONTRACTOR</u>	<u>EMP. ASSIST.</u>	<u>TRAINING</u>
Alaska Laborers Training Center		19163
Alaska Laborers Training Center		11829
Alaska Roofers		37920
MILA, Inc.		38364
Nine Star Enterprises	82900	
Older Persons Action Group		58361
Older Persons Action Group	21586	
Alaska Apprenticeship Information Center		24471
Older Persons Action Group		49211
Human Resource Company	95865	
Municipality of Anchorage (space rental)		13082
Adjustments		1418
<b>TOTALS</b>	<b>200351</b>	<b>253819</b>

## FY95 STATE TRAINING & EMPLOYMENT PROGRAM

### INDIVIDUAL REFERRALS ANCHORAGE / MAT-SU SDA

<u>VENDOR NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>
Hudson	Training Supplies	\$35.00
Charter College	Books	\$84.20
AK Health Project	Tuition	\$475.00
AK Health Project	Tuition	\$475.00
Sales Training	Training Materials	\$79.38
Network Business	Tuition	\$6,088.50
AK Computer Institute	Books	\$112.00
Nightingale	Training Materials	\$309.60
The Office Place	Training Supplies	\$13.84
Organization Design	Training Materials	\$861.75
AK Junior College	Tuition	\$1,992.50
Charter College	Books	\$84.20
Pfeiffer	Training Materials	\$82.89
Video Arts	Training Materials	\$582.60
Environmental Management	Tuition	\$1,100.00
JAA, Anchorage	Tuition, Books, Fees	\$3,413.04
Computerland	Tuition	\$589.05
Network Business	Books	\$144.50
SOA, Occupational Licensing	License	\$100.00
Microwarehouse	Training Materials	\$291.44
Seward Marine Ventures	Books	\$63.95
Evergreen	Tuition	\$587.00
Seward Marine Ventures	Books	\$60.95
Paper Design	Training Materials	\$252.02
Executive Gallery	Training Materials	\$144.13
Paper Design	Training Materials	\$7.18
Paper Design	Training Materials	\$12.37
AVTEC	Tuition	\$750.00
AVTEC	Tuition	\$1,212.00
Microwarehouse	Training Materials	\$14.54
Microwarehouse	Training Materials	\$39.01
Microwarehouse	Training Materials	\$14.25
Microwarehouse	Training Materials	\$14.99
Nimco	Training Materials	\$67.50
Nimco	Training Materials	\$76.02

# FY95 STATE TRAINING & EMPLOYMENT PROGRAM

## INDIVIDUAL REFERRALS ANCHORAGE / MAT-SU SDA

<u>VENDOR NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>
Nimco	Training Materials	\$58.02
AVTEC	Tuition	\$997.00
NASW	Books	\$165.00
Charter College	Tuition	\$7,490.00
Network Business	Books	\$99.93
Network Business	Test	\$170.00
Baldwin	Books	\$357.12
Charter College	Books	\$377.75
Paper Design	Training Materials	\$79.46
AVTEC	Tuition	\$349.00
Pfeiffer	Training Materials	\$98.75
AK Junior College	Tuition	\$1,805.50
Charter College	Books	\$18.74
SOA, Occupational Licensing	License	\$100.00
Pfeiffer	Training Materials	\$748.75
Cambridge ED	Books	\$543.73
Network Business	Tuition	\$6,835.41
Mat-Su College	Tuition	\$3,601.00
AIB Tech	Tuition	\$6,033.00
SOA, Occupational Licensing	License	\$150.00
AK Tech Training	Tuition	\$4,966.00
AK Computer Institute	Tuition	\$6,000.00
Grestone	Tuition	\$1,214.00
Pfeiffer	Training Materials	\$106.24
OMNI	Books	\$299.00
UAA, Anchorage	Tuition, Books, Fees	\$12,577.13
JIST	Training Materials	\$250.73
Microwarehouse	Training Materials	\$278.78
Microwarehouse	Training Materials	\$308.28
Travel Academy	Tuition	\$3,560.00
Evergreen	Tuition	\$1,967.76
NASW	Books	\$128.95
OPAG	Tuition	\$2,000.00
OPAG	Tuition	\$200.00
OPAG	Tuition	\$2,000.00

## FY95 STATE TRAINING & EMPLOYMENT PROGRAM

### INDIVIDUAL REFERRALS ANCHORAGE / MAT-SU SDA

<u>VENDOR NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>
Paper Design	Training Materials	\$84.73
Paper Design	Training Materials	\$139.45
AK Tech Training	Admission Fees	\$35.00
Kinkos	Training Materials	\$158.36
Paper Design	Training Materials	\$23.90
Seward Marine Ventures	Books	\$48.00
College for Financial	Tuition	\$1,995.00
Video Arts	Training Materials	\$490.00
JIST	Training Materials	\$53.70
JIST	Training Materials	\$119.00
JIST	Training Materials	\$254.80
AK Tech Training	Tuition	\$4,686.00
AK Junior College	Tuition	\$3,610.62
UAA, Anchorage	Training Supplies	\$15.00
Executive Gallery	Training Materials	\$546.32
Tamsher	Books	\$275.00
Personal Driving	Tuition	\$2,400.00
UAA, Anchorage	Tuition	\$2,149.25
Kinkos	Training Materials	\$106.00
Kinkos	Training Materials	\$165.14
At Risk	Training Materials	\$1,060.13
DHL	Training Materials	\$17.50
McGraw Hill	Training Materials	\$223.30
Harty Heating	OJT Wages	\$181.00
The Office Place	Training Materials	\$260.00
DHL	Training Materials	\$8.00
DHL	Training Materials	\$7.00
DHL	Training Materials	\$8.00
OPAG	Tuition	\$2,000.00
OPAG	Tuition	\$2,000.00
OPAG	Tuition	\$2,000.00
OPAG	Tuition	\$2,000.00
Flight Safety	Tuition	\$860.50
JIST	Training Materials	\$98.50
JIST	Training Materials	\$194.45

# FY95 STATE TRAINING & EMPLOYMENT PROGRAM

## INDIVIDUAL REFERRALS ANCHORAGE / MAT-SU SDA

<u>VENDOR NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>
Kinkos	Training Materials	\$152.70
Kinkos	Training Materials	\$178.20
American Media	OJT Wages	\$714.95
SOA, Occupational Licensing	License	\$80.00
South AK Carpenter	Books	\$150.00
Mat-Su College	Tuition	\$3,985.50
American Media	OJT Wages	\$397.50
Airborn Express	Books	\$40.00
Video Arts	Training Materials	\$3,500.00
Mat-Su College	OJT Wages	\$298.00
Center for Employment	Tuition	\$4,030.00
Network Business	Tuition	\$5,542.49
Hardy Heating	OJT Wages	\$459.00
Hardy Heating	OJT Wages	\$480.00
OD & D	Training Materials	\$555.43
OD & D	Training Materials	\$123.75
DHL	Training Materials	\$8.00
HDR	Training Materials	\$347.54
Microwarehouse	Training Materials	\$54.98
Microwarehouse	Training Materials	\$81.45
Microwarehouse	Training Materials	\$247.94
Network Business	Tuition	\$5,163.99
UAA, Anchorage	Tuition, Books, Fees	\$15,585.84
Bureau for At Risk	Tuition	\$1,528.65
OD & D	Training Materials	\$20.00
NRI	Training Materials	\$1,651.00
Scott Walks	Relocation Costs	\$2,355.33
Testing Institute	Books	\$67.75
Testing Institute	Tuition	\$2,780.00
The Office Place	Training Materials	\$19.65
The Office Place	Training Materials	\$32.56
McGraw Hill	Training Materials	\$638.35
Journal Entry	Tuition	\$38,829.00
Executive Gallery	Training Materials	\$39.99
Environmental Management	Tuition	\$595.00

# FY95 STATE TRAINING & EMPLOYMENT PROGRAM

## INDIVIDUAL REFERRALS ANCHORAGE / MAT-SU SDA

<u>VENDOR NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>
Hardy Heating	OJT Wages	\$576.00
Flight Training	Tuition	\$4,800.00
Charter College	Books	\$156.00
Mining & Petroleum	Books	\$100.00
Network Business	books	\$85.00
IBEW	Training Supplies	\$190.50
UAA, Southeast	Tuition	\$520.00
Flight Safety	Tuition	\$620.50
Mat-Su College	Tuition	\$1,272.50
UAA, Anchorage	Tuition, Books, Fees	\$12,116.18
The Office Place	Training Materials	\$57.85
The Office Place	Training Materials	\$98.26
AK Career Information System	Training Materials	\$855.00
The Office Place	Training Materials	\$198.00
The Office Place	Training Materials	\$384.00
<b>TOTAL INDIVIDUAL REFERRALS</b>		<b>\$227,203.41</b>

FY95 FAIRBANKS SERVICE DELIVERY AREA  
GRANT LINE ITEM ACTUALS

Employment Assistance	27794.00
Industry Specific Training	42832.00
On-the-Job Training	27142.00
Class/Occupational Skills	60508.00
Relocation Assistance	0.00
Tools/Clothes/Gear	2400.00
Support Services	6943.00
	<hr/>
	169619.00

FY95 FAIRBANKS SERVICE DELIVERY AREA  
GRANT LINE ITEM ACTUALS

FAIRBANKS SDA  
SUPPORT SERVICE FEES

EMPLOYMENT ASSISTANTS ENROLLEES

Participant Name

Maureen Carey  
Jocelyn Coghill  
Ross Atkinson  
Karen Enoch  
Elizabeth Fleener  
Pedro Delgado  
David Gross  
David Polston  
Nan Suddath  
John Tester  
Nancy Wood  
Delmar Pitts  
Clare Witascheck  
Sandra Nutting  
Feletha Holmes  
Susan Wiggins  
Nickile Williams  
Pamela Lomax  
Karla Kreizenbeck  
Claudra Hughes  
Woody Hill  
Vickie Longinetti  
Esther Capelle

Employment Assistant is calculated to include 23 participants, provided with approximately 48 hours per participant, per year.

The total expenditure for Employment Assistant is \$27,794.00.

# FY95 STATE TRAINING & EMPLOYMENT PROGRAM

## GRANTS

### FAIRBANKS PRIVATE INDUSTRY COUNCIL

#### INDUSTRY SPECIFIC

<u>NAME</u>	<u>LOCATION</u>	<u>AMOUNT</u>
Alaska Joint Electrical Training Trust	Fairbanks	\$10,370
Alaska Laborers Training Trust	Fairbanks	\$11,700
Fairbanks Area Painters/Decor	Fairbanks	\$2,813
Fairbanks Area Sheet Metal Workers	Fairbanks	\$2,950
Fairbanks Carpenter Training Center	Fairbanks	\$15,000
<b>TOTAL</b>		<b>\$42,833</b>

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#### OJT

<u>NAME</u>	<u>LOCATION</u>	<u>AMOUNT</u>
Premier Realty	Fairbanks	\$3,720
Nortech Engineering	Fairbanks	\$3,840
Fairbanks Native Association	Fairbanks	\$4,080
Fairbanks Alignment	Fairbanks	\$3,800
Arctic Technical Services	Fairbanks	\$2,720
North Pole Optical	Fairbanks	\$3,840
Rural Alaska Insurance Company	Fairbanks	\$1,302
Nortech Engineering	Fairbanks	\$3,840
<b>TOTAL</b>		<b>\$27,142</b>

## FY95 STATE TRAINING & EMPLOYMENT PROGRAM

### PARTICIPANTS AT UAF

<u>PARTICIPANT NAME</u>	CLASS OCC.		SUPPORT <u>SERVICE</u>
	<u>SKILLS TRAINING</u>	<u>TOOLS</u>	
Richard Robertson	\$2,343.00		\$255.00
Cyrus Flores	\$2,183.50		\$440.00
Judi Petty	\$1,282.00	\$150.00	\$633.00
Donald Allison	\$1,174.00		\$419.00
Lois Adams	\$544.00		\$145.00
Constance Gray	\$774.00		\$90.00
Michael Haney	\$1,211.00		\$419.00
Ronald Brooks	\$592.00		\$25.00
Marge Russell	\$303.00		
Bobbie Kelly	\$2,784.95	\$258.95	\$260.00
Johnrese Tutt	\$5,685.00		\$140.00
Edgar Stephens			\$230.00
Sandra Kostli	\$4,148.00		\$265.00
Linda Harrison			
Cleveland Ash	\$380.00		\$25.00
John Simpson	\$673.00	\$414.12	\$352.95
Alice Coleman	\$1,947.00		\$721.00
Wendy Blakeman	\$1,180.00	\$706.26	
Rodney Lewis	\$2,516.00		\$819.00
Sandra Harriot	\$1,624.00		\$400.00
Maria Hoventen	\$759.00		\$50.00
Jacqueline Scholle	\$1,230.00		\$443.00
Marcia Sayne	\$503.00		\$105.00
Loren Gerrety	\$3,177.00		\$977.20
Sally Rowlett	\$1,602.00		\$760.00
Sandra Sedwart	\$1,159.00	\$200.00	\$419.00
Elizabeth Beck	\$298.00		\$25.00
Katherine Kilbourn	\$1,678.65		\$100.00
Nancy Wood	\$132.00		\$25.00
Katy Goff	\$125.00		
<b>UAF SUB-TOTALS</b>	<b>\$42,008.10</b>	<b>\$1,729.33</b>	<b>\$8,543.15</b>

## FY95 STATE TRAINING & EMPLOYMENT PROGRAM

### PARTICIPANTS AT NEW CONCEPT BEAUTY SCHOOL

	CLASS OCC.		
<u>PARTICIPANT NAME</u>	<u>SKILL TRAINING</u>	<u>TOOLS</u>	<u>SUPPORT SERVICE</u>
Satya Woodruff	\$4,040.00		\$200.00
Lorrie Olsen	\$2,380.00	\$423.09	\$200.00
Diane Platt	\$3,380.00	\$248.00	
 NCBS SUB-TOTALS	 \$9,800.00	 \$671.09	 \$400.00

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### PARTICIPANTS AT SCHOOL OF INTERGRATING SHIATSU

	CLASS OCC.		
<u>PARTICIPANT NAME</u>	<u>SKILLS TRAINING</u>	<u>TOOLS</u>	<u>SUPPORT SERVICE</u>
Laurel Drews	\$3,856.50		
Kimberly Allison	\$2,849.00		
 SIS SUB-TOTALS	 \$6,705.50		

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### PARTICIPANTS AT NATIONAL RADIO INSTITUTE (NRI)

	CLASS OCC.		
<u>PARTICIPANT NAME</u>	<u>SKILLS TRAINING</u>	<u>TOOLS</u>	<u>SUPPORT SERVICE</u>
David Bond	\$1,995.00		
 NRI SUB-TOTALS	 \$1,995.00		

PARTICIPANTS TOTALS	\$60,508.60	\$2,400.42	\$8,943.15
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# Alaska State Legislature

Committee Chair  
Community & Regional Affairs

Committee Vice-Chair  
Labor & Commerce

Committee Membership  
Legislative Council



District Address:  
145 Main St. Loop; Suite 226  
Kenai, AK 99611  
(907) 283-2690; fax 283-9267

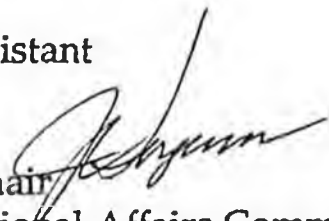
Session Address:  
State Capitol, Room 427  
Juneau, AK 99801-1182  
(907) 465-2828; fax 465-4779

*Senator John Torgerson*

## MEMORANDUM

February 22, 1996

TO: Dwight Perkins, Special Assistant  
Department of Labor

FROM: Senator John Torgerson, Chair   
Senate Community and Regional Affairs Committee

RE: SB 229, State Training and Employment Program

There are several issues regarding Senate Bill 229 that still need some clarification. Please provide the information requested below:

- Produce an easy-to-read spreadsheet indicating exactly where and for what purpose STEP funds were used in FY 95, FY 96 and anticipated to be used in FY 97. If possible, provide a breakdown of the type of individualized services provided. A sample of the possible layout is attached.
- Clearly identify that the 1/10 of 1 percent actually comes from the employee's unemployment insurance contribution and explain how that is verified
- Provide options on how this program could be set up so that all STEP funds are used for program recipients and the administrative costs are paid separately; or how the administrative costs could be capped to guarantee that no more than a certain dollar amount or percentage of the funds could be used for administration.

Attachment





### **Testimony on SB 229**

Thank you M. Chairman for the opportunity to speak on SB 229. For the record my name is David Stone, I am the President of The Council of Alaska Producers. The Council is a non profit corporation whose members are essentially all of the major hard rock mining companies that are actively exploring, developing and operating in Alaska. Examples are Cominco and the Red Dog project, Kennecott and the Greens Creek Mine, Nevada Gold Fields and Nixon Forks mine.

On behalf of the Council I would like to express the mining industry support for the permanent Reauthorization of State Training & Employment Program (STEP).

This program is and has been Business friendly and business accessible. The program encourages business to invest in the skills of Alaskans and not look outside for trained and qualified workers.

The program helps the Alaskan work force keep up to date with new technologies and techniques keeping it competitive in the world economy. The program is more flexible and has less restrictions than most federal job training programs. The primary reason for that is due to the fact that the program is designed by and administered by Alaskans.

The program has been well integrated with the other employment and training programs through the delivery of the already established and proven private Industry Councils, and compliments these efforts.

STEP has already trained Alaskans and resulted in jobs in the mining industry such as the Nixon Forks mine near McGrath and the Greens Creek mine near Juneau. STEP has also helped workers who lost their jobs with the shut down of the Cambior Valdez Creek mine.

As the mining industry grows and creates new high paying jobs in Alaska, STEP can help ensure that Alaskans will be trained and qualified to fill these jobs.

The Council of Alaska Producers views STEP as a true partnership between the State of Alaska and Industry that results in jobs being filled by Alaskans. We urge you to pass SB 229 and make STEP permanent.

# Alaska State Legislature

Committee Chair  
Community & Regional Affairs

Committee Vice-Chair  
Labor & Commerce

Committee Membership  
Legislative Council



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Juneau, AK 99801-1182  
(907) 465-2828; fax 465-4779

*Senator John Torgerson*

## SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE M E M O R A N D U M

**DATE:** February 20, 1996

**TO:** Senator Randy Phillips, Vice Chair  
Senator Tim Kelly  
Senator Lyman Hoffman  
Senator Fred Zharoff

**FROM:** Senator John Torgerson, Chair  
Community and Regional Affairs Committee

**RE:** SB 229 State Employment and Training Program

Several questions were raised at the last committee hearing on SB 229, State Employment and Training Program. I met with staff of the Departments of Labor and Community and Regional Affairs and obtained additional information in answer to these questions. Below is a summary of the departments' responses.

- Provide further clarification of the flow of funds for the STEP program:  
A flowchart with additional narrative (a copy of which will be in your bill packet) shows that the funds come from the UI trust fund. In general, of the \$3,946.2 allocated for the program in FY 97, \$843.0 (21%) will go towards data collection and administration of the program, and \$3,103.2 (79%) is available for grants of one type or another.

The Department of Labor retains \$616.6. Of that amount, \$250.0 is allocated for the cost of collecting and accounting for STEP's portion of the UI tax; \$252.6 is allocated for updating and maintaining the Labor Market Information Occupational Database from which statistics are used to evaluate STEP's effectiveness and prepare the annual Resident Hire Report; and \$114.0 is a grant received from DC&RA to provide direct service delivery such as vocational counseling and testing.

The Alaska Human Resource Investment Council receives \$110.0 most likely to pay for the administration of the grants.

The Department of Community & Regional Affairs receives \$3,333.6 (probably through RSA from AHRIC). Of that amount, \$230.4 is allocated for administration of the program with \$2,989.2 available in grants (this amount is remaining after the \$114.0 grant to Labor mentioned above). These grants go both to organizations for the provision of training programs--approximately \$1,080.7 in FY 95 (recipients are determined by RFP)--and for individualized services. Examples of individualized services include, paying the transportation costs of an individual to attend training; assisting in the relocation of an individual to another part of Alaska to take a position, or go to school, etc. The Department of Community & Regional Affairs provided updated fiscal notes.

- Additional background was provided regarding how the federal and state governments negotiated the amount of funds that should be reimbursed to the federal government for the cost of collecting STEP funds. It was pointed out that if STEP is not passed, this money will not be saved, nor will any positions be deleted. The result would be that the \$250.0 in federal funds replaced by the STEP reimbursement would not be available for further department funding.
- An updated spreadsheet showing FY 95 grant recipients, type of training, and number of participants was provided.

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

**DEPARTMENT OF LABOR  
EMPLOYMENT SECURITY DIVISION  
ALASKA EMPLOYMENT SERVICE  
DIRECTOR'S OFFICE**

1111 W. 8TH STREET, SUITE 208  
P.O. BOX 25509  
JUNEAU, ALASKA 99802-5509  
PHONE: (907) 465-2712  
FAX: (907) 465-4537

February 9, 1996

The Honorable John Torgerson  
Chairman, Senate Community &  
Regional Affairs Committee  
Alaska State Legislature  
State Capitol, Room 427  
Juneau, Alaska 99801

Dear Senator Torgerson:

Re: Senate Bill No. 229

This is to provide the additional information requested by committee members as a result of testimony on Wednesday, February 7, for State Training and Employment Program (STEP) legislation and is divided into sections representing the areas of inquiry.

## **BACKGROUND**

The STEP legislation before you enables this pilot worker training program to become permanent, allowing the Department of Labor to continue to collect one-tenth of one percent of each worker's wages subject to regular UI contributions into a special "Employment Assistance and Training Program Account." The money collected for the past six years has been appropriated for use by the state legislature to fund STEP. If this program does not become permanent, it will terminate and thus end a proven, self-supporting training program for Alaska's workers.

## **CLARIFICATION OF ADMINISTRATIVE COSTS FOR ACCOUNTING & COLLECTION**

\$250.0 is allocated in FY97 for administrative costs as inter-agency transfer to the Department of Labor, Unemployment Insurance program for STEP revenue collection and accounting services according to a prescriptive methodology determined by the U.S. Department of Labor (see attached agreement, dated 5/19/94):

"USDOL has determined the methodology for allocating the UI tax collection costs based on the number of bytes used in the UI tax collection data base files that benefit both Federal and State programs. Shared costs are those costs that benefit more than one program. The shared costs allocation plan revealed that the State program benefits from all UI tax collection operations and related Administrative functions in the Employment Security Division of the Alaska Department of Labor. STEP's share of the above cost was computed to be 19 percent."

The agreement is in accordance with OMB Circular A-87 "Cost Principles for State and Local Governments" and GAL No. 4-91. There are 19 full-time equivalent (FTE) positions in the ESD tax collection and accounting services section that charge back to the STEP system at this rate of 19 percent as prescribed by the USDOL reimbursement plan. All costs charged back are strictly related to the administrative tasks of accounting and collection of STEP monies.

#### **CLARIFICATION OF STEP RSA FUNDED POSITIONS**

The Employment Security Division received State Employment and Training Program Funds through two Reimbursable Services Agreements (RSAs) with the Department of Community and Regional Affairs Statewide Service Delivery Area in Fiscal Year 1995. The first RSA contained \$45,906 for personal services, used to provide one-quarter funding for each of three Vocational Counselors for assessment, counseling, training, and other employability services: one in Ketchikan, one in Fairbanks, and one in Nome. The second STEP RSA contained \$107,467 for personal services that funded one full-time equivalent reemployment services position in Juneau, one in Kenai, and a half-time service delivery position in Ketchikan.

#### **CLARIFICATION OF GRANTEE LIST**

At this time, we are not able to provide a complete list of all FY'95 subgrants by Service Delivery Area because Fairbanks is still in the process of awarding, however as soon as this information becomes available, we will promptly supply it to the Committee. We anticipate a full list deliverable by late April 1996.

For purposes of clarification, attached is a breakdown of the types of training from the 1990 through 1994 STEP list of contractors.

## CLARIFICATION OF FISCAL NOTE

For FY'97 the total projected contractual amount of STEP funding sources is estimated at \$3,946.2. Of that, \$3,333.6 is projected for inter-agency transfer to Department of Community and Regional Affairs to fund the STEP grant program, addressing training and employment assistance needs of Alaska's workers. STEP supports a Grants Administrator II position located in Juneau for the Statewide Service Delivery component, at an estimated FY'97 cost of \$66,498. For the Job Training Partnership Act component, STEP supports an Internal Auditor II position located in Anchorage at an estimated FY'97 cost of \$56,900. Both STEP supported positions are estimated to cost a total of \$123,398.

\$252.6 of the FY'97 total amount is projected for inter-agency transfer to the Department of Labor for Labor Market Information (LMI). A private sector vendor is contracted for data entry of information from the state quarterly unemployment insurance tax reports to determine who's employed in what kind of job. Additionally, the LMI component supports 2.5 positions in Research and Analysis for data collection and analysis, supplying information for program evaluation, and preparing the annual Resident Hire Report. One and three quarters statistical technician positions enter data about occupations, where the job is, and maintain historical files. Three quarters of labor economist time is used to analyze the STEP data, evaluate the success of STEP, and to produce the Resident Hire Report. We also provide information about the success of other state employment and training programs such as JOBS and the Alaska Vocational Technical (AVTEC) programs.

The \$250.0 projected as an inter-agency transfer to Department of Labor, Unemployment Insurance program for STEP revenue collection and accounting services is explained in previous section, *Clarification of Administrative Costs for Accounting and Collection*.

\$110.0 of the FY'97 total is projected for an inter-agency transfer to the Alaska Human Resource Investment Council (AHRIC). The first session of the Nineteenth Alaska State Legislature enacted legislation establishing the Council. AHRIC consolidates federally-mandated advisory councils to streamline functions, reducing redundancy and waste. The goal is to have a fully trained and qualified Alaskan ready for every Alaskan job.

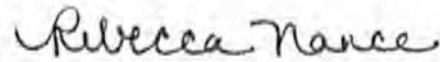
The Honorable John Torgerson  
Chairman, Senate Community &  
Regional Affairs Committee

-4-

February 9, 1996

If I can be of any further assistance to you, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Rebecca Nance".

Rebecca Nance  
Director

cc: Members of the Senate  
Community & Regional Affairs Committee

Enclosures

U.S. Department of Labor

Office of the Assistant Secretary  
for Administration and Management  
Washington, D.C. 20210



Reply to the Attention of:

May 19, 1994

Judy Knight, Director  
Alaska Department of Labor  
Employment Security Division  
1111 West 8th Street, Suite 208  
P. O. Box 25509  
Juneau, Alaska 99802-5509

Dear Ms. Knight:

Your revised Unemployment Insurance (UI) Tax Collection Cost Sharing Proposal dated April 5, 1994 and submitted in response to General Administrative Letter No. 4-91 is acceptable for determining the cost of collecting the Alaska State Training and Employment Program (STEP) tax. The methodology for allocating the UI tax collection costs was based on the number of bytes used in the UI tax collection data base files that benefit both Federal and State programs.

Shared costs are those costs that benefit more than one program. The shared cost allocation plan revealed that the State program benefits from all UI tax collection operations (300 code) and related Administrative functions (400 code) in the Employment Security Division of the Alaska Department of Labor.

STEP's share of the above costs was computed to be 19 percent.

Printing and postage costs associated with mailing the quarterly tax forms and any printing costs identified as benefiting all taxes will be allocated on the same percentage listed above.

This agreement recognizes the shared cost requirements of OMB Circular A-87 "Cost Principles for State and Local Governments" and GAL No. 4-91. To match expenses with taxes collected, this plan is effective July 1, 1994 and will remain in effect until such circumstances warrant revising the cost sharing plan or the STEP program is discontinued.

The actual amount of the state reimbursement will be calculated from the costs reported on the Employment Security Division's cost accounting system.

By December 31 of each year, the Alaska Employment Security Division will furnish a summary report which will identify the

costs collected under this plan with sufficient detail as to permit an independent verification that the plan is being followed. The first report will be due by July 31, 1995 and will cover the costs for the State fiscal year ending June 30, 1995. The report will be sent to:

Regional Administrator for OASAM  
U. S. Department of Labor  
Attn: Regional Cost Negotiator  
Suite 815  
1111 Third Avenue  
Seattle, Washington 98101-3212

Please acknowledge your acceptance of this agreement by signing below and returning a copy to me. A self-addressed envelope is enclosed for your convenience in returning the negotiation agreement.

Judy Knight  
Judy Knight, Director  
Alaska Department of Labor  
Employment Security Division

Date: 9/9/94

Nicholas Jovgras  
NICHOLAS JOVGRAS, Director  
Div. of Cost Determination  
Off. of Acq. Integrity

Date: 9/23/94

... ..

## Summary of Answers from Dept. of Labor

- Provide more details on fiscal note
  - \$3,333,600 DCRA interagency transfer
  - \$123,398 Grants Administrator II (\$66,498); Internal Auditor II (\$56,900)
  - \$3,210,202 STEP Grants (assume)
  
  - \$252,600 DOL for Labor Market Information
    - a) private sector vendor for data entry from quarterly UI tax reports to determine who's employed doing what
    - b) 2.5 Research & Analysis positions for data collection, analysis, supplying information for program evaluation, preparing annual Resident Hire Report
    - c) 1.75 statistical technicians for data entry on occupations, where job is and maintain historical files
    - d) .75 Labor Economist to analyze STEP data, evaluate STEP success, produce Resident Hire Report
  - Provide information on success of other state employment and training programs such as JOBS and AVTEC programs
  - \$250,000 DOL, UI program for STEP revenue collection/accounting services
  
  - \$110,000 AHRIC, Alaska Human Resource Investment Council
  
  - \$3,946,200 Total Fiscal Note

- Why the high cost of collecting funds?

The costs for the collection of UI taxes are allocated to the different programs based on the number of bytes used in the UI tax collection data base files that benefit both state and federal programs. STEP's share was computed to be 19%. This percentage is also applied to printing and postage costs associated with mailing quarterly tax forms, etc.

- How many state employees are involved with STEP now? How many if a permanent program?

FY 95 costs showed \$153,373 for the following positions in the Dept. of Labor

- \$45,906 .75 Vocational Counselors for assessment, counseling, training, and other employability services (1/4 funding for 3 different positions, one in Ketchikan, Fairbanks and Nome)
- \$107,467 2 Reemployment Services position (Juneau, Kenai)
- .5 Service Delivery Position (Ketchikan)

- list of FY 95 grants; type of training provided by grants in FY 94

Should be forthcoming

- Cashflow of funds from UI to Labor to STEP to grants

**Alaska State Training and Employment Program  
List of Contractors  
Fiscal Year and Program**

Contractor		Estimated Participants	Award Amount
<b>State Fiscal Year 1990</b>			<b>\$286,537</b>
<b>JTPO*</b>			
Alaska Laborer's Construction Industry Training Trust Fund	Pre-apprenticeship	84	\$12,669
Alaska Teamsters Employer Service Training Trust	Remote weather station training	NA	\$8,301
Alaska Teamsters Employer Service Training Trust	Remote weather station training	NA	\$17,083
Older Persons Action Group	Clerical, business occupations	20	\$16,308
Southeast Regional Resource Center	Clerical, Accounting	33	\$67,563
Vocational Resources and Services	Clerical	20	\$76,056
<b>Statewide</b>			
AFL/CIO-International Brotherhood of Painters & Allied Trades	Hazardous Painting	15	\$22,952
AHTNA Heritage Foundation	Backscatter Basic Skills Training	50	\$20,581
Alaska Apprenticeship & Training Coordinators Assoc.	Backscatter Radar Project	25	\$27,506
Alaska Laborers Training Trust Fund	Nome Asbestos Abatement	16	\$17,518
<b>State Fiscal Year 1991</b>			<b>\$1,211,977</b>
<b>Anchorage</b>			
Alaska Carpenters	Carpentry Training with Job Placement	12	\$37,431
Alaska Laborers	Stakeshop Construction Training with Job Placement	18	\$15,017
Alaska Laborers	Asphalt Construction Training with Job Placement	36	\$17,389
Alaska Laborers	Traffic Control Supervisory Training with Job Placement	5	\$2,593
Crawford Rehabilitation	On-the-job Training (Individualized)	15	\$71,850
Mila, Inc	Inv Stor Frl Handling, Data Ctl & Computed Trg w/ Job Placement	132	\$162,099
Older Persons Action Group	Basic Skills/Work Maturity/Life Skills Training	20	\$40,057
Older Persons Action Group	Home Health Aide Training With Job Placement	12	\$21,031
Older Persons Action Group	Computer Skills Training With Job Placement	12	\$21,031
<b>Fairbanks</b>			
Alaska Joint Electric Apprenticeship Training Trust	CDL	40	\$30,713
Alaska Laborers Training Trust	Construction Laborers Task	263	\$26,613
Alaska Laborers Trust	Construction Laborers Task	32	\$9,408
Alaska Motor Inn	Desk Clerk	1	\$801
Alaska Window	Accountant/Bookkeeper	1	\$3,840
All Alaska Weekly	Business Manager	1	\$1,920

Sheet1

Fiscal Year 91 Continued			
Associate Minority Contract	Construction Skills Estimating	12	\$8,930
Automated Business Center	Account Representative	1	\$1,019
Automated Business Center	Office Machine Servicer	1	\$2,160
Data Cache	Bookkeeper/Accountant	1	\$3,200
Fairbanks Alaska Area Plumbers & Pipefitters Appr. Comm.	Plumbing Skills/Welding	30	\$43,489
Fairbanks Area Carpenters	Basic Carpentry	61	\$77,530
Fairbanks Area Painters & Decorators	Hazard Painting, Confined Entry, State Pntg Cert	30	\$35,740
Fairbanks Furniture Store	Sales Manager	1	\$1,920
Fairbanks Hotel	Reception/Desk Clerk, Accounting	1	\$1,920
Fairbanks Nissan, V W. & Honda	Shipping and Receiving Clerk	1	\$2,800
Fairbanks Sheet Metal Workers Intl	Print reading, layout, design, welding, vent layout	44	\$22,694
Gambardella Pasta Bells	Baker	1	\$1,280
Gem Labs of Alaska	Customer Support	1	\$3,000
Kila, Inc	Receptionist, Driver	2	\$3,680
Loflus & Dailey Inc	Design Engineer	1	\$6,400
Matrix Jewelers	Jeweler Apprentice	1	\$4,320
McCauley's Reproductions	Retail Clerk, Photo Technician	2	\$2,240
Mike University Service Inc.	Service Station Sales Person	1	\$800
Polaris Hotel	Building Maintenance Technician	1	\$1,400
Power Sound	Sound and Lighting Technician	1	\$3,280
Uniglobe Outbound Travel	Travel Agent	1	\$4,480
<b>Statewide</b>			
AFL/CIO Fairbanks Building and Construction Trades Council	Preemployment Skills Training	30	\$58,210
AFL/CIO-International Brotherhood of Painters & Allied Trades	Hazardous Painting & Corosion Control	35	\$22,000
AHTNA Heritage Foundation	Basic Skills Assessment & Training	50	\$108,000
Alaska Apprenticeship & Training Coordinators Assoc.	Apprenticeship Recruitment Project	150	\$95,132
Alaska Laborers	Juneau Asbestos Abatement	16	\$17,388
Alaska Laborers Training Trust Fund	Nome Asbestos Abatement	24	\$26,000
Alaska Laborers Training Trust Fund	Rural Transportation	40	\$21,152
Fairbanks Area Painters & Decorators	Painting/Corosion Control	30	\$9,000
Alaska Teamsters Employer Service Training Trust	Heavy Equipment Tire Repair	20	\$13,000
Southeast Regional Resource Center	Office Occupations	13	\$22,815
UAS/CDA Training Project	Community Development Assoc	9	\$15,000
UAS/Institute of Mining Technology	Mining Occupations	25	\$110,205

State Fiscal Year 1992			\$821,280
<b>Anchorage</b>			
Alaska Laborers	Traffic Control/Instruction Supervisory Training	5	\$2,546
Alaska Laborers	Asphalt/Road Construction Training	5	\$40,057
Mila, Inc	Computer Trg in Warehousing Inventory, Acctg & Clerical Skills	91	\$148,126
Elder Persons Action Group	Computer Training in Clerical/Accounting	13	\$40,057
<b>Fairbanks</b>			
AlasCan Inc	Safe/Proper Operation of Polyurea Materials	17	\$20,000
Alaska Birch Syrup Company	Sap Technician	5	\$5,070
Alaska Joint Electric Apprenticeship Training Trust	Splicing of Communication Cable	12	\$11,406
Alaska Joint Electric Apprenticeship Training Trust	Journeyman Inside Wireman	20	\$9,240
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Fairbanks Alignment & Auto Repair	Mechanic Helper	1	\$960
Fairbanks Area Painters & Decorators	Safety/Hazard Recog, Painting/Drywall Finishing	47	\$3,557
Fairbanks Furniture	Sales Manager	1	\$890
Fairbanks Furniture	Sales Manager	1	\$1,920
FNA, Regional Center for Alcohol & Other Addictions	Subsistence Abuse Counselor	1	\$3,236
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Loftus & Dailey, Inc	Design Engineer	1	\$1,288
Matrix Jewelers	Jeweler Apprentice	2	\$6,720
Matrix Jewelers	Jeweler Apprentice	1	\$3,068
Plumbers & Pipefitters Joint	Underground Storage Tank Workers	NA	\$15,000
Sheet Metal Workers Intl	Sheetmetal Apprenticeship/heating, Vent & Con	19	\$12,558
Sheet Metal Workers Intl	Terminology, formulas & new standards weldg	27	\$13,289
Skidmore Machine Company	Machinist	1	\$2,160
Team Cutters Inc	Designer/Stylist	4	\$11,171
Toklat Apiaries	Bee Keepers/Honey Manufacturers	4	\$2,585
Uinglobe Outbound Travel	Travel Agent	1	\$4,480
University Resumo	Receptionist	1	\$2,400

Sheet1

Fiscal Year 1992 Continued			
		<b>Statewide</b>	
Alaska Commercial Company	Meat Cutter/Retail Management	4	\$40,000
Alaska Department of Labor/ESD-Job Service	Employment Assistance Workshops	350	\$83,812
Alaska Joint Electrical Apprenticeship & Training Trust	Fiber Optics	42	\$15,548
Alaska Laborers Training Trust Fund	Rural Transportation Grant	20	\$11,989
Alaska Laborers Training Trust Fund	Hazardous Waste Removal	16	\$24,533
Alaska State Department of Education	(AV/EC) Factory Trainer Training	60	\$17,235
Fairbanks Area Painters & Decorators JATC	Construction Trades Heiber/Dry Wall	6	\$12,250
Fairbanks Area Painters & Decorators JATC	Construction Trades Heiber/Dry Wall	6	\$15,150
People Count, Inc	Office Occupations/Tourism	20	\$43,033
South East Alaska Regional Resource Center	Nurses Aide	30	\$50,000
UAS	Deckhand Safety Training	40	\$90,000
<b>State Fiscal Year 1993</b>			<b>\$1,031,461</b>
		<b>Anchorage</b>	
Alaska Employment Service/Anch	Employment Assistance	70	\$33,712
Alaska Laborers	Traffic Control/Construction Supervisory Training	15	\$5,301
Alaska Laborers	Road Construction Asphalt/Paving Training	15	\$20,923
Alaska Roofers	Roofing Training	15	\$42,030
Mila, Inc	Computerized Accounting & Clerical Training	62	\$72,294
Nine Star Enterprises	Employment Assistance	125	\$93,900
Older Persons Action Group	Certified Nurse Aide Training	15	\$43,971
Older Persons Action Group	Computerized Accounting & Clerical Training	16	\$45,369
Painters Allied Trade	Painting/Glazing Training	50	\$34,200
		<b>Fairbanks</b>	
AES Electrical Supply	Electrical Surplus Sales/Purchase Tech.	1	\$5,760
Alaska Gold 'N' Gems	Apprentice Jeweler	1	\$3,840
Law Office of Rita Alle	Legal Secretary	1	\$2,880
Hose & Thistle	Bridal Consultant	1	\$3,360
Royal Forks Buffet	Assistant Manager	1	\$3,926
		<b>Statewide</b>	
Alaska Joint Electrical Apprenticeship & Training Trust	Electrical/Telecommunications & Fiber Optics	12	\$4,268
Alaska Laborers Training Trust Fund	Juneau Recert - Asbestos Abatement	48	\$11,571
Alaska Laborers Training Trust Fund	Kenai Oil Field Safety Training	24	\$8,026
Alaska Laborers Training Trust Fund	Rural Transportation	30	\$19,361
Alaska Laborers Training Trust Fund	Nome Recert - Asbestos Abatement	28	\$5,945

Sheet 1

Fiscal Year 93 Continued			
Alaska Vocational Technical Center	Power Plant Operator	12	\$32,832
Bartlett Memorial Hospital	Ambulance/EMT Training	10	\$59,878
Fresh Fish Company	Custom Seafood Processing/Packing	10	\$5,000
Golden Age Fisheries	Commerce Fishing Management	8	\$75,600
Northwest Arctic Borough	Utilities Maint /Repair	8	\$41,750
Northwest Arctic Borough	Economic Dev. Paraprofessional Training	2	\$16,340
Ocean Beauty; Chatham Straits Seafood	Roe Tech Training	8	\$66,344
Older Persons Action Group	Personal Care Alter.	66	\$232,947
UAS	Deckhand Upgrade Training	20	\$40,133
State Fiscal Year 1995			<u>\$1,080,656</u>
Statewide			
Alaska Joint Electrical Apprenticeship Training Trust	Electrician, Telephone, Communications	24	\$40,640
Alaska Laborers Training Trust	General Construction & Hazardous Waste	90	\$60,715
Bristol Bay Native Corporation	Survey Technicians & AUTOCAD Operators	15	\$32,090
Chatham Strait Seafoods	Salmon & Herring Roe Technicians	8	\$31,250
Copper Valley Economic Development Council	Fire Crew & Hazardous Materials	23	\$35,735
Division of Energy, Alaska State, DCRA	Powerhouse/Utility Operations	25	\$52,500
Golden Age Fisheries	Fisheries Management	7	\$40,585
Hospice & Homecare of Juneau	Certified Nurses Aides	14	\$16,001
Norton Sound Economic Development Corporation	Seafood Processing	30	\$23,909
Older Persons Action Group	Certified Nurses Aides	24	\$84,439
Painters Local #1555	Painters, Tapers, Carpenters	20	\$59,449
People Count, Inc	Office Administration & Accounting Clerks	10	\$63,679
Project Careers Course, Inc.	Office Admin., Child Care, Votech	10	\$47,228
South East Regional Resource Center	Computer Skills & Retail Sales	17	\$33,550
Anchorage			
AK Apprenticeship & Training Coordinator Assoc.	Recruitment/Referral of Females for Non-traditional Training	36	\$45,500
Older Person's Action Group (OPAG)	Employment Assistance Training	0	\$23,479
Older Person's Action Group (OPAG)	Certified Nurse's Aide Training	18	\$50,000
Older Person's Action Group (OPAG)	Computer Skills Training	29	\$62,000
MILA, Inc	Computer/Accounting Skills Training	10	\$40,000
Blue Star Enterprises, Inc	Employment Assistance for Eligible UI Claimants	75	\$88,000
Alaska Laborers & Training Trust Fund	Hazardous Waste Materials Handling/Safety Training	16	\$21,195
Alaska Laborers & Training Trust Fund	Hazardous Waste Materials Handling/Safety Training	21	\$13,807
Alaska Roofers Joint Apprenticeship & Training	Roofing Training	15	\$44,970

Fairbanks			
Premier Realty	Administrative Assistant/Paralegal	1	\$3,720
Nortech Engineering	Administrative Assistant/Receptionist	1	\$3,840
Fairbanks Native Association	Secretary	1	\$4,080
Fairbanks Alignment	Counter Person/Bookkeeper	1	\$3,800
Arctic Technical Services	Receptionist	1	\$2,720
North Pole Optical	Optomelrist Assistant	1	\$3,800
Alaska Joint Electrical Training Trust	Commercial Driver License	20	\$10,370
Alaska Laborers Training Trust	Construction Labor Skills	25	\$11,700
Fairbanks Area Painters/Decor	Spray Paint Equipment Maintenance	10	\$2,813
Fairbanks Area Sheet Metal Workers	Terminology, Standards, Formula	6	\$2,950
Fairbanks Carpenter Training Center	Basic Carpentry Skills	10	\$15,000
Rural Alaska Insurance Company	Receptionist	1	\$1,302
Nortech Engineering	Administrative Asssistant	1	\$3,840
<p>*Due to the late funding availability Anchorage and Fairbanks Municipalities declined to participate in the first program year.                      JTPO contracted with the vendors in these municipalities for the first year. Some JTPO contracts were two years in duration.                      Source: Department of Community and Regional Affairs/JTPO -- Prepared by the Department of Labor, Research and Analysis, January 1993</p>			

Sheet2

State Training and Employment Program

Subgrants by Service Delivery Area

FY 1994

Contractor		Amount	Number Trained
Alaska Share DOL Employee Assistance Workshops	Employment Assistance Project	\$113,573	500
Alaska Laborers Training - Kotchikan Asbestos Abatement	Asbestos Removal	\$14,419	20
Alaska Laborers Training Trust	Rural Transportation	\$62,318	95
Village Police Officer	Village Police Officer Training	\$25,627	40
Chatham Strait Seafoods	Roof Technicians	\$28,954	8
Fresh Fish Company	Custom Fish Processing	\$15,000	15
Golden Age Fisheries/Coastal Villages Fishing Cooperative	Fisheries Management	\$75,000	23
Hospice and Homocare of Juneau	Cert. Nurses Aide	\$22,598	20
Innovative Training & Education Cooperative	Colloge Level Occupations Training/INTEC	\$37,381	8
Northwest Arctic Borough	Economic Dev. Paraprofessional Training PT II	\$18,060	2
Older Persons Action Group	Personal Care Attendant	\$161,000	44
People Count, Inc.	Office Occupations/Travel/WP	\$54,540	20
South East Regional Resource Center	Nurses Aide	\$37,700	20
West Coast Construction Services, Inc.	Flag Person/Const. Road Safety/Traffic Control	\$9,010	40
Miscellaneous Small Contracts	Various individual referrals for existing training programs	\$13,209	5
Yukon Delta Fisheries Development Association	CDQ Fisheries Training	\$75,000	15
<b>Statewide SDA Total</b>		<b>\$635,397</b>	<b>355</b>
Alaska Laborers Training Center	Hazardous Maint. Training/Load Construction Training	\$23,595	32
Alaska Roofers	Roofing Training	\$40,867	19
MI A	Acty, Clerical Support, Transportation Mgmt Computer Trg	\$118,000	77
Nine Star Enterprises	Employment Assistance	\$99,989	101
Older Persons Action Group	CNA & Computer Training in Accounting & Clerical	\$148,124	42
<b>Anchorage/Mat-Su SDA Total</b>		<b>\$430,575</b>	<b>271</b>
Trowel Trades	Plasterer/Cement Finisher	\$11,010	7
QII, Inc.	Power Plant Operator/Op. Engineer	\$13,410	15
Fairbanks Area Sheetmetal Workers	Sheetmetal worker welder	\$6,990	9
Alaska Laborers Training Trust	Asbestos removal, asphalt, basic grade, bkfg con	\$7,209	37
Carpenters Training Center	Construction carpenter, mill cabinetry carpentry	\$20,800	11
Older Persons Action Group	Nurses Aide/Home Health Aide	\$21,708	12
University of Alaska, Fairbanks	UAS Based Vocational Training	\$31,515	67
Miscellaneous Small Contracts	Supplies & Materials for STEP Trainees	\$31,588	16
<b>Fairbanks SDA Total</b>		<b>\$144,230</b>	<b>174</b>
<b>FY 1995</b>			
Alaska Joint Electrical Apprenticeship Training Trust	Electrician, Telephone, Communications	\$40,640	24
Alaska Laborers Training Trust	General Construction & Hazardous Waste	\$60,715	90
Bristol Bay Native Corporation	Survey Technicians & AUTOCAD Operators	\$32,000	15
Chatham Strait Seafoods	Salmon & Herring Roof Technicians	\$31,250	8

Sheet2

FY 1995 Continued			
Copper Valley Economic Development Council	Fire Crew & Hazardous Materials	\$35,735	23
Division of Energy, Alaska State, DCRA	Powerhouse/Utility Operations	\$52,500	25
Golden Age Fisheries	Fisheries Management	\$40,585	7
Hospice & Homecare of Juneau	Certified Nurses Aides	\$16,001	14
Norton Sound Economic Development Corporation	Seafood Processing	\$23,909	30
Older Persons Action Group	Certified Nurses Aides	\$84,439	24
Painters Local #1555	Painters, Tapers, Carpenters	\$59,449	20
People Court, Inc	Office Administration & Accounting Clerks	\$63,679	10
Project Careers Course, Inc	Office Admin, Child Care, Votech	\$47,228	10
South East Regional Resource Center	Computer Skills & Retail Sales	\$33,550	17
<b>Statewide SDA Total</b>		<b>\$621,770</b>	<b>317</b>
AK Apprenticeship & Training Coordinator Assoc	Recruitment/Referral of Females for Non-traditional Training	\$45,500	36
Older Person's Action Group (OPAG)	Employment Assistance Training	\$23,479	0
Older Person's Action Group (OPAG)	Certified Nurse's Aide Training	\$50,000	18
Older Person's Action Group (OPAG)	Computer Skills Training	\$62,000	29
MIA, Inc	Computer/Accounting Skills Training	\$40,000	10
Nine Star Enterprises, Inc	Employment Assistance for Eligible UI Claimants	\$88,000	75
Alaska Laborers & Training Trust Fund	Hazardous Waste Materials Handling/Safety Training	\$21,195	16
Alaska Laborers & Training Trust Fund	Hazardous Waste Materials Handling/Safety Training	\$13,807	21
Alaska Roofers Joint Apprenticeship & Training	Roofing Training	\$44,970	15
<b>Anchorage/Mat-Su SDA Total</b>		<b>\$388,951</b>	<b>220</b>
Primer Realty	Administrative Assistant/Paralegal	\$3,720	1
Nottech Engineering	Administrative Assistant/Receptionist	\$3,840	1
Fairbanks Native Association	Secretary	\$4,080	1
Fairbanks Abjournal	Counter Person/Bookkeeper	\$3,800	1
Arctic Technical Services	Receptionist	\$2,720	1
North Pole Optical	Optometrist Assistant	\$3,800	1
Alaska Joint Electrical Training Trust	Commercial Driver License	\$10,370	20
Alaska Laborers Training Trust	Construction Labor Skills	\$11,700	25
Fairbanks Area Painters/Decor	Spray Paint Equipment Maintenance	\$2,813	10
Fairbanks Area Sheet Metal Workers	Technology, Standards, Formula	\$2,950	6
Fairbanks Carpenter Training Center	Basic Carpentry Skills	\$15,000	10
Rural Alaska Insurance Company	Receptionist	\$1,302	1
Nottech Engineering	Administrative Assistant	\$3,840	1
<b>Fairbanks SDA Total</b>		<b>\$69,935</b>	<b>79</b>
Source: Alaska Department of Labor, Research & Analysis and the Alaska Department of Community and Regional Affairs			

## Alaska State Training and Employment Program

## List of Contractors

## Fiscal Year and Program

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Team Cutters Inc.	Designer/Stylist	4	\$11,171
Toklat Apiaries	Information Pending	4	\$2,585
Uniglobe Outbound Travel	Information Pending	1	\$4,480
University Resume	Information Pending	1	\$2,400

Fiscal Year 1992 Continued			
	<b>Statewide</b>		
Alaska Commercial Company	Meat Cutter/Retail Management	4	\$40,000
Alaska Department of Labor/ESD-Job Service	Employment Assistance Workshops	350	\$83,812
Alaska Joint Electrical Apprenticeship & Training Trust	Fiber Optics	42	\$15,548
Alaska Laborers Training Trust Fund	Rural Transportation Grant	20	\$11,989
Alaska Laborers Training Trust Fund	Hazardous Waste Removal	16	\$24,533
Alaska State Department of Education	(AVTEC) Factory Trawler Training	60	\$17,235
Fairbanks Area Painters & Decorators JATC	Construction Trades Heiber/Dry Wall	6	\$12,250
Fairbanks Area Painters & Decorators JATC	Construction Trades Heiber/Dry Wall	6	\$15,150
People Count, Inc	Office Occupations/Tourism	20	\$43,033
South East Alaska Regional Resource Center	Nurses Aide	30	\$50,000
UAS	Dockhand Safety Training	40	\$90,000
<b>State Fiscal Year 1993</b>			
	<b>Anchorage</b>		
Alaska Employment Service/Anch.	Employment Assistance	70	\$33,712
Alaska Laborers	Traffic Control/Construction Supervisory Training	15	\$5,301
Alaska Laborers	Road Construction Asphalt/Paving Training	15	\$20,923
Alaska Roofers	Roofing Training	15	\$42,030
Mla, Inc	Computerized Accounting & Clerical Training	62	\$72,294
Nine Star Enterprises	Employment Assistance	125	\$93,900
Older Persons Action Group	Certified Nurse Aide Training	15	\$43,971
Older Persons Action Group	Computerized Accounting & Clerical Training	16	\$45,369
Painters Allied Trade	Painting/Glazing Training	50	\$34,200
	<b>Fairbanks</b>		
AES Electrical Supply	Electrical Surplus Sales/Purchase Tech.	1	\$5,760
Alaska Gold 'N' Gems	Apprentice Jeweler	1	\$3,840
Law Office of Rita Allen	Legal Secretary	1	\$2,880
Rose & Thistle	Bridal Consultant	1	\$3,360
Royal Forks Buffet	Assistant Manager	1	\$3,926
	<b>Statewide</b>		
Alaska Joint Electrical Apprenticeship & Training Trust	Electrical/Telecommunications & Fiber Optics	12	\$4,268
Alaska Laborers Training Trust Fund	Juneau Recert - Asbestos Abatement	48	\$11,571
Alaska Laborers Training Trust Fund	Kenai Oil Field Safety Training	24	\$8,026
Alaska Laborers Training Trust Fund	Rural Transportation	30	\$19,361
Alaska Laborers Training Trust Fund	Nome Recert - Asbestos Abatement	28	\$5,945

Fiscal Year 93 Continued			
Alaska Vocational Technical Center	Power Plant Operator	12	\$32,832
Bartlett Memorial Hospital	Ambulance/EMT Training	10	\$59,878
Fresh Fish Company	Custom Seafood Processing/Packing	10	\$5,000
Golden Age Fisheries	Commerce Fishing Management	8	\$75,600
Northwest Arctic Borough	Utilities Maint./Repair	8	\$41,750
Northwest Arctic Borough	Economic Dev. Paraprofessional Training	2	\$16,340
Ocean Beauty; Chatham Straits Seafood	Roe Tech Training	8	\$66,344
Older Persons Action Group	Personal Care Alter.	66	\$232,947
UAS	Deckhand Upgrade Training	20	\$40,133
<p>*Due to the late funding availability Anchorage and Fairbanks Municipalities declined to participate in the first program year.                      JTPO contracted with the vendors in these municipalities for the first year. Some JTPO contracts were two years in duration.                      Source: Department of Community and Regional Affairs/JTPO -- Prepared by the Department of Labor, Research and Analysis, January 1993</p>			

## State Training and Employment Program

## Subgrants by Service Delivery Area

FY 1994

Contractor		Amount	Number Trained
Alaska Share DOL Employee Assistance Workshops	Information Pending	\$113,573	500
Alaska Laborers Training - Ketchikan Asbestos Abatement	Information Pending	\$14,419	20
Alaska Laborers Training Trust	Rural Transportation	\$62,318	95
Village Police Officer	Information Pending	\$25,627	40
Chatham Strait Seafoods	Roof Technicians	\$28,954	8
Fresh Fish Company	Custom Fish Processing	\$15,000	15
Golden Age Fisheries/Coastal Villages Fishing Cooperative	Fisheries Management	\$75,000	23
Hospice and Homecare of Juneau	Cert Nurses Aide	\$22,598	20
Innovative Training & Education Cooperative	Information Pending	\$37,381	8
Northwest Arctic Borough	Economic Dev. Paraprofessional Training PT II	\$18,060	2
Older Persons Action Group	Personal Care Attendant	\$161,000	44
Peopla Count, Inc.	Office Occupations/Travel/WP	\$54,540	20
South East Regional Resource Center	Nurses Aide	\$37,700	20
West Coast Construction Services, Inc	Flag Person/Const. Road Safety/Traffic Control	\$9,010	40
Miscellaneous Small Contracts	Information Pending	\$13,209	5
Yukon Delta Fisheries Development Association	CDQ Fisheries Training	\$75,000	15
<b>Statewide SDA Total</b>		<b>\$635,397</b>	<b>355</b>
Alaska Laborers Training Center	Hazardous Maint Training/Road Construction Training	\$23,595	32
Alaska Roofers	Roofing Training	\$40,867	19
MILA	Acctg. Clerical Support, Transportation Mgmt Computer Trg	\$118,000	77
Nine Star Enterprises	Employment Assistance	\$99,989	101
Older Persons Action Group	CNA & Computer Training in Accounting & Clerical	\$148,124	42
<b>Anchorage/Mat Su SDA Total</b>		<b>\$430,575</b>	<b>271</b>
Trowel Trades	Plasterer/Cement Finisher	\$11,010	7
OIT, Inc.	Power Plant Operator/Op. Engineer	\$13,410	15
Fairbanks Area Sheetmetal Workers	Sheetmetal worker welder	\$6,990	9
Alaska Laborers Training Trust	Asbestos removal,asphalt,basic grade,bldg con	\$7,209	37
Carpenters Training Center	Construction carpenter,mill cabinetry carpentry	\$20,800	11
Older Persons Action Group	Nurses Aide/Home Health Aide	\$21,708	12
University of Alaska, Fairbanks	Information Pending	\$31,515	67
Miscellaneous Small Contracts	Information Pending	\$31,588	16
<b>Fairbanks SDA Total</b>		<b>\$144,230</b>	<b>174</b>

Source: Alaska Department of Labor, Research &amp; Analysis and the Alaska Department of Community and Regional Affairs

Questions Raised by the Answers – See attached chart

According to DOL, there were partial positions funded by STEP in FY 95. These are not mentioned in the explanation for FY 97. Why?

If STEP isn't passed will the 2 positions in DCRA be deleted from the budget?  
will there be 1 or more positions deleted from Labor?  
will the costs of collection be saved or just re-allocated?

It appears that \$3,210,202 will be available for STEP grants to train workers. How is this broken out – Mark Mickelson had mentioned help in relocation, tuition, etc., in addition to job training

The most that has been given out in grants, according to the "List of Contractors" in any fiscal year has been \$1,210,202. Given that there is apparently \$3.2 million for FY 97, do we anticipate many more grants, or will \$2 million be repaid to the UI fund.

	Alaska Statewide	Anchorage/Mat-Su	Fairbanks	Total
FY 91	\$517,902	\$388,498	\$305,577	\$1,211,977
FY 92	\$403,550	\$230,786	\$186,944	\$821,280
FY 93	\$619,995	\$391,700	\$19,766	\$1,031,461
FY 94	\$635,397	\$430,575	\$144,230	\$1,210,202

Comparison of DOL's Fiscal Note Explanation with DCR&A's Fiscal Note of Savings

		<u>Dept. of Labor Explanation of Fiscal Note</u>	<u>Combined DC&amp;RA Fiscal Notes</u>	<u>Unexplained (Savings)/ Expenses</u>	
Personal Services	To DC&RA	123,398	-63,600	59,798	If Labor is transferring funds for 2 positions, one at \$66,498, the other at \$56,900, why is only 1 position for \$63,600 being shown as being lost if the legislation does not pass.
Travel			-29,300	-29,300	
Contractual			-130,100	-130,100	
Supplies			-6,200	-6,200	
Equipment			-1,500	-1,500	
Grants, Claims	To DC&RA	3,210,202	-3,393,300	-183,098	If the balance of funds transferred from Labor is for grants, where does the additional savings of \$183,098 come from in DCR&A; If Travel Contractual, Supplies & Equip. are taken out of the Labor number, the difference in grant savings changes to \$348,698
Subtotal	To DCR&A	3,333,600	-3,624,000	-290,400	If DCRA gets most the money and distributes the grants, why is the program in Labor?
	To AHRIC	110,000	AHRIC Fiscal 0		Why does AHRIC get money if DCRA is administering the program? Why does AHRIC have a zero fiscal note if they get \$110,000
Dept. of Labor	Labor Market Info	252,600			This figure includes 2.5 R&A positions, 1.75 statistical technicians, .75 Labor economist. What if any positions will be lost if legislation does not pass
	Collection Costs	250,000			Will this be saved if legislation doesn't pass, or reallocated among other UI programs?
Total Fiscal Note		3,946,200			

# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPARTMENT OF LABOR

### OFFICE OF THE COMMISSIONER

P. O. BOX 21149  
JUNEAU, ALASKA 99802-1149  
PHONE: (907) 465-2700  
FAX: (907) 465-2784

March 20, 1995

To: Interested Parties of Alaska's  
State Training and Employment Program

To ensure that Alaska's State Training and Employment Program (STEP) effectively focuses limited training resources toward those opportunities most likely to result in employment, the Alaska Department of Labor periodically solicits recommendations from training and employment experts.

STEP was established by the Alaska Legislature in 1989 and has been extended through June 30, 1996. The major goals of STEP are to: 1) reduce future unemployment benefits claims; 2) increase training opportunities for workers facing fluctuations in the state economy or technological changes in the workplace; and 3) foster job growth by encouraging more businesses to locate in Alaska due to the availability of a skilled labor force and reduced unemployment costs.

STEP is funded from a small portion of Alaskan workers' contribution to the Unemployment Insurance Trust Fund. STEP uses these funds to finance grants that provide targeted employment assistance and training to qualifying Alaskans.

By regulation, "The department will give the highest priority to those projects that assist and prepare participants for jobs in occupations and industries for which there is a documented potential for employment." Priority continues to be given to geographic areas and occupations with the highest rates of unemployment and to industries with the highest number of employed.

Since its inception, STEP has assisted over 4,700 Alaskan workers. Approximately 90 percent of STEP participants have successfully completed the program.

Your perspective on how to best meet the stated goals of STEP is vital. Please use this opportunity to make specific suggestions regarding:

- occupations for which you believe training should be provided;
- types of projects you think should be pursued; and
- a general direction for the program

Your input will be invaluable as the department sets priorities for ensuring that STEP funds are used effectively to help train Alaskan workers for Alaskan jobs.

Please provide any suggestions and justifications for needed services and programs *by April 13*. If you feel the program is not currently meeting its stated goals, we would appreciate your suggestions for revisions. If it is convenient, you can fax your response to Karen Reyes at (907) 465-4537..

For your information, additional background and statistics on STEP are enclosed. If you have any questions regarding STEP, or if you would like to discuss the program, feel free to contact Sally Saddler, Assistant Director, Alaska Employment Service, at (907) 465-5934.

Sincerely,



Tom Cashen  
Commissioner

Enclosures (3)

cc: Mike Irwin, Commissioner  
Department of Community & Regional Affairs

Rebecca Nance, Director, ESD  
Sally Saddler, Assistant Director, ESD  
Karen Reyes, Secretary, ESD

**Alaska Department of Labor**

**Targeted Occupations and Geographic Areas  
Priorities for State Training and Employment Program (STEP) Grants**

**Effective: July 1, 1995 - June 30, 1996**

The attached tables are provided in accordance with 8 AAC 87.080 and 8 AAC 87.110. Targeted occupations are those for which there are documented employment opportunities due to labor shortages or rapidly expanding job opportunities (Table 1) or those which have a high number of nonresidents (Table 2) or for which alien certifications are being issued (Table 3). Priority geographic areas are those with high numbers or rates of unemployment or discouraged workers (Table 5).

Table 1  
 Top 25 Occupations with Most Projected Annual Job Openings  
 Alaska 1992-1997

Occupational Title	Annual Openings
Salesperson: Retail	475
Cashiers	459
Food Preparation Workers	318
Waiters & Waitresses	209
Janitors/Cleaners. Except Maid/House Cleaner	193
Secretaries. Except Legal & Medical	190
General Office Clerks	180
General Managers & Top Executives	179
Counter Attendants: Lunchroom/Coffee Shop	163
Cannery Workers	162
Carpenters	133
Nurses: Registered	128
Bookkeeping, Accounting & Auditing Clerks	127
Supervisors & Managers: Sales	124
Teachers: Elementary School	117
Stock Clerks: Sales Floor	113
Cooks: Specialty Fast Food	112
Supervisors/Managers: Clerical/Admin. Support	109
Truck Drivers: Heavy or Tractor Trailer	103
All Other Helpers/Laborers/Material Movers: Hand	99
Teachers: Secondary School	97
Maintenance Repairers: General Utility	96
Receptionists	95
All Other Managers & Administrators	93
Child Care Workers	92
Source: Alaska Department of Labor. Research and Analysis	

Table 2  
Private Sector Occupations with Largest Number of Nonresident Workers  
Alaska 1993

Occupation	Nonresidents			
	Workers	%	Earnings	%
Cannery Workers, Including Seafood Processors	13,897	79.3	81,295,902	78.6
Sales Clerks	1,928	19.9	7,890,566	10.6
Manual Occupations, Not Elsewhere Classified	1,928	30.2	11,887,855	20.2
Waiters and Waitresses	1,712	31.3	6,111,031	20.4
General Office Occupations	1,284	15.2	9,941,828	9.0
Miscellaneous Food and Beverage Preparation Occupations	1,237	31.8	4,844,271	23.5
Miscellaneous Hand Working Occupations	1,180	73.1	6,744,180	69.1
Sailors and Deckhands	1,172	64.3	16,490,524	71.7
Kitchen Workers, Food Preparation	1,016	27.4	5,343,867	17.6
Construction Laborers	1,009	21.0	10,119,910	14.2
Cashiers	1,000	17.7	4,556,822	9.2
Janitors and Cleaners	973	20.2	4,729,539	11.4
Carpenters	920	22.0	10,876,121	15.0
Waiters'/Waitresses' Assistants	882	53.1	2,084,550	36.6
Hand Cutting and Trimming Occupations	820	66.7	6,044,678	65.2
Airplane Pilots and Navigators	791	39.0	38,335,242	41.7
Maids and Housemen	790	28.0	3,510,829	17.9
Food Counter, Fountain and Related Occupations	757	29.9	1,974,590	19.0
Child Care Workers, Except Private Household	555	21.8	2,082,697	13.4
Cooks, Except Short-order	534	28.0	3,773,582	18.2
Bartenders	483	21.5	2,531,172	13.1
Receptionists	479	16.3	2,301,523	8.7
Electricians	470	25.4	11,407,217	19.3
Guides	462	58.0	2,578,962	54.5
Freight, Stock and Material Movers, Not Elsewhere Classified	457	18.1	3,442,010	7.9
Registered Nurses	441	16.8	6,665,359	9.0
Food Prep & Service Workers, Fast Food	430	27.7	985,856	20.6
Secretaries	429	10.3	3,479,817	4.5
Truck Drivers, Light (including delivery and route drivers)	426	18.8	3,459,469	10.4
Operating Engineers	426	27.5	13,593,840	27.1
Salespersons, Not Elsewhere Classified	412	17.6	2,387,901	7.3

Table 2  
Private Sector Occupations with Largest Number of Nonresident Workers  
Alaska 1993

Occupation	Nonresidents			
	Workers	%	Earnings	%
Bookkeepers and Accounting and Auditing Clerks	409	10.5	3,996,521	5.7
Cooks, Restaurant	391	36.2	2,106,009	24.5
Stock Handlers and Baggers	377	16.8	1,589,145	7.2
Heavy Equipment Mechanics	360	28.0	12,732,570	25.8
Truck Drivers, Heavy	352	19.0	6,993,171	14.8
Hand Packers and Packagers	348	43.2	1,619,294	25.5
Salespersons: Garments and Textile Products	340	24.9	577,858	7.5
Counter Clerks	336	16.9	1,767,112	9.9
Attendants, Amusement and Recreation Facilities	334	22.3	839,826	13.5
Plumbers, Pipefitters and Steamfitters	325	24.6	7,240,975	18.9
Guards and Police, Except Public Service	316	19.4	4,397,054	14.9
General Managers and Other Top Executives	311	11.3	11,814,354	8.7
Stock and Inventory Clerks	304	16.7	2,509,670	10.1
Mechanics and Repairers, Not Elsewhere Classified	301	24.5	11,772,205	26.1
Welders and Cutters	296	33.0	7,017,572	27.3
Logging Occupations, Not Elsewhere Classified	295	45.7	3,837,593	31.1
Short-order Cooks	291	26.6	936,318	18.2
Supervisors: Food and Beverage Preparation and Service Occupations	286	29.2	2,531,012	19.0
Maintenance Repairers, Gen. Utility	280	26.3	3,138,928	16.4
Stevedores	269	19.6	1,883,215	10.3
Bank Tellers	266	17.8	1,875,501	10.7
Personal Service Occupations, Not Elsewhere Classified	262	19.3	1,577,235	11.1
Ship Captains and Mates	250	55.3	5,849,206	54.9
Machinery Maintenance Occupations	248	30.0	5,748,972	21.7
Adult Education and Other Teachers, Not Elsewhere Classified	248	22.5	1,163,586	9.4
Excavating and Loading Machine Operators	244	24.2	5,304,112	17.3
Supervisors: Sales Occupations, Retail	244	12.5	3,041,212	6.0
Automobile Mechanics	241	14.4	2,480,974	6.9

Source: Alaska Department of Labor, Research and Analysis

**TABLE 3**  
**MOST FREQUENT ALIEN CERTIFICATION REQUESTS, BY OCCUPATION**  
**ALASKA 1994 (Estimated)**

Occupation	Estimated Number of Positions
Marine Products Technicians & Supervisors*	1,001
No other occupations had a significant number of alien certification requests. *Includes Processing and Surimi and Roe Technicians Source: Alaska Department of Labor, Employment Service	

**TABLE 4**  
**ALASKA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT FORECAST**  
**1995-1996**

Industry	Statewide Annual Average 1995	Statewide Annual Average 1996	Statewide Percent Change 1995-96	Anchorage Percent Change 1995-96	Fairbanks Percent Change 1995-96
Mining	9.600	9.900	3.1	-3.4	23.1
Construction	13.150	13.000	-1.1	-6.0	-15.0
Manufacturing	16.100	16.075	-0.2	0.0	0.0
Seafood	10.050	10.000	-0.5		
Forest Products*	2.500	2.500	0.00		
Transportation	24.100	24.750	2.7	0.8	4.2
Trade	54.550	55.425	1.6	0.7	2.7
FIRE	12.350	12.600	2.0	0.0	4.5
Services & Misc.	59.750	61.500	2.9	2.8	2.7
Government	73.225	72.400	-1.1	-1.1	1.4
Total	262.825	265.650	1.1	0.3	1.6

\*Forest Products includes Pulp Mills, Logging and Lumber.  
 FIRE = Finance, Insurance & Real Estate  
 Source: Alaska Department of Labor, Research and Analysis

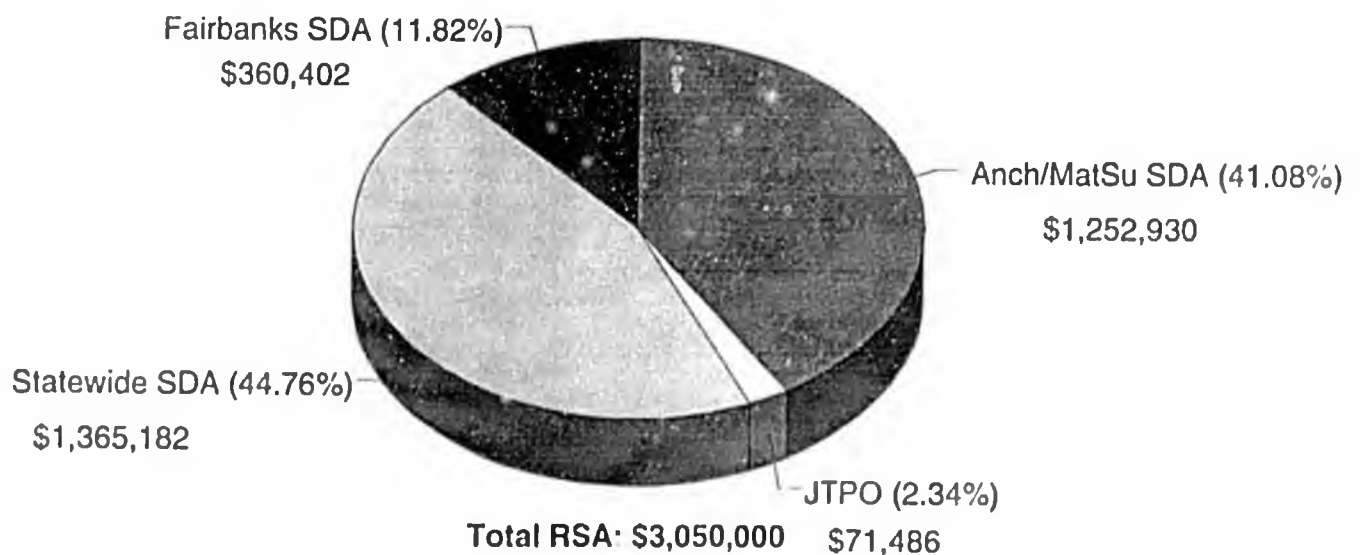
**TABLE 5**  
**Number of Unemployed and Unemployment Rate--Alaska**

	January 1995		1994 Annual Average	
	Number	Rate	Number	Rate
Alaska Statewide	28,482	9.4	24,000	7.8
Anchorage-MatSu Region	12,455	7.6	10,710	6.7
Municipality of Anchorage	9,312	6.8	8,009	5.9
MatSu Borough	3,143	12.2	2,701	10.9
Gulf Coast Region	4,754	14.9	4,108	11.9
Kenai Peninsula Borough	3,542	17.5	2,665	12.6
Kodiak Island Borough	515	7.9	920	12.1
Valdez-Cordova	697	13.3	524	9.4
Interior Region	4,834	10.3	4,065	8.6
Denali Borough	181	17.6	102	10.5
Fairbanks North Star Bor.	3,765	9.2	3,325	8.0
Southeast Fairbanks	467	18.3	322	13.0
Yukon-Koyukuk	429	18.6	323	14.3
Northern Region	993	11.1	903	10.3
Nome	479	13.6	423	12.3
North Slope Borough	138	4.4	123	4.0
Northwest Arctic Borough	376	16.5	357	15.9
Southeast Region	4,352	11.3	3,287	8.2
Haines Borough	217	18.4	125	10.7
Juneau Borough	1,097	7.0	1,003	6.0
Ketchikan Gateway Bor.	915	12.0	659	8.3
Pr. of Wales-Outer Ketch.	683	21.3	393	12.5
Sitka Borough	390	8.5	503	9.9
Skagway-Yakutat-Angoon	381	18.6	214	10.6
Wrangell-Petersburg	628	16.5	350	9.2
Yakutat Borough	42	15.6	41	14.3
Southwest Region	1,094	7.7	928	6.5
Aleutians East Borough	38	2.4	46	2.9
Aleutians West	101	2.7	73	1.9
Bethel	477	10.1	419	8.8
Bristol Bay Borough	58	10.0	32	5.7
Dillingham	150	10.3	123	8.4
Lake and Peninsula Bor.	49	9.5	36	7.0
Wade Hampton	226	14.1	203	12.6

Source: Alaska Department of Labor, Research and Analysis

# State Training and Employment Program

## DCRA's FY 1995 RSA Allocation

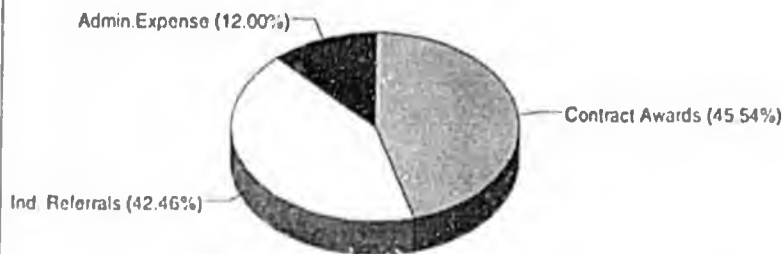


Source: Alaska Department of Community and Regional Affairs and The Alaska Department of Labor, Research and Analysis

# State Training and Employment Program

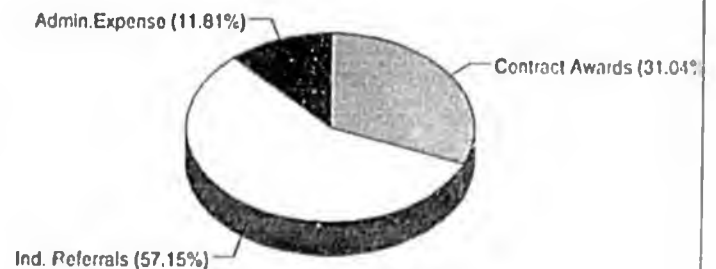
## FY 1995 Grant Allocations by SDA

**Statewide SDA**



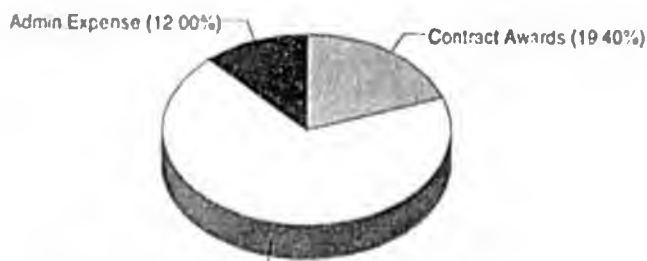
Total Grant \$1,365,182

**Anchorage/Matsu SDA**



Total Grant \$1,252,930

**Fairbanks SDA**



Total Grant \$360,402

\*Contract awards are a combination of large contract awards and individual referrals.

Source: Alaska Department of Community and Regional Affairs and The Alaska Department of Labor, Research and Analysis

# STATE OF ALASKA

## DEPARTMENT OF LABOR

Employment Security Division  
Director's Office

WALTER J. HICKEL, GOVERNOR

1111 W. 8th Street, Suite 208

P.O. Box 25509

JUNEAU, ALASKA 99802-5509

Phone: (907) 465-2712

FAX: (907) 465-4537

0-17

October 23, 1993

Mr. Steve Anderson  
U.S. Department of Labor, Region X  
Employment & Training Administration  
1111 Third Avenue, Suite 900  
Seattle, Washington 98101-3212

Dear Mr. Anderson:

Alaska is one of an increasing number of states collecting additional revenue using the Unemployment Insurance (UI) tax collection system. We fund a state training & employment program (STEP) by redirecting one-tenth of one percent of the *employee* contribution that would otherwise go to the Alaska UI trust fund. Revenues are collected from all employees who work for tax-rated employers. Reimbursable employers are excluded from this process as they simply pay the actual costs of benefits for ex-employees.

The Alaska Department of Labor awards these funds to the Alaska Job Training Council to supplement training needs not met with JTPA funds. The primary purpose of providing these training funds is to prevent future claims against the UI trust fund. Unspent STEP revenues are returned to the UI trust fund at the end of each year.

I understand the U.S. Department of Labor now requires states such as Alaska to pay a share of the cost of collecting UI funds if those funds are used for purposes other than paying unemployment insurance benefits. Because of this, you came to Alaska in August to negotiate a "shared cost allocation plan" which meets federal requirements. During your visit, we reviewed five possible allocation approaches and decided to base Alaska's allocation plan on the "*number of UI revenue related data bytes*" approach. This approach appears to be the most equitable and straightforward.

You also asked us to verify the total costs of collecting UI revenues. During SFY 1993 Alaska spent \$1.56 million collecting UI revenues from employers. This covers the revenue collection efforts of 40 staff who collect, audit, and account for employers' and employees' UI contributions. It also includes the management and administrative costs associated with UI revenue collections. Attachment A, directly from our accounting system, documents total personal service and nonpersonal service funds spent in SFY 1993. This figure is slightly higher than the estimated \$1.4 million figure we discussed during the August visit.

According to your audit, 30.38% of the number of bytes collected are required to determine revenues available for the State Training and Employment Program (STEP). We have discussed your findings with our staff in both the Employment Security Tax unit and the Data Processing unit. They advise us we collect 2,190 bytes of information, not 2,228 as discussed during your visit.

The record layout given to you during August to determine which bytes are collected was a national record layout. Alaska employers do not report the following nine data fields (which account for 38 bytes):

- . Date Field Audit Generated (6)
- . Field Audit Number (4)
- . Audit Error Found (1)
- . Date Audit Completed (6)
- . Install Payment Due Date (6)
- . Install Balance Due (6)
- . Number Install Payments (2)
- . Amount Install Payments (6)
- . Install Pay Date Code (1)

Thirteen data fields (which account for 728 bytes) identified during your visit are not used when determining the amount of revenue available for STEP. They are:

- . Date Report Received (126)
- . Last Pay Date (126)
- . Total Wages (126)
- . Amount Taxable Wages (126)
- . Taxable Wages (126)
- . Status Code (1)
- . Status Date (6)
- . Bankrupt Date (6)
- . Employer Name (30)
- . Street (24)
- . City (20)
- . State (2)
- . Zip Code (9)

We have adjusted your spreadsheet to exclude the 728 bytes not used to determine available STEP revenues, and the 38 bytes not reported by employers. One hundred and ninety-nine (199) of 2,190 bytes collected are used for determining employee contributions available for STEP. This amounts to nine (9) percent of all bytes collected.

In determining the amount of STEP revenues, we look at the amount of contributions paid by all taxable employers as they submit their quarterly report of contributions. We do not adjust our determination of revenues for employers who are late filing their report or for those who fail to report at all. I do not think this was clearly stated during your audit. Actually, we do not even use the employer account number in determining STEP revenues, but believe that this could be included if you prefer to link revenues to an employer.

Your shared cost allocation spreadsheet itemized the total program costs for unemployment insurance and then took a percentage share for management. We do not feel that these totals for all UI operations are relevant costs to STEP. Our alternative recommendation is to take the prorated share of the total cost of the Division's program management and support staff. Attachment B indicates that we spent \$477,949 during SFY'93; nine percent (9%) of this amounts to \$43,015. We feel this is a more straightforward and realistic approach.

A quick recap of our procedure for determining the amount of revenue available for STEP reveals the following 199 data fields should be the basis for Alaska's shared cost allocation plan:

- . Employer Account Number (10)
- . Employer Year Quarter (63)
- . Taxable Wages (126)

If you approve our request for a *data byte* cost allocation plan, Alaska would have paid \$140,921 + \$43,015 for STEP revenue collection costs for a total of \$183,936.

We have taken steps to ensure that STEP funds will be appropriated in our state budget to allow for this cost allocation. This enables us to begin paying for UI revenue collection costs beginning July 1, 1994.

I have enclosed a copy of the spreadsheet, (Alaska3.WK)A, you prepared during your audit, as well as a complete listing of tax system data dictionary which contains the detail layout of the data fields. I believe we have simplified the cost allocation plan prepared during your visit, while maintaining a fair and equitable approach.

Mr. Steve Anderson

-4-

October 23, 1993

If you need additional information, please contact me or Sally Saddler at 907-465-2712. My apologies for the delay in submitting our cost allocation plan to you. I look forward to your response.

Sincerely,

A handwritten signature in cursive script that reads "Judy Knight". The signature is written in dark ink and is positioned above the typed name.

Judy Knight

Director

Alaska Employment Service

Enclosures

## DEPARTMENT OF LABOR

Employment Security Division  
Director's Office

April 5, 1994



Mr. Steve Anderson  
U.S. Department of Labor, Region X  
Employment & Training Administration  
1111 Third Avenue, Suite 900  
Seattle, WA 98101-3212

Dear Mr. Anderson:

Thank you for your verbal response to our October 23, 1993, letter in which we submitted Alaska's shared cost allocation plan. This plan was submitted in compliance with GAL 4-21 and in accordance with OMB Circular A-87. Alaska uses employees' UI contributions to fund a state-operated training program.

You did not approve our request to use the *data byte* cost allocation method at the rate of nine percent (9%) as outlined in our letter. Instead you suggested that we use one of the two acceptable ways of allocating costs per the attached discussion you provided on March 14, 1994. These methods result in rates of 26 percent and 18 percent.

A recap of your discussion with Sally Saddler indicates you believe that the following 345 bytes (of the total 2,190 bytes of information we collect) are necessary for determining the amount of employee contributions that are available for Alaska's State Training and Employment Program (STEP).

Employer Account Number (10)  
Status Code (1)  
Status Date (6)  
Bankrupt Date (6)  
Employer Name (30)  
Street (24)  
City (20)  
State (2)  
Zip (9)  
Employ Year Qtr (63)  
Data Report Received (126)  
Last Pay Date (126)  
Total Wages (126)  
Amount Taxable Wages (126)

- . Tax Pay (26)
- . Date Field Audit Generated (6)
- . Field Audit Number (4)
- . Audit Error Found (1)
- . Date Audit Completed (6)
- . Install Payment Due Date (6)
- . Install Balance Due (6)
- . Number Install Payments (2)
- . Amount Install (6)
- . Install Amount Due (6)
- . Install Pay Date Code (1)

The above list contains all but ten of the data fields you identified during your August 1993 visit. Excluded from that list are the nine data fields for which we do not collect information (accounting for 38 bytes) and one field entitled Taxable Wages (accounting for 126 bytes) which appears to be a duplicate field.

We fund the STEP program by redirecting one-tenth of one percent of the employee contribution that would otherwise go to the Alaska UI trust fund. Revenues are collected from all employees who work for tax-rated employers. In determining the amount of revenue available for STEP operations, we look at the amount of contributions paid by all taxable employers as they submit their quarterly report of contributions. We do not adjust our determination of revenues for employers who are late filing their report or for those who fail to report at all.

Using Method 2 as outlined in your fax transmittal we have determined that 19 percent of the total UI revenue collection budget should be paid for with STEP funds. We calculated this based on the following figures:

<u>Field Description</u>	<u>Total Bytes</u>	<u>UI Share</u>	<u>STEP Share</u>
UI Specific	1,345	1,345	0
All Others (See list above)	845	422	423
TOTAL	2,190	1,767	423

We understand that this rate of 19 percent needs to be applied to the total Central Office administrative and operations budget Alaska dedicates to collecting Employment Security revenues. During the current fiscal year July 1993 through June 1994 we estimate we will spend \$1,210,500 collecting UI revenues. This means \$230,000 of STEP funds would need to be dedicated to Alaska's UI revenue collection effort.

We have taken steps to ensure that STEP funds will be appropriated in our state budget to allow for this cost allocation. This will enable us to begin paying for UI revenue collection with STEP funds beginning July 1, 1994.

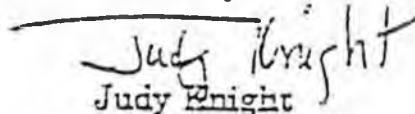
Mr. Steve Anderson  
U.S. Department of Labor, Region X

-3-

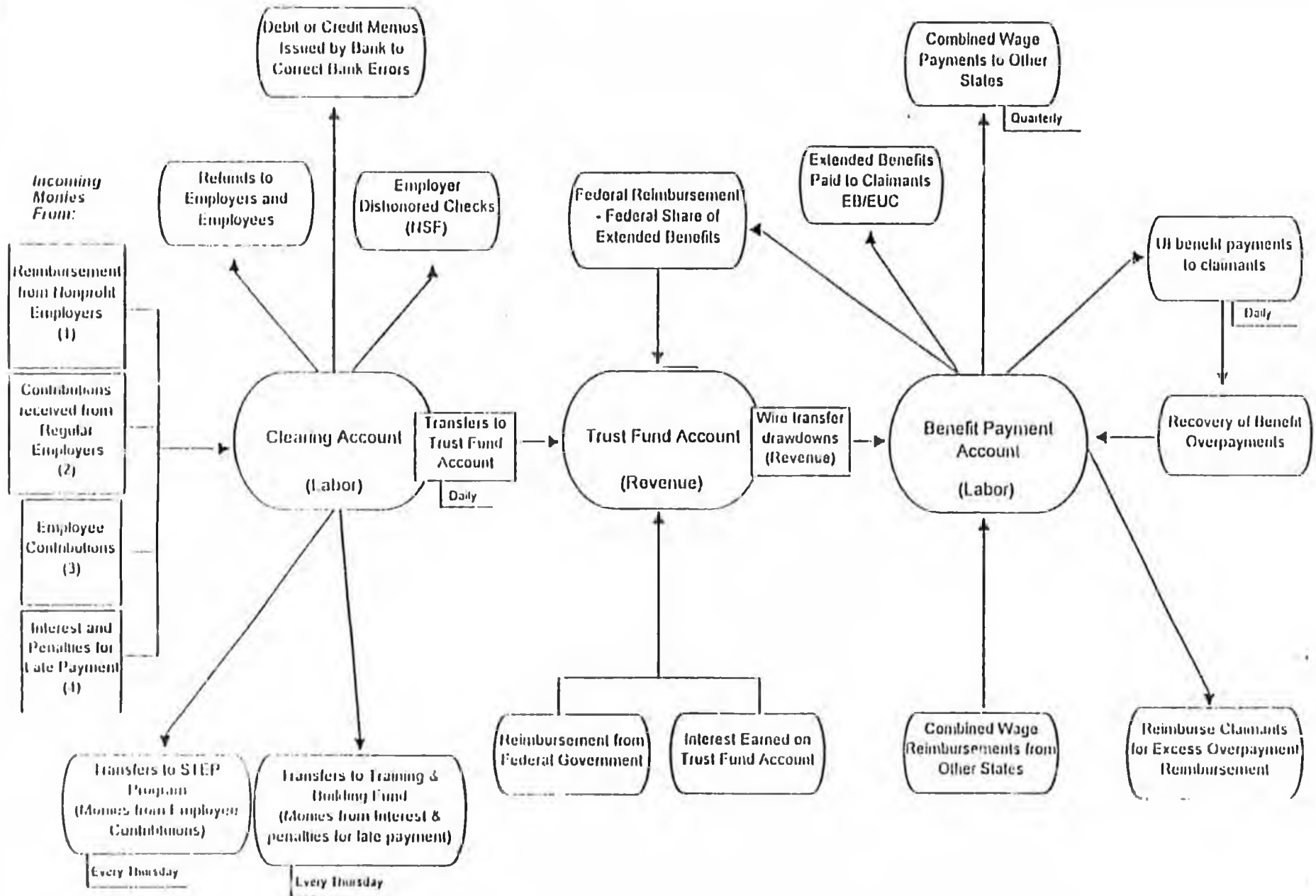
April 3 1994

If you need additional information, please contact me or Sally Saddler at (907) 465-2711. I look forward to your response.

Sincerely,

  
Judy Knight  
Director

# Flow of UI Funds



THE FOLLOWING PAGES MAY  
NOT FILM LEGIBLY BECAUSE OF  
THE POOR QUALITY OF THE ORIGINAL



Reply to the Attention of:

May 13, 1984

Judy Knight, Director  
Alaska Department of Labor  
Employment Security Division  
1111 West 6th Street, Suite 203  
P. O. Box 25509  
Juneau, Alaska 99802-5509

Dear Ms. Knight:

Your revised Unemployment Insurance (UI) Tax Collection Cost Sharing Proposal dated April 5, 1984 and submitted in response to General Administrative Letter No. 4-81 is acceptable for determining the cost of collecting the Alaska State Unemployment Insurance Program (SUI) tax. The methodology for allocating the UI tax collection costs was based on the number of wages paid in the UI tax collection data base files that benefit both Federal and State programs.

Shared costs are those costs that benefit more than one program. The shared cost allocation plan revealed that the State program benefits from all UI tax collection operations (300 code) and related Administrative Functions (400 code) in the Employment Security Division of the Alaska Department of Labor.

SUI's share of the above costs was computed to be 13 percent.

Printing and postage costs associated with mailing the quarterly tax forms and any quarterly costs identified as benefiting all cases will be allocated on the same percentage listed above.

This agreement represents the shared cost arrangements of the Unemployment Insurance Program for the State and Federal Government and the UI tax. The shared cost arrangements will be effective for the period beginning on the date of the agreement and continuing until the date of the next agreement is negotiated.

The actual amount of the above expenditures will be determined from the costs reported on the Unemployment Insurance Program Cost Accounting System.

By December 31 of each year, the Alaska Employment Security Division will furnish a summary report which will identify the

Costs collected under this plan with sufficient detail as to  
verify an independent verification that the plan is being  
followed. The first report will be due by July 31, 1984 and will  
cover the costs for the State fiscal year ending June 30, 1984.  
The report will be sent to:

Regional Administrator for CABAN  
U. S. Department of Labor  
Acting Regional Cost Negotiator  
Suite 810  
1111 Third Avenue  
Seattle, Washington 98101-3212

Please acknowledge your acceptance of this agreement by signing  
below and returning a copy to me. A self-addressed envelope is  
enclosed for your convenience in returning the negotiation  
agreement.

Judy Knight  
Judy Knight, Director  
Alaska Department of Labor  
Employment Security Division

Date:

9/9/94

Nicolas Jougras  
NICOLAS JOUGRAS, Director  
Div. of Cost Determination  
Off. of Acc. Integrity

Date:

9/23/74

# Alaska State Training and Employment Program

## List of Contractors

### Fiscal Year and Program

Contractor	Estimated Participants	Award Amount
<b>State Fiscal Year 1990</b>		
Alaska Laborer's Construction Industry Training Trust Fund	84	\$12 669
Alaska Teamsters Employer Service Training Trust	NA	\$8 301
Alaska Teamsters Employer Service Training Trust	NA	\$17 083
Older Persons Action Group	20	\$16 308
Southeast Regional Resource Center	33	\$67 563
Vocational Resources and Services	20	\$76 056
<b>Statewide</b>		
AFL/CIO-International Brotherhood of Painters & Allied Trades	15	\$22 952
AHTNA Heritage Foundation	50	\$20 581
Alaska Apprenticeship & Training Coordinators Asscc.	25	\$27 506
Alaska Laborers Training Trust Fund	16	\$17 518
<b>State Fiscal Year 1991</b>		
<b>Anchorage</b>		
Alaska Carpenters	12	\$37 431
Alaska Laborers	18	\$15 017
Alaska Laborers	36	\$17 389
Alaska Laborers	5	\$2 593
Crawford Rehab.	15	\$71 850
Mila, Inc	132	\$162 099
Older Persons Action Group	20	\$40 057
Older Persons Action Group	12	\$21 031
Older Persons Action Group	12	\$21 031
<b>Fairbanks</b>		
Alaska Joint Electric Apprenticeship Training Trust	40	\$30 713
Alaska Laborers Training Trust	263	\$26 613
Alaska Laborers Trust	32	\$9 408
Alaska Motor Inn	1	\$601
Alaska Window	1	\$3 840
All Alaska Weekly	1	\$1 920
Associate Minority Contract	12	\$8 930
Automated Business Center	1	\$1 019
Automated Business Center	1	\$2 160
Data Cache	1	\$3 200
Fairbanks Alaska Area Plumbers & Pipefitters Appr. Comm.	30	\$43 489
Fairbanks Area Carpenters	61	\$77 530
Fairbanks Area Painters & Decorators	30	\$35 740
Fairbanks Furniture Store	1	\$1 920
Fairbanks Hotel	1	\$1 920
Fairbanks Nissan, V. W. & Honda	1	\$2 800
Fairbanks Sheet Metal Workers Intl.	44	\$22 694
Gambardella Pasta Bells	1	\$1 280
Gem Labs of Alaska	1	\$3 000
Kila Inc.	2	\$3 680
Loftus & Dailey Inc.	1	\$6 400
Matrix Jewelers	1	\$4 320
McCauley's Reproductions	2	\$2 240
Mike University Service Inc.	1	\$800
Polaris Hotel	1	\$1 400

335,495

Fiscal Year 91 Continued

Power Sound	1	\$3,280
Uniglobe Outbound Travel	1	\$4,480
<b>Statewide</b>		
AFL/CIO-Fairbanks Building and Construction Trades Council	30	\$58,210
AFL/CIO-International Brotherhood of Painters & Allied Trades	35	\$22,000
AHTNA Heritage Foundation	50	\$108,000
Alaska Apprenticeship & Training Coordinators Assoc.	150	\$95,132
Alaska Laborers	16	\$17,388
Alaska Laborers Training Trust Fund	24	\$26,000
Alaska Laborers Training Trust Fund	40	\$21,152
Alaska Laborers Training Trust Fund	30	\$9,000
Alaska Teamsters Employer Service Training Trust	20	\$13,000
South East Regional Resource Center	13	\$22,815
UAS/CDA Training Project	9	\$15,000
UAS/Institute of Mining Technology	25	\$110,205
<i>Total FY 91 1,211,977</i>		
<b>State Fiscal Year 1992</b>		
<b>Anchorage</b>		
Alaska Laborers	5	\$2,546
Alaska Laborers	5	\$40,057
Mila, Inc	91	\$148,126
Older Persons Action Group	13	\$40,057
<b>Fairbanks</b>		
AlasCan Inc.	17	\$20,000
Alaska Birch Syrup Company	5	\$5,070
Alaska Joint Electric Apprenticeship Training Trust	12	\$11,406
Alaska Joint Electric Apprenticeship Training Trust	20	\$9,240
Alaska Laborers Training Trust	10	\$4,498
Alaska Window Company	3	\$2,700
All Alaska Weekly	1	\$4,480
Automated Business Center	1	\$3,583
Axis Communication	1	\$4,560
Fairbanks Alaska Carpenters	25	\$24,725
Fairbanks Alignment & Auto Repair	1	\$960
Fairbanks Area Painters & Decorators	47	\$3,557
Fairbanks Furniture	1	\$890
Fairbanks Furniture	1	\$1,920
FNA, Regional Center for Alcohol & Other Addictions	1	\$3,236
Great Alaska Bowl	9	\$11,400
Loftus & Dailey, Inc.	1	\$1,285
Matrix Jewelers	2	\$6,720
Matrix Jewelers	1	\$3,063
Plumbers & Pipefitters Joint	NA	\$15,000
Sheet Metal Workers Intl.	19	\$12,558
Sheet Metal Workers Int.	27	\$13,289
Skidmore Machine Company	1	\$2,160
Team Cutters Inc.	4	\$11,171
Toklat Apiaries	4	\$2,585
Uniglobe Outbound Travel	1	\$4,480
University Resume	1	\$2,400
<b>Statewide</b>		
Alaska Commercial Company	4	\$40,000
Alaska Department of Labor/ ESD-Job Service	350	\$83,812
Alaska Joint Electrical Apprenticeship & Training Trust	42	\$15,548
Alaska Laborers Training Trust Fund	20	\$11,989
Alaska Laborers Training Trust Fund	16	\$24,533

*30,577  
12K5*

*statewide  
517,902*

*ANCH  
230,956*

*186,944  
76K5*

Fiscal Year 92 Continued

Alaska State Department of Education	60	\$17,235
Fairbanks Area Painters & Decorators JATC	6	\$12,250
Fairbanks Area Painters & Decorators JATC	6	\$15,150
People Count, Inc.	20	\$43,033
South East Alaska Regional Resource Center	30	\$50,000
UAS	40	\$90,000

Total FY 92 321,280

State Fiscal Year 1993

<b>Anchorage</b>		
Ak. Employment Service/Anch.	70	\$33,712
Alaska Laborers	15	\$5,301
Alaska Laborers	15	\$20,923
Alaska Roofers	15	\$42,030
Mila, Inc	62	\$72,294
Nine Star Enterprises	125	\$93,900
Older Persons Action Group	15	\$43,971
Older Persons Action Group	16	\$45,369
Painters Allied Trade	50	\$34,200

<b>Fairbanks</b>		
AES Electrical Supply	1	\$5,760
Alaska Gold'N' Gems	1	\$3,840
Law Office of Rita Alle	1	\$2,880
Rose & Thistle	1	\$3,360
Royal Forks Buffet	1	\$3,926

<b>Statewide</b>		
Alaska Joint Electrical Apprenticeship & Training Trust	12	\$4,268
Alaska Laborers Training Trust Fund	48	\$11,571
Alaska Laborers Training Trust Fund	24	\$8,026
Alaska Laborers Training Trust Fund	30	\$19,361
Alaska Laborers Training Trust Fund	28	\$5,945
Alaska Vocational Technical Center	12	\$32,832
Bartlett Memorial Hospital	10	\$59,878
Fresh Fish Company	10	\$5,000
Golden Age Fisheries	8	\$75,600
Northwest Arctic Borough	8	\$41,750
Northwest Arctic Borough	2	\$16,340
Ocean Beauty; Chatham Straits Seafood	8	\$66,344
Older Persons Action Group	66	\$232,947
UAS	20	\$40,133

Total FY 93 1,031,461

\* Due to the late funding availability Anchorage and Fairbanks Municipalities declined to participate in the first program year. JTPO contracted with the vendors in these municipalities for the first year. Some JTPO contracts were two years in duration.

Source: Department of Community and Regional Affairs / JTPO -- Prepared by the Department of Labor Research and Analysis, January, 1993

## State Training and Employment Program Subgrants by Service Delivery Area

FY 1994

Contractor	Amount	Number Trained
Alaska Laborers Training Trust	\$62,318	95
Association of Village Council Presidents, Inc.	\$25,627	40
Chatham Strait Seafoods	\$28,954	8
Fresh Fish Company	\$15,000	15
Golden Age Fisheries/Coastal Villages Fishing Cooperative	\$75,000	23
Hospice and Homecare of Juneau	\$22,598	20
Innovative Training and Education Cooperative	\$37,381	8
Northwest Arctic Borough	\$18,060	2
Older Persons Action Group	\$161,000	44
People Count, Inc.	\$54,540	20
South East Regional Resource Center	\$37,700	20
West Coast Construction Services, Inc.	\$9,010	40
Miscellaneous Small Contracts	\$13,209	5
Yukon Delta Fisheries Development Association	\$75,000	15
Statewide SDA Total	\$635,397	355
Alaska Laborers Training Center	\$23,595	32
Alaska Roofers	\$40,867	19
MILA	\$118,000	77
Nine Star Enterprises	\$99,989	101
Older Persons Action Group	\$148,124	42
Anchorage/Mat-Su SDA Total	\$430,575	271
Trowel Trades	\$11,010	7
OIT, Inc.	\$13,410	15
Fairbanks Area Sheetmetal Workers	\$6,990	9
Alaska Laborers Training Trust	\$7,209	37
Carpenters Training Center	\$20,800	11
Older Persons Action Group	\$21,708	12
University of Alaska, Fairbanks	\$31,515	67
Miscellaneous Small Contracts	\$31,588	16
Fairbanks SDA Total	\$144,230	174

Source: Alaska Department of Labor, Research and Analysis and The Alaska Department of Community and Regional Affairs.

## AHRIC & the Alaska State Training & Employment Program (STEP)

The AHRIC has responsibility for creating statewide and regional strategic plans for human resource investments and workforce development. The STEP program falls under AHRIC's umbrella. Recently introduced legislation puts STEP directly under AHRIC's administrative authority - which falls directly in line with the legislature's intent when they created AHRIC in 1995.

At this time the AHRIC is funded through the federal funds previously used to support the three absorbed counsels, and start up money from the contributions by Alaska's workforce to state unemployment insurance funds - Alaska STEP. There are no general funds used to support this vital council and its functions. STEP funds are critical to supporting AHRIC's important mission.

AHRIC also has the responsibility to perform the monitoring and evaluation of Alaska's employment and education programs - to analyze their effectiveness (results) in adding human value through programs that lead to employment, and their cost effectiveness.

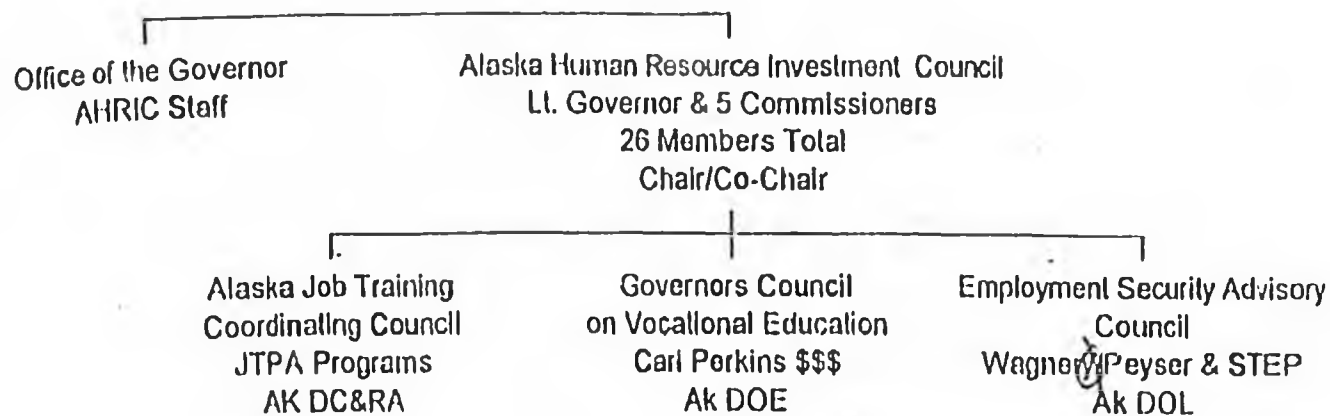
STEP was created several years ago as a pilot program, modeled after programs in California and Illinois, through broad based support by Alaskans, and the State Job Training Coordinating Council. The Alaska STEP pilot has proved to be a very effective program in helping increase the amount of work, wages and annual income of STEP participants, while reducing the individuals unemployment and cost's to the UI system. STEP stretches the capacity of federal funds that come to Alaska for workforce readiness and employment services, and serves many persons who don't fit in the categories mandated under Federal JTPA and AFDC programs.

The STEP is one of the National Governor's Association recommended state human resource "new" initiatives (see NGA's February 1996 white paper "Employing Our Resources") for helping business and labor achieve the skills and knowledge necessary to compete in the local, national and global economy. This claim was recently touted by California in a Washington Post article as the key to their re-emerging economy through high tech/high wage jobs that have come to the state based on several state initiatives, helping California replace jobs lost to military and aero-space industry downsizing with 21st century occupations.

The recent Alaska DOL evaluation of the STEP programs indicate that Alaska STEP is a program that works. This is in agreement with the remarks made by participants (Alaska workers) and vendors who deliver employment and training programs funded by STEP.

# AHRIC Flow Chart

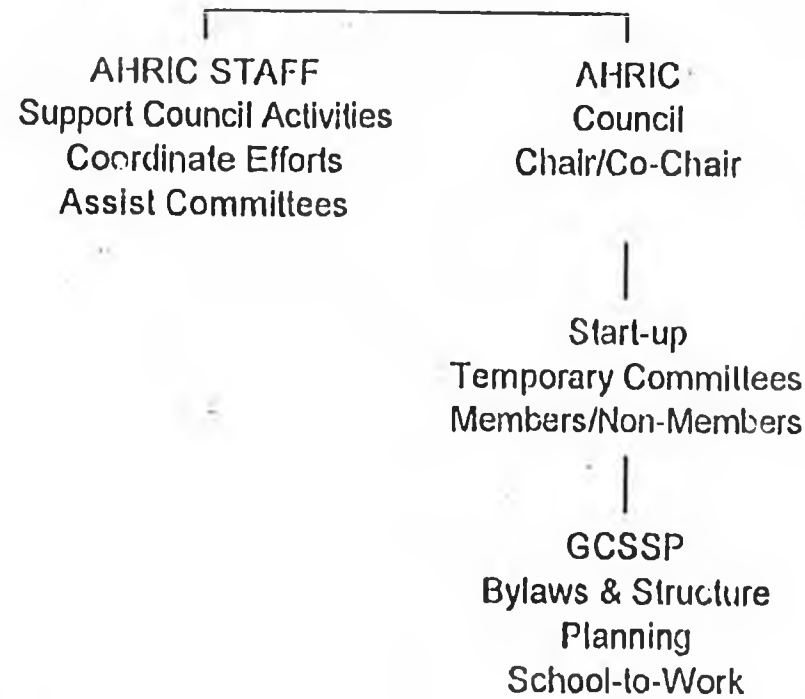
Absorbed Councils January 1, 1996



FEB-15-96 THU 05:54 PM AHRIC

# Council Structure - Interim

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# AHRIC Work Activities

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- mission - vision statement
- structure - council meetings & committees
- communications/council - public -government
- strategic planning for federal & state programs
- written plans & reports -review -approval - submit
- learn/educate/advocate council & public
- monitor/evaluate programs - report
- coordinate employment/training activities
- make recommendations for cost effectiveness & efficeincies

# AHRIC Mandated Plans, Reports & Dates

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## Written Plans & Reports AHRIC Must Complete -Timeline

- Governors Coordinated Special Services Plan  
(Biennial - in progress) 6/ 30/96
- Consolidation of Alaska's Employment & Training Programs & Progress of AHRIC to Legislature
- Report on P I C's and Future of PIC's 6/30/96
- AHRIC Biennial Strategic Plan
- AHRIC Regs & other reports requested by Governor, Legislature or AHRIC

**1996 Alaska Employment Training Programs\***  
(by Funding Source)

Program	Funding Agency	Federal	State	AHRIC Oversight
Adult Basic Education	DOE	X	X	X
Alaska Work Programs (JOBS-Job Opportunities & Basic Skills, Food Stamp E&T)	DHSS/DOL	X	X	X
Community Service Commission (AmeriCorps)	DCRA	X		X
Disabled Veterans Outreach Program and Local Veterans Employment Representative	DOL	X		
Employment Services (UI-Unemployment Insurance)	DOL	X		X
Job Training Partnership Act-IIA (Adult Training Program)	DCRA	X	X	X
Job Training Partnership Act-IIA 5% (Over 55 Older Worker Program)	DCRA	X		X
Job Training Partnership Act-IIB (Summer Youth Employment & Training Program)	DCRA	X		X
Job Training Partnership Act-IIC (Youth Training Program)	DCRA	X		X
Job Training Partnership Act-III (Employment & Training Assistance for Dislocated Workers)	DCRA	X		X
Job Training Partnership Act-IVC (Veterans Employment Programs)	DOL/DCRA	X		X
Native American JIPA Programs	Federal/Subgrantees	X		
State Training & Employment Program (STEP)	DOL/DCRA		X	X
US Job Corps	US DOL	X		
Vocational Education (Carl Perkins Act)	Gov/USIA/DOE	X	X	X
Vocational Rehabilitation Program	DOE	X		X

\* This list covers programs that are currently active in Alaska that utilize federal or state funds - administered through state agencies. Not all programs are under the HRIC oversight at this time, as authorized under the HRIC Act.

This is not a total list of over 80 employment education & training programs available to the state, nor does it include privately funded employment education & training programs in Alaska, such as registered apprenticeships or occupational skill certificates. It is intended to reflect programs that are currently operated in Alaska.

One of AHRIC's primary objectives is to make recommendations to the Governor and the Legislature regarding consolidation and cost effective ways to manage similar programs.

AHRIC  
\$110.0

Department  
of Labor  
(DOL)

UI Trust Fund  
(STEP)  
\$3,946.2

DCRA  
Training &  
Employment  
Services  
\$3,333.6

DOL  
LMI-ODB  
\$252.6

DOL  
UI Collection  
& Accounting  
\$250.0

Administration  
\$230.4

Grants  
\$3,103.2

DOL  
Employment Assistance  
\$114.0

*27% admin*  
*21% UI collection*

EXPENDITURE ACCOUNT	NAME OF EXPENDITURE ACCOUNT	FY 95 ACTUAL	FY 96 AUTHORIZED			FY 97 GOVERNOR
731(X)	Professional Services	3,602.3	3,781.2			3,946.2
	<b>TOTAL INTERAGENCY TRANSFERS</b>	<b>3,602.3</b>	<b>3,781.2</b>			<b>3,946.2</b>

ACCOUNT	EXPLANATION	FY 97 GOVERNOR
73100	Professional Services:	
	-Department of Community and Regional Affairs - training and employment assistance services.	3,333.6
	-Department of Labor, Labor Market Information program for occupational database services for program evaluation.	252.6
	-Department of Labor, Unemployment Insurance program for collection and accounting services.	250.0
	-Office of the Governor, Commissions and Special Offices, Alaska Human Resource Investment Council	110.0

**C22** INTERAGENCY TRANSFERS

AGENCY Department of Labor  
 BRU Employment Security  
 COMPONENT State Training and Employment Program #1184

**FY 97**

Page 1 of 1  
 Revised Date: \_\_\_\_\_

**DOL - LABOR MARKET INFORMATION OCCUPATIONAL DATABASE**  
\$252.6

**I. Data Collection**

**A. a private sector contract**

1. to enter information from the Employment Security Employer Tax Form (submitted by 15,000+ employers in the State of Alaska) into the Occupational DataBase (ODB)
2. information entered includes:
  - Employee Social Security Number
  - Employee wages
  - Employee occupation code
  - ID number for area of employment
  - Employer identification number
  - Employer industry code

**B. one and three-quarters statistical technicians in the department's Research & Analysis section to:**

1. contact employers (approximately 2,000 of the 15,000+ who submit Tax Forms) for missing information
2. enter the missing information and more specific information about the occupational code and the area of employment
3. maintain historical information and update information in the ODB

**II. STEP Targeted Occupations**

A. a training needs survey to determine occupations/skills in high demand in the coming year is conducted each spring. Professional business organizations, native corporations, private and public training institutions and unions are asked to participate in the survey.

B. the funding formula developed by Research & Analysis and used by the Department of Community and Regional Affairs to distribute STEP funds to the Service Delivery Areas is updated annually using labor market statistics.

**III. Training Program Evaluation**

A. By matching the social security number of training program participants the information is analyzed by three-quarters of labor economists' time and reports are developed to show how successful a training program is at getting its participants into jobs in the occupation for which they received training.

B. In addition to STEP, reports have been prepared for:

- University of Alaska - vocational education
- Department of Education - Adult Basic Education
- Department of Education - Postsecondary Education Commission
- Department of Education - Alaska Vocational Technical Center
- Department of Health & Social Services - AFDC/JOBS program
- Department of Community & Regional Affairs - JTPA Performance Grant

Future federal block grants will require training program evaluation.

#### IV. Reports on employment

1. Reports provide direction to program managers and lawmakers that affect resident hire in the State.

2. Reports include:

\* The Report on Nonresidents Working in Alaska -- By matching the ODB with the Permanent Fund Dividend (PFD) file estimates of the number of residents and nonresidents working in Alaska have been prepared since 1984. A residency analysis of Alaska's workers by firm is also prepared by linking these databases.

\* The New Hire Report -- An estimate of job opportunities due to the combined effect of turnover and job growth. The report is developed by comparing the ODB and the PFD files over time.

#### DOL - UI COLLECTION & ACCOUNTING

\$250.0

\* based on the number of bytes used in the UI tax collection database files

845 bytes (of the total 2,190 bytes of information collected) are necessary for determining the amount of employee contributions that are available for Alaska's State Training and Employment Program (STEP). STEP's share is 423, or 19% of the total.

\* 19% needs to be applied to the total Central Office administrative and operations budget Alaska dedicated to collection Employment Security revenues.

\* During FY 97, it is estimated that the total budget will be \$1,315,800.

\*  $\$1,315,800 \times .19 = \$250,000$

\*  $35 \text{ staff} \times .19 = 6.5 \text{ positions on average}$

\* According to an audit performed by the U.S. Department of Labor (USDOL) in 1993, 30.38% of the number of bytes collected were required to determine revenues available for STEP. In 1994, the State Department of Labor requested the approval of USDOL to use the data byte cost allocation method at the rate of 9%. Instead, USDOL suggested that we use one of two methods of allocating costs, resulting in rates of 26% and 19%. Agreement was reached in 1994, and an agreement signed September 9, 1994, that STEP's share of costs for UI tax collection operations and related administrative functions in the Employment Security Division was computed to be 19%.

\* If we do not collect the funds it would not reduce staff for UI tax collection operations and related administrative functions; we would not be able to collect and distribute STEP funds.

*"A Partnership Putting Alaskans to Work"*

P.O. Box 112100  
Juneau, Alaska 99811-2100  
Phone: (907) 465-4890  
Fax: (907) 465-3212



February 6, 1996

The Honorable John Torgerson  
Alaska State Senate  
Room 427, State Capitol  
Juneau, AK 99801-1182

Dear Senator Torgerson:

On behalf of the Alaska Statewide Private Industry Council, I would like to express our strong support for Senate Bill 229. The State Training Employment Program (STEP) has proven to be a cost-effective and business-friendly program which has increased Alaskan's skills and Alaskan's earnings. The Alaska Statewide Private Industry Council has had the experience of working with this program over the years, and feels that it is a wise investment in human capital. It promotes economic growth and job creation across the state, while increasing Alaskan hire. The State Training Employment Program is an important compliment to the prescriptive Federal employment and training programs. It's flexibility and relevance to Alaska makes it much more user-friendly. We strongly support the continuation of this program which makes it pay for Alaskans to work, and encourages businesses to train and hire those Alaskans.

Sincerely,

A handwritten signature in cursive script, appearing to read "David G. Stone".

David G. Stone  
Chairman



# Alaska State Legislature

Please enter into the record my testimony to the Senate Community & Regional Affairs Committee  
committee name

committee on SB 229 & HB435, dated \_\_\_\_\_

We urge you to support the SB229/HB435 for the following reasons:

1. Formation of AHRIC (Alaska Human Resou. Investment Council), mandated by Federal government, replaces three other existing councils, the Alaska Job Training Council, the Employment Security Advisory Council, and the Governor's Council on Vocational Education. It is our understanding the Governor and the Legislature played a lead role in the formation of AHRIC. In our opinion, jurisdiction of all job training programs including STEP by just one council will eliminate duplicate services, enhance customer service and decrease a layer of bureaucracy.
2. We also urge you to support the STEP program. It is our believe that a change to permanent funding will bring stability, security, and predictability to the program. In a delivery of a program if consistency does not exist, services to the public are interrupted. Permanent funding for STEP under SB229/HB435 will help solve this problem.

Signed:

Jan Taitow  
 Testifier  
 1075 Check Street #103  
 Wasilla, AK 99654  
 Representing (Optional)  
 Jan Taitow

Donna Brannon  
 Donna Brannon  
 PO 520884  
 Big Lake, AK

Howard Lowery  
 (Lowery)  
 Anch/Met-Su PIC

Address  
 Private Industry Council  
 Anchorage, AK 99501  
 Phone No.  
 745-4488

Board Member, AHRIC  
 Adult Education  
 892-9428

Howard Lowery  
 Box 5305  
 Wasilla  
 376 5684  
 Howard Lowery

# New Frontier Vo-Tech Center

RED DIAMOND CENTER  
P.O. Box 1869  
35289 K Beach Road, Suite 31  
Soldotna, AK 99669  
(907) 262-9055 (FAX) 262-7144

To: Senator John Torgerson  
Organization: Alaska State Legislature  
Date: 2-6-96  
Fax To: 465-4779  
Number of Pages (including this sheet): 2

Message: Good Points of STEP:

- (1) Is a "safety net" that catches people who don't  
qualify for Dislocated -- TIA etc.
  - (2) Block grants will still have same group as  
main focus - @ Dislocated - poor
  - (3) P.I.C. is used to administer STEP so it  
doesn't create another structure
  - (4) Funding comes from people who use it --  
small portion of employee contributions to the  
UI trust fund - not general revenues (1/10 of 1%)
- Thank for all your help

From:

Judi Walgenbach

---

Participant Eligibility Criteria:

- 480 Unemployed and receiving UI benefits
- 91 Unemployed and UI benefits exhausted
- 13 Likely to lose job within 6 months to reduction in force
- 6 Current job likely to be eliminated
- 78 Current job threatened by changing skill requirements
- Worked UI covered job but ineligible for benefits because:
  - 111 job was seasonal, temporary, part time, or marginal
  - 25 wage contributions insufficient due to limited job opportunity
  - 9 have more skills than called for in current job need services

*Excerpts on STEP*

**jtpa**



**a partnership putting alaskans to work**

**Twelfth Annual Report  
Alaska Statewide Service Delivery Area  
Year Ending June 30, 1995**

## STEP trains powerhouse operators

In rural Alaska there is a great need for qualified operators for power plants, operators who know how to maintain the equipment in proper working order. STEP (State Training and Employment Program) funded training for 25 operators in program year 1994 through a grant to the Division of Energy in the Department of Community and Regional Affairs.

In three two-month long sessions conducted at the Alaska Vocational and Technical Center in Seward, eleven trainees were certified as Full Powerhouse Operators and six more were certified as Assistant Powerhouse Operators. The rating is determined by the individual's performance.

Trainees learned to read meters, read forms, install and operate equipment, troubleshoot, and keep records. There was a cpr segment, and they were trained in taking a generator down, line loss and problem solving.

With trained operators, the efficiency of the equipment is increased, the equipment lasts longer, private employment is created, safety procedures are observed and a sense of accomplishment and self-worth is developed in the operators. The certifications are statewide so the holders can use them in another community if they choose.

Trainees represented a cross-section of communities — Healy Lake, St. Marys, Hoonah, Kwethluk, Nightmute, Karluk, Angoon, Alakanuk, Birch Creek, Ft. Yukon, Ekwok, Kotzebue, Kiana, St. George, and Tuntutuliak. As the word has gotten out, calls about getting training have been coming in from dozens more villages.

"We'd like to have at least one trained operator in every community," said Bruce Tiedeman, project manager.

In this, the operator training program's first year, trainees' average completion rate was 64%. Several recommendations for program improvements are being put into effect for FY 96, explained Tiedeman. Communications have already improved 100% with the villages, local utilities and native entities, he said.

The training program's objective, according to Percy Frisby, Director of the Division of Energy, is to help communities in their long term planning, to become more self-sufficient, efficient and financially responsible in their utility operations, and to maximize the use of equipment placed in rural Alaska. This is particularly important in light of anticipated reduction in state revenues.



*James Thomas  
Tuntutuliak*



*Mark Mark  
Nightmute*



*Clayton Jonas  
Fort Yukon*



*Wassillae Alfred  
Kwethluk*

# carpenters, painters train with STEP

Thanks to the State Training and Employment Program (STEP), groups of Kotzebue and Nome residents who too often have been on the outside looking in when the hiring for construction jobs was done, are now trained as painters and carpenters and have the certificate they need to get good jobs.

In Kotzebue eleven men received tools, books and ten days of instruction in carpentry basics, followed by a similar course in painting. Training was held in the former city firehall, where the trainees built an eight by twelve foot wooden utility shed. The shed was donated to the city as thanks for the workshop space, after the painting class had completed the final touches. The shed will ultimately be put to use by the Northwest Inupiat Housing Authority.

The training was repeated in Nome for eleven residents of that Northwest community. Dan Hoffman, Apprentice Coordinator for the Carpenters Union in Fairbanks, taught carpentry, and Ernie Rump, Apprentice Coordinator for the Painters Union in Fairbanks, taught the painting segment.



*Jeffery Monroe peers through the staff compass while Enoch Porter looks on.*

"They sure were happy to get this training," commented Rump, who shared the trainees' enthusiasm, having seen the numbers of outside contractors who come in and don't hire locally.

At completion of the training, participants received an Alaska Hazardous Paint



*Brady Wallis and two co-workers construct steps to the shed.*



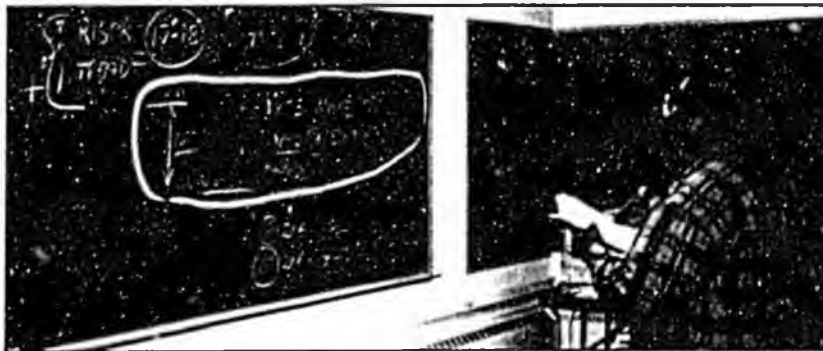
*Enoch Porter works on the utility shed in Kotzebue.*



*Louise Carroll, an unidentified trainee, and Robert Engler nail down the roof.*



*Robert James operates the circular saw while Chester Fields steadies the lumber.*



*William Flitt makes notes on some carpentry math and measurements.*

Handlers Certificate, which is needed by professional painters, and Carpenters and Painters Union Certificates of Completion.

The \$50,000 STEP grant bought the books and tools and funded the training in both locations, as well as a similar class in Fort Yukon. Most of the Fort Yukon group went to work immediately after the training.

STEP is funded by one tenth of one percent of employee contributions to the Unemployment Insurance Trust Fund. Eligibility for training is tied to prior contributions to the Fund and the applicant's current employment status.



*Kotzebue STEP trainees were Jeffery Monroe, William Fields, Charles Jones, William Hensley, George Taylor, Dave Shrader, J. Gerald Omnik, John Riley and Enoch Porter.*

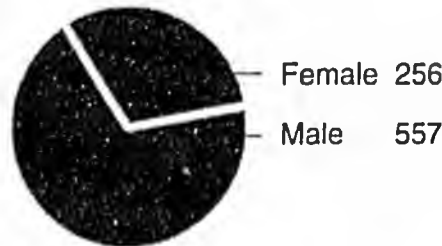
"Turning UI Trust Fund users into Fund contributors is the whole idea of STEP training," explained Katherine Brown, Program Administrator. "We hope this training will not only make residents more employable, but that it will also open doors to carpentry and painting careers."

# STEP

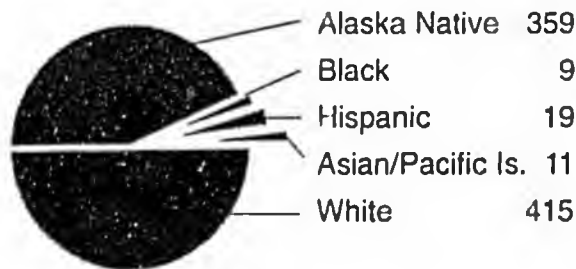
## State Training and Employment Program

Total Participants 813  
Total Terminees 736

STEP was created by the Legislature to provide a flexible response to Alaska job market conditions, and to reduce and prevent claims for unemployment insurance benefits.



Eligibility for the program is tied to status with the unemployment insurance program. Funding for STEP comes from one tenth of one percent of employee contributions to the Unemployment Insurance (UI) Trust Fund.



### Participant Eligibility Criteria:

480	Unemployed and receiving UI benefits
91	Unemployed and UI benefits exhausted
13	Likely to lose job within 6 months to reduction in force
6	Current job likely to be eliminated
78	Current job threatened by changing skill requirements
	Worked UI covered job but ineligible for benefits because:
111	job was seasonal, temporary, part time, or marginal
25	wage contributions insufficient due to limited job opportunity
9	have more skills than called for in current job need services

### Type of Training

Industry specific	338
Institutional or classroom job-linked	141
Employment assistance	279
Support services	232
On-the-job training	7
Relocation assistance	4
Necessary tools/clothing	35

### Termination Information

Entered new job	122
Entered job which had been vacated	186
Received training to protect against fluctuation in the economy	347
Non-positive terminations	81
Continuing in training	77

### Participant Characteristics

161	There are no available jobs requiring your skills
568	Reside in area with limited suitable employment
30	Have disability
134	Age 45 or older
100	Member of household receiving welfare
169	Claimed UI benefits more than 13 weeks
460	Face long term unemployment due to lack of suitable job opportunities, or have limited job skills
421	Receiving Unemployment Insurance
39	Enrolled in AFDC-UP program
73	Paying court-ordered child support
31	Lack skills to obtain employment
255	Skills outdated by technological change
654	Unemployed
228	Referred by Employment Service based on UI profile

# Job Placements

Counselor	4	Cook, camp	1	Warehouse supervisor	1	Waitress	1
Custodian	1	Copier technician	1	Welder	1	Welders helper	1
Daycare worker	1	Customer service rep.	2	Yard worker	1	Women's advocate	1
Demonstration technician	1	Diesel mechanic	1	Youth counselor	1		
Driller helper	1	Driver, delivery	1				
Driller/blaster	1	Driver, dump truck	1	<b>STEP - State Training and</b>			
Driver, dump truck	1	Driver, long haul	1	<b>Employment Program</b>			
Driver, general	1	Driver, truck	1				
Electrician	2	Driver/warehouseman	1	Apprentice electrician	2		
Electrician helper	1	Electrician trainee	1	Apprentice telephone line	2		
Electro mechanical tech.	1	Electrician, apprentice	1	Apprentice wireman	16		
Equipment operator	5	Electronics technician	1	Assistant superintendent	1		
Field service person	1	Driver, truck	1	Bldg maintenance worker	1		
Fueler/luber	1	Driver/warehouseman	1	Boat fabricator	3		
Funeral director	1	Electrician trainee	1	Business owner	1		
Instructor	1	Electrician, apprentice	1	Carpenter	1		
Intern	1	Electronics technician	1	Cashier	2		
Janitor/owner	2	Engineer	2	Certified nurse's aide	18		
Laborer	1	Fish culturist	1	Checker	2		
Landscape worker	1	Fish processor	1	Child care provider	1		
Lead miner	1	Food service worker	1	Clerk	5		
Machinist	1	Head sawyer	1	Clerk, accounting	1		
Maintenance worker	2	HVAC technician	1	Clerk, administrative	3		
Manager, apartment	1	Incinerator operator	1	Clerk, automation	1		
Marine equipment mechanic	1	Laborer	3	Clerk, city	1		
Massage therapist	1	Machinist	1	Clerk, retail	1		
Master 100 ton skipper	1	Maintenance technician	1	Concrete laborer	1		
Miner	1	Maintenance worker	2	Coordinator	1		
Operator, plant	1	Manager, office	1	Customer service rep.	1		
Photography lab technician	1	Marine mechanic	1	Dental assistant	1		
Pipe fitter helper	1	Materials lab technician	1	Drillers helper	1		
Planerman	1	Meatcutter	1	Education specialist	1		
Receptionist	1	Metal fabricator	1	Firefighter	15		
Refrigeration mechanic	1	Mill mechanic	1	Fisherman	1		
Respite care worker	1	Millwright	5	Heavy equipment mechanic	1		
Saw filer	1	Night manager	1	Home health aide	1		
Secretary	1	Operator, business/owner	1	Laborer	40		
Teacher's assistant	1	Operator, chainsaw	1	Library assistant	1		
Traffic controller	4	Operator, crane	1	Mechanic	1		
Tutor	1	Operator, heavy equipment	3	Office machine servicer	1		
Welder	1	Operator, power plant	1	Office manager	1		
		Operator, press	1	Operator, heavy equipment	1		
		Operator, security	1	Operator, plant	1		
		Operator, small craft	1	Operator, powerhouse	1		
		Operator, wastewater	2	Parts assistant	1		
		Oyster worker	1	Powderman	1		
		PCC coder	1	Program administrator	1		
		Personal care attendant	1	Receptionist	3		
		Production associate	1	Resource specialist	1		
		Public relations consultant	1	Respite care worker	1		
		Public works technician	1	Sales person	1		
		Refrigeration technician	2	Salesman	1		
		Safety professional	1	Seafood processor	12		
		Secretary	1	Secretary	1		
		Security officer	1	Stocker	1		
		Service technician	1	Tagger	1		
		Steward	1	Teacher	1		
		Stocker	1	Technician	1		
		Travel consultant	1	Training & dev. consultant	1		
		Tug boat mate	1	Transcriber	1		
		Waiter	1	Village police officer	36		
<b>National Reserve Grant</b>							
<b>Title II</b>							
Accounts payable	1						
Airframe/powerplant	1						
Apprentice glazier	1						
Bank teller	1						
Bartender	1						
Carpenter/laborer	1						
Carpentry/maintenance	1						
Carpet layer	1						
Certified nurse's aide	5						
Chimney sweeper	1						
Choker setter	1						
Clerk, accounting	1						
Clerk, store	1						
Computer programmer	1						
Construction worker	1						
Contract manager	1						

## Client Participation in Training Activities

Activity	Adult	Older Worker	Summer Youth	Youth	Dislocated Worker	National Reserve	State Training & Employment Program	Education Coordination
	Title IIA	Title IIA 5%	Title IIB	Title IIC	Title III	Title III	STEP	8%
Advanced Career Training	3							
Basic Ed. Competencies	20		60	54	5		1	
Basic Skills/Adult Remedial	28		157	46	6	38		28
Career Counseling	20	6		15	23	28	5	
Case Management	237	6	22	65	113	254	14	
Classroom Training	3				1			
Customized Training	3			1	2		1	
Education to Work Transition	32			6				28
Employment Assistance							31	
Entrepreneurial Training	2				4			
High School Grad/GED Trng.						1		
Hold Status	21	3		3	6	24	2	
Industry Specific	44	1		9	15		40	
Job Development	42	8	1	16	12	23		
Job Skills Competency				74				
Job Search	12	5		13	4	2		
Limited Internship				11				
Objective Assessment	275	18	156	165	128	145	27	5
Occupational Skills Training	163	9		26	80	124	38	
On-the-Job Training	10				8	3	5	
Out-of-Area Job Search					1	1	1	
Pre-Employment Skills	1		31	93				
Relocation Assistance					4	11	3	
Retraining					11			
School to Work				11				
Supportive Services	87	3		20	64	37	101	
Vocational Exploration	11	6		3	3	38		
Work Experience	10		267	72			1	28

## Communities Served

STEP

Community	Adult	Older Worker	Summer Youth	Youth	Dislocated Worker	National Reserve	State Training & Employment Program	Education Coordination
	Title IIA	Title IIA 5%	Title IIB	Title IIC	Title III	Title III	STEP	8 Percent
Akiak			8			3		
Akiachak				1			2	
Alakanuk	2			1			4	
Aleknagik							2	
Allakaket			1				1	
Ambler	2						1	
Anchor Point	1		1	3				
Angoon			1				1	
Aniak	2		20					
Anvik	1						2	
Arctic Village	2		3		1		2	
Almatluak			4					
Auke Bay	2			1	3		3	
Barrow							1	
Beaver	1							
Bethel	30		8	26	8		2	2
Brovig Mission				1			4	
Buckland	2		17		1		1	
Chalkyitsik							1	
Chefornak			1				1	1
Chevak	2		5	1			3	3
Chignik Lake							9	
Chitnaik					1			
Circle	2				1			
Clear					1			
Clam Gulch	1							
Copper Center	3			3			7	
Cooper Landing							1	
Cordova			6				3	
Craig			2		1		4	
Deering			2				1	
Delta Junction	9		18	14	7		16	
Dillingham							2	
Dot Lake			11					
Douglas	5	1		1	2		4	
Eagle			1	1				
Eek				1			1	
Ekwok							3	
Elim				1			9	
Emmonak	1		9	1			3	
Fort Greely			1	1				
Fort Yukon	6			3	4		20	
Fritz Creek	1							
Gakona				1				
Galena	5						21	
Glennallen	3			2			13	
Golovin							1	
Grayling	1							
Gustavus							3	
Haines	1		2		1		2	

## Communities Served

STEPS

Community	Adult	Older Worker	Summer Youth	Youth	Dislocated Worker	National Reserve	State Training & Employment Program	Education Coordination
	Title II A	Title IIA 5%	Title IIB	Title IIC	Title III	Title III	STEP	8 Percent
Healy	2						2	
Holy Cross							1	
Homer	2	2	2	9	1		3	
Hooper Bay			3				7	1
Hoonah			12				3	
Houston							1	
Huslia	1							
Juneau	78	7	14	27	37	1	77	
Katag			27	1	1			
Karluk							2	
Kasigluk			7				1	4
Kasilof	3		2				4	
Kenai	15	2	9	2	8	1	19	
Ketchikan	11	1	36	1	8		31	
Kiana	1		2	1	1		1	
King Salmon							1	
Kipnuk							1	
Kivalina	2		27	1				
Klawock	1		12				2	
Kodiak	10	4	4	2	5		6	
Kotlganeek							2	
Kongiganak			5				3	5
Kotlik			2				3	2
Kotzebue	6		1	3	2		9	
Koyuk			9				2	
Koyukuk	3						1	
Kwathluk	5		3	1			1	
Kwigillingok			1					
Lower Kalskag			1	1			1	
Manley Hot Springs	1		1					
Manokotak							7	
Marshall	1							
McGrath	1		1	1			3	
Mekoryuk	5							
Mentasta Lake							1	
Minto	6						1	
Mountain Village			1	1			2	
Napakiaik			2	1				
Napaskiak							3	
Nenana	2		5	1	2			
Newtok							1	
Nightmute							2	
Nikiski	5		3	1	1		6	
Nikolai	4				2		2	
Ninilchik	3							
Nome	3	1	29	21	16		27	
Noorvik							1	
Northway							1	
Nulato			30	1			1	
Nunapituchuk			1					

## Communities Served

STEP

Community	Adult	Older Worker	Summer Youth	Youth	Dislocated Worker	National Reserve	State Training & Employment Program	Education Coordination
	Title IIA	Title IIA 5%	Title IIB	Title IIC	Title III	Title III	STEP	8 Percent
Quzinkie			1					
Petersburg					1		1	
Point Hope				1				
Pilot Station			5					
Port Graham							2	
Quinhagak	1		3				1	3
Rampart	1							
Russian Mission								3
Ruby			6				1	
Savoonga	2					1	2	
Selawick	3			1				
Seldovia	1			1			1	
Seward	2		12	1	23		4	
Shageluk							1	
Shaktoolik							7	
Sheldon Point							2	
Shishmaref							1	
Shungnak	1			1				
Silka	8		56	27	3	174	29	
Skagway	1							
Soljotna	27	1	4	5	2	2		
St. Mary's	2		1					
St. Michael			9				5	
Stebbins			3				2	
Sterling	1		2	1	1		1	
Stevens Village					1		2	
Tanacross	3							
Tatitlek							1	
Telida			1					
Teller	2						7	
Tenakee Springs			1					
Tetlin			1	1			2	
Thorne Bay				1				
Togiak							2	
Tok	7	1		3	9		7	
Toksook Bay	1		1	1	1		2	
Trapper Creek							1	
Tuluksak				4				
Tuntutuliak			1				2	
Tununak			6					4
Tyonek	2							
Unalakleet	1			1			10	1
Valdez			1	3			12	
Venetie	7		2	2			5	
Wales							13	
Ward Cove	1		1				3	
Wasilla							1	
White Mountain							1	
Wrangell	2		13		17	104	5	
Yakutat			9					

DEBRA L. CALL  
Manager, Human Resources

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY AND RURAL DEVELOPMENT

COOK INLET REGION, INC.  
2525 C Street, Suite 500  
P.O. Box 93330  
Anchorage, Alaska 99509-3330

(907) 274-8611  
Fax (907) 279-8816

**To:** Alaska's Partners in Human Resource Development

**From:** Debra Call, Former Chair, Alaska Job Training Council

**Date:** February 16, 1996

**Re:** AJTC Transition Report and Final Recommendations

As the concluding gesture in our transition to the Alaska Human Resource Investment Council (AHRIC) the Alaska Job Training Council (AJTC) has produced a closing report. We have prepared the report to provide some insight into the way JTPA has operated in Alaska, and to offer the lessons which we as a council and a training community, have learned in our twelve years of experience with the program.

Enclosed is a copy of the document as it was presented to members of AHRIC on January 26, 1996, in Anchorage. I believe that the *Transition Report and Final Recommendations to the Alaska Human Resource Investment Council* has accomplished everything we wanted it to do. It sets the framework for an understanding of the JTPA from a national policy perspective; it provides a brief overview of the state's current system for program operation; it includes a synopsis of Alaska's own policy development from employment training to our newer expectations for human resource development; and it concludes with a presentation of 18 recommendations to AHRIC, each one followed by a discussion of the issues, and examples of local or statewide practices which led to the recommendation.

This formally concludes our activities as Alaska's job training coordinating council. It has been a pleasure and a privilege to have served with so many dedicated members of our state's training, education and employment community. The leadership and talent in this group will serve our state and AHRIC well for many years to come.

enclosure as stated

1/10 of 1% of <sup>unemployment</sup> U.S. funding - employee control

Support → STEP - p. 14 - flexible funding for employer training

# FAX TRANSMITTAL SHEET

## STATE OF ALASKA OFFICE OF THE GOVERNOR

ALASKA HUMAN RESOURCE INVESTMENT COUNCIL  
3601 "C" Street, Suite 380  
ANCHORAGE, ALASKA 99503

PHONE: (907) 269-7485  
FAX: (907) 269-7489

Please deliver to: Senator Torgerson Location: capitol rm. 427

Fax number: 465-4779 4821 Phone number: 465-2828

Number of pages including transmittal sheet: 2

Comments: per your request.

Date: 3/14/96 From: Mike Andrews Phone: (907) 269-7485

**1996 Alaska Employment Training Programs\***  
(by Funding Source)

Program	Funding Agency	Federal	State	AHRIC Oversight
Adult Basic Education	DOE	X	X	X
Alaska Work Programs (JOBS-Job Opportunities & Basic Skills, Food Stamp E&T)	DHSS/DOL	X	X	X
Community Service Commission (Americorps)	DCRA	X		X
Disabled Veterans Outreach Program and Local Veterans Employment Representative	DOL	X		
Employment Services (UI-Unemployment Insurance)	DOL	X		X
Job Training Partnership Act-IIA (Adult Training Program)	DCRA	X	X	X
Job Training Partnership Act-IIA 5% (Over 55 Older Worker Program)	DCRA	X		X
Job Training Partnership Act-IIB (Summer Youth Employment & Training Program)	DCRA	X		X
Job Training Partnership Act-IIC (Youth Training Program)	DCRA	X		X
Job Training Partnership Act-III (Employment & Training Assistance for Dislocated Workers)	DCRA	X		X
Job Training Partnership Act-IVC (Veterans Employment Programs)	DOL/DCRA	X		X
Native American JTPA Programs	Federal/Subgrantees	X		
State Training & Employment Program (STEP)	DOL/DCRA		X	X
US Job Corps	US DOL	X		
Vocational Education (Carl Perkins Act)	Gov/UofA/DOE	X	X	X
Vocational Rehabilitation Program	DOE	X		X

\* This list covers programs that are currently active in Alaska that utilize federal or state funds -- administered through state agencies. Not all programs are under the HRIC oversight at this time, as authorized under the HRIC Act.

This is not a total list of over 80 employment education & training programs available to the state, nor does it include privately funded employment education & training programs in Alaska, such as registered apprenticeships or occupational skill certificates. It is intended to reflect programs that are currently operated in Alaska.

One of AHRIC's primary objectives is to make recommendations to the Governor and the Legislature regarding consolidation and cost effective ways to manage similar programs.

**OFFICE OF THE GOVERNOR**  
*Alaska Human Resource Investment Council*  
3601 "C" Street, Suite 380  
Anchorage, Alaska 99503  
907/269-7490 Fax 907/269-7489

Senator John Torgerson  
Room 427  
State Capitol  
Juneau, Alaska 99801-1182

February 9, 1996

Dear Senator Torgerson,



I am glad to report that the Alaska Human Resource Investment Council (AHRIC) is open and ready for business. I would like to tell you more about this in person, and have requested a meeting with you, if possible, on Monday, 10 am, February 12th in Juneau, through your staff.

Your support for creating the AHRIC was critical. It was part of the overwhelming desire of an unanimous Legislature and Governor to consolidate state boards and programs, streamline government, and offer effective and cost efficient employment and training services to the people and businesses of Alaska.

You may recall that the legislation set several things in motion to accomplish the goals and mission of AHRIC, but did not authorize funds to fully staff AHRIC until January 1, 1996. I came on board October 9, 1995, and began the work of understanding the broad reach of AHRIC - in light of the momentum of federal reforms moving through Congress that will dramatically impact Alaska's workforce development and workfare initiatives. Some of our accomplishments during the three months prior to the official opening of AHRIC were:

- locating & furnishing office space for AHRIC
- finding staff for January 1, 1996 hire
- assist the Governor on 1997 budget issues for the upcoming legislative session
- work with several Commissioners, related agencies and program directors and the public on AHRIC transition and council issues
- assist the Governor's Welfare Reform Task Force and the Jobs Mini-Cabinet
- reach out to the 26 council members, provide them with educational material to prepare them for council work
- arrange the logistics for the kickoff meeting

The council was officially seated January 1, 1996, and held its first meeting in Anchorage on January 25 & 26. The council went to work immediately on the tasks required by the Alaska Legislature and the Federal government. A press release about the first meeting is attached to

this letter.

AHRIC will hold its second meeting in Juneau on April 15 & 16. Part of the meeting will be dedicated to informing the Legislature on the progress and work of the new council. You will receive a more formal invitation to this meeting very soon.

I believe you made the right choice by supporting the creation of this new, leaner, innovative council. I look forward to meeting with you and discussing your concerns and expectations of the new AHRIC.

Sincerely,



Mike Andrews  
Executive Director

CC: Governor Tony Knowles  
Pat Pourchot, Legislative Director

**OFFICE OF THE GOVERNOR**  
*Alaska Human Resource Investment Council*  
3601 "C" Street, Suite 380  
Anchorage, Alaska 99503  
907/269-7490 Fax 907/269-7461

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**Alaska Human Resource Investment Council**

**Statement of purpose:**

The purpose of the AHRIC is to provide coordination of federal human resource programs, to advise the Governor of human investment needs, and to recommend ways to meet those needs, while maximizing federal funds and avoiding duplication of effort. The AHRIC has evolved from the merger of the Alaska Job Training Coordinating Council (JTCA), the Governors Council On Vocational Education (Carl Perkins), and the Employment Security Council (Wagner-Peyser).

**Federal Programs under AHRIC include:**

- The Job Training Partnership Act
- The Carl D. Perkins Vocational and Applied Technology Education Act
- The National and Community Service Trust Act
- The Adult Education Act
- The Wagner-Peyser Act (employment services)
- Part F of Title IV of the Social Security Act
- The Job Opportunities and Basic Skills (JOBS) Training program
- The employment & training program established under the Food Stamp Act

**Alaska Program(s) under AHRIC include**

- State Training & Employment Act (STEP)

The AHRIC has twenty-six members, appointed by the Governor, who represent local public education, postsecondary & vocational education, private industry, organized labor, community based organizations, Alaska Native employment and training organizations, and government. The Lieutenant Governor and the Commissioners of Commerce, Community & Regional Affairs, Education, Health & Social Services and Labor sit as voting members of the council.

The consolidation of federally mandated advisory councils and their staff is intended to help streamline oversight and planning functions, reduce redundancy and waste, and allow states to use federal dollars to develop, articulate, and advance comprehensive workforce development policies and priorities. Once achieved, system wide coordination will result in improved services to the customers of the workforce development system, specifically students, workers and employers.

Through legislation creating the AHRIC, the state has determined that workforce development is critical to the economic future of Alaska and its citizens, and has committed resources to ensure that Alaska will not be left behind by other states or nations in human resource investment programs.

State of Alaska  
**Office of the Governor**

**TONY KNOWLES**  
 Governor  
 P.O. Box 110001  
 Juneau, Alaska 99811-0001  
**NEWS RELEASE**



**Bob King**  
 Press Secretary  
**Claire Richardson**  
 Deputy Press Secretary  
 907-465-3500  
 FAX: 907-465-3533

FOR IMMEDIATE RELEASE: February 9, 1996

96-031

**NEW COUNCIL COORDINATES STATE'S EFFORT TO TRAIN PEOPLE FOR WORK**

The Alaska Human Resource Investment Council (AHRIC) has begun targeting how the state can more effectively allocate \$50 million in federal and state job training funds. During its first meeting in late January, the council started work on a plan to address employment problems and opportunities, while at the same time streamlining government.

AHRIC was created through legislation introduced by Governor Tony Knowles that merged three state councils into one organization to better coordinate the state's efforts to put people to work. Knowles called the council the flagship of his administration's efforts to work in partnership with business and industry and Alaska's work force. "I am committed to providing the council with what ever it takes to get things done," said Knowles.

The council's meeting in Anchorage was chaired by Lt. Governor Fran Ulmer. During her opening remarks, Ulmer issued a challenge to the council to use its authority and power to make Alaska-hire a reality. "In 1994, over 78,000 non-residents worked in Alaska and took away over \$900 million in wages. This council can change that and put Alaskans to work in jobs now held by people who don't live or raise families here." Most of the non-resident workers were employed in Alaska's largest industries - seafood, oil, tourism and timber.

The 26-member council includes five commissioners; Tom Cashen of Labor, Willie Hensley of Commerce, Shirley Holloway of Education, Mike Irwin of Community and Regional Affairs and Karen Perdue of Health and Social Services. Other members represent business and labor organizations, Native corporations, educational institutions and employment service providers.

The council will deal directly with issues such as the vocational education, economic development, school-to-work and welfare reform. "This council has the leadership and experience to create the strategies and innovation Alaska needs to prepare our workforce for jobs today and in the next century," said Mike Andrews, AHRIC's executive director.

The council created four committees to meet government mandates and to begin creating the strategic plan - the Governors Coordinated Special Services Plan Committee, Council Structure Committee, School to Work Committee and the Planning Committee. The committees will report to the full council in mid-April, when the AHRIC convenes in Juneau for its second meeting.

Contact: Mike Andrews, 269-7485  
 Radio Stations: for actualities call, 1-800-478-5663, in Juneau call, 465-5213

-30-  
*Run 370 Coast on 3/1/96*

## **The Alaska Human Resource Investment Council**

Changes in the nation's economy and political mood have spurred a national movement to implement federal reforms in employment education, training and public assistance programs. This federal movement has sent most state governments scurrying to put in place new systems to accommodate these proposed sweeping changes. Since 1992, the Federal Government has encouraged states to establish Human Resource Investment Councils for planning, monitoring, and evaluating employment and vocational education and training programs under the Joint Training Partnership Act (JTPA).

Alaska is actually a leader in this state movement. The Alaska legislature, acting upon the 1994 Legislative Budget & Audit Committee Report (November 7, 1994, Control #06-4470B-95) and recommendations by the Alaska Job Training Council and other organizations and individuals; enacted legislation in 1995 that created the AHRIC. Governor Tony Knowles signed the legislation in July, 1995, and announced the new council members in October. The council was officially seated January 1, 1996, as determined by the legislation, when the official duties of three former education and employment training councils ended.

The twenty-six member council, appointed by the Governor, includes the Lieutenant Governor, five state commissioners, representatives of business, labor organizations, Native corporations, educational institutions and employment service providers. AHRIC's main task is to create and implement a workforce development strategy through plans that will increase human value, drive economic development, prevent poverty and reduce the public expense of welfare dependency and better prepare Alaska's workers for the twenty-first century local, national and global economy.

### **AHRIC's Tasks**

The primary function of the council will be to present to the Governor and the Legislature a human resources investment plan that is expected to accomplish the following:

- Identify \$1 million in savings to the state in fiscal year 1998 from streamlining operations.
- Interface with welfare reform initiatives that put people to work first, and meet federal mandates to end public assistance entitlement.
- Set goals and establish benchmarks for job placement, public dependence caseload reduction, increased worker education & skills, and individual and family economic self-sufficiency.
- Monitor and evaluate all State operated employment education and training programs & make recommendations to direct limited resources into effective programs while eliminating programs that don't work.
- Identify and consolidate program funding sources to increase efficiency, and

streamline government - providing more private sector involvement and opportunity for program delivery.

### **AHRIC & Alaska Welfare Reform**

Welfare Reform is designed to move Alaskans from welfare to work, while maintaining essential human services for those who have nowhere else to turn. This takes a broad approach that looks at basic human needs, individual barriers to meaningful employment, and long term job opportunities for clients. AHRIC is involved with this effort on several different levels, most specifically in the following three areas:

- Using the statewide plan to target a percentage of training slots for AFDC clients.
- Work with the Governor, the Legislature and private sector to shift jobs held by 78,000 non-resident to low-income Alaskans.
- Help create 500 new jobs annually for welfare recipients through economic development and work-first programs.

### **Consolidation of Services**

AHRIC represents the consolidation of three job training and vocational education councils; the Alaska Job Training Council, the Governor's Council on Vocational and Career Education, and the Employment Security Advisory Council. This reduced paid staff positions for the three councils and the costs associated with council members, streamlining members from 37 to 26.

Along with consolidation of these three councils, AHRIC will investigate ways to consolidate employment and training services throughout the state and make recommendations to the Governor and Legislature for future mergers of councils and programs that fall under the mission established for AHRIC under the 1995 legislation. The AHRIC has already begun work on identifying areas that can bring effective change:

- **Data Systems Analysis:** consolidate information between all state human resource & job training programs so as to better measure success of programs. An integrated data base is needed for proper monitoring, evaluation, reporting and administering programs.
- **Information sharing and program coordination** with Alaska Native Grantees and community based organizations involved in family assistance and job training -

to provide better linkages between programs and customers, cover rural and urban populations more effectively, and balance opportunities for all Alaskans. Broker solutions across state agencies and departments to create "one-stop" career centers and human resource outlets.

### **What is AHRIC doing NOW!**

The AHRIC held its first meeting on January 25 & 26th in Anchorage and immediately went to work on the public process, tasks and activities assigned under the new legislation. The council began to organize its work through a work session and established four start-up committees to cover short and long term issues.

The committees are:

- Governors Coordinated Special Services Plan - whose task is to produce the final coordinated human resource investment plan for use of federal funds covering Joint Training Partnership Act program, Carl A. Perkins Vocational Education, Employment & Security under Wagner Peysner, and associated employment education and training programs administered by the state.

- Structure & Bylaws - whose task is to bring organizational structure to the new council through recommendations for rules that govern meetings, standing committees, communications, council policy and procedures.

- School-To-Work - whose task is to represent the AHRIC on educational and life long learning issues, in particular as monitor of the recently awarded \$1.3 million federal School-to-Work grant and the activities of the Alaska School-To-Work Implementation Task Force.

- Strategic Planning - whose task is to organize the council public process for creating the strategies and recommendations to the governor and legislature on future employment and training program consolidations, directions and local community involvement.

### **AHRIC & The Governor's Office**

AHRIC is part of the Office of the Governor. AHRIC's executive director has been directed to become directly involved in several important issues and initiatives, and serves in many cases as a "broker" among state departments and divisions to integrate human resource efforts. Some issues & initiatives are:

- Member of the Governor's Welfare Reform Task Force. AHRIC has the role of helping coordinate efforts and job placement strategies to move people from welfare to work. These efforts include working with the agencies and the council in creating a

strategic plan that creates long term solutions to poverty through good jobs in meaningful work. Part of the strategy shall focus on emerging or new occupations within the state, jobs in major and expanding Alaskan industries, and replacing non-residents with Alaskans in good Alaskan jobs - to meet the federal welfare reform block grant requirements.

-Member of the Governor's Jobs Mini-Cabinet. AHRIC has a role in creating strategies that promote the hiring of Alaska's workforce and maximizing the use of Alaska's businesses. AHRIC must respond with service providers to economic expansion opportunities or contraction/downsizing workforce problems. As a member of the Jobs Mini-Cabinet, the executive director can inform the cabinet and governor of resources and programs available to advance Alaska's family.

## **AHRIC & the Alaska State Training & Employment Program (STEP)**

The AHRIC has responsibility for creating statewide and regional strategic plans for human resource investments and workforce development. The STEP program falls under AHRIC's umbrella. Recently introduced legislation puts STEP directly under AHRIC's administrative authority - which falls directly in line with the legislature's intent when they created AHRIC in 1995.

At this time the AHRIC is funded through the federal funds previously used to support the three absorbed counsels, and start up money from the contributions by Alaska's workforce to state unemployment insurance funds - Alaska STEP. There are no general funds used to support this vital council and its functions. STEP funds are critical to supporting AHRIC's important mission.

AHRIC also has the responsibility to perform the monitoring and evaluation of Alaska's employment and education programs - to analyze their effectiveness (results) in adding human value through programs that lead to employment, and their cost effectiveness.

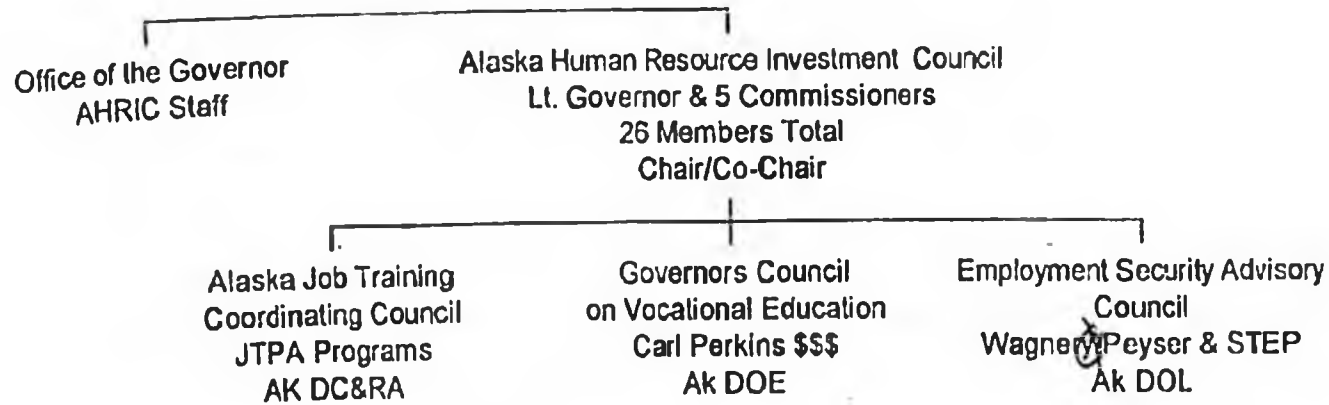
STEP was created several years ago as a pilot program, modeled after programs in California and Illinois, through broad based support by Alaskans, and the State Job Training Coordinating Council. The Alaska STEP pilot has proved to be a very effective program in helping increase the amount of work, wages and annual income of STEP participants, while reducing the individuals unemployment and cost's to the UI system. STEP stretches the capacity of federal funds that come to Alaska for workforce readiness and employment services, and serves many persons who don't fit in the categories mandated under Federal JTPA and AFDC programs.

The STEP is one of the National Governor's Association recommended state human resource "new" initiatives (see NGA's February 1996 white paper "Employing Our Resources") for helping business and labor achieve the skills and knowledge necessary to compete in the local, national and global economy. This claim was recently touted by California in a Washington Post article as the key to their re-emerging economy through high tech/high wage jobs that have come to the state based on several state initiatives, helping California replace jobs lost to military and aero-space industry downsizing with 21st century occupations.

The recent Alaska DOL evaluation of the STEP programs indicate that Alaska STEP is a program that works. This is in agreement with the remarks made by participants (Alaska workers) and vendors who deliver employment and training programs funded by STEP.

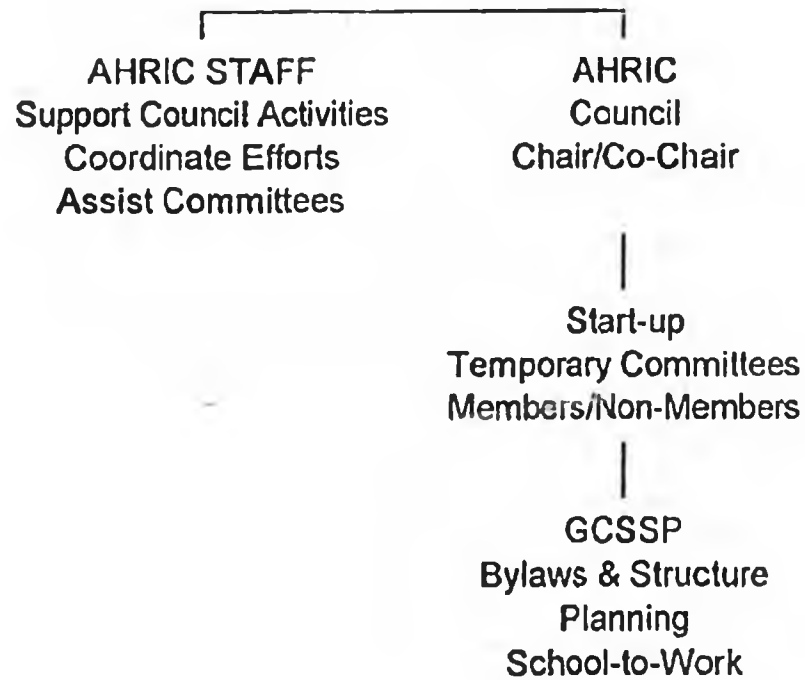
# AHRIC Flow Chart

Absorbed Councils January 1, 1996



# Council Structure - Interim

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# AHRIC Work Activities

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- mission - vision statement
- structure - council meetings & committees
- communications/council - public -government
- strategic planning for federal & state programs
- written plans & reports -review -approval - submit
- learn/educate/advocate council & public
- monitor/evaluate programs - report
- coordinate employment/training activities
- make recommendations for cost effectiveness & efficeincies

# AHRIC Mandated Plans, Reports & Dates

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## Written Plans & Reports AHRIC Must Complete -Timeline

- Governors Coordinated Special Services Plan  
(Biennial - in progress) 6/ 30/96
- Consolidation of Alaska's Employment & Training  
Programs & Progress of AHRIC to Legislature
- Report on P I C's and Future of PIC's 6/30/96
- AHRIC Biennial Strategic Plan
- AHRIC Regs & other reports requested by Governor,  
Legislature or AHRIC

**1996 Alaska Employment Training Programs\***  
(by Funding Source)

Program	Funding Agency	Federal	State	AHRIC Oversight
Adult Basic Education	DOE	X	X	X
Alaska Work Programs (JOBS-Job Opportunities & Basic Skills, Food Stamp E&T)	DHSS/DOL	X	X	X
Community Service Commission (AmeriCorps)	DCRA	X		X
Disabled Veterans Outreach Program and Local Veterans Employment Representative	DOL	X		
Employment Services (UI-Unemployment Insurance)	DOL	X		X
Job Training Partnership Act-IIA (Adult Training Program)	DCRA	X	X	X
Job Training Partnership Act-IIA 5% (Over 55 Older Worker Program)	DCRA	X		X
Job Training Partnership Act-IIB (Summer Youth Employment & Training Program)	DCRA	X		X
Job Training Partnership Act-IIC (Youth Training Program)	DCRA	X		X
Job Training Partnership Act-III (Employment & Training Assistance for Dislocated Workers)	DCRA	X		X
Job Training Partnership Act-IVC (Veterans Employment Programs)	DOL/DCRA	X		X
Native American JTPA Programs	Federal/Subgrantees	X		
State Training & Employment Program (STEP)	DOL/DCRA		X	X
US Job Corps	US DOL	X		
Vocational Education (Carl Perkins Act)	Gov/UsfA/DOE	X	X	X
Vocational Rehabilitation Program	DOE	X		X

\* This list covers programs that are currently active in Alaska that utilize federal or state funds -- administered through state agencies. Not all programs are under the HRIC oversight at this time, as authorized under the HRIC Act.

This is not a total list of over 80 employment education & training programs available to the state, nor does it include privately funded employment education & training programs in Alaska, such as registered apprenticeships or occupational skill certificates. It is intended to reflect programs that are currently operated in Alaska.

One of AHRIC's primary objectives is to make recommendations to the Governor and the Legislature regarding consolidation and cost effective ways to manage similar programs.

IMPLEMENTATION & TRANSITION GOV. ONLY

DRAFT 1/24/96

# DEVELOPING A NEW VISION FOR SERVICES TO FAMILIES AND CHILDREN

Julle Strawn  
Jeff Harris  
Evelyn Gatzlans

National Governors' Association  
February 1996

SENATE OF ALASKA  
STATE OF ALASKA

ALASKA STATE GOVERNMENT

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P. 13

FAX NO. 919072697489

Alaska STEP  
Model A

DRAFT 1/24/96

A third example of an effective program that fits into a preventative strategy comes from the workforce development system. Currently, federal workforce development funds cannot be used to help businesses retrain workers in order to stay competitive in the global economy. The workforce development legislation passed by the Senate would allow such skill upgrading activity. On their own, states now invest approximately \$200 million of state resources annually to upgrade the skills of current workers. The goals of such services is to help prevent plants from closing and workers from being laid off, in turn preventing individuals from needing unemployment insurance and reemployment services. Several of these states, such as California, New Jersey, and Texas, fund these services through diversion of a small fraction of state unemployment insurance tax revenues. (See box on *California's Employment Training Panel.*)

**California's Employment Training Panel**  
The largest of the state skill upgrading programs, California's Employment Training Panel provided \$91 million to employers for job training activities in fiscal year 1994. ETP is funded through unemployment insurance taxes (0.1% of wages or about \$7 per covered employee per year). An independent longitudinal study of ETP's results began in 1991 and found participants in ETP training had higher earnings and job security, at a time when California's average wages and unemployment rates were declining overall. Specifically the study found that ETP training increased the real earnings of employed workers by \$2,621 in the first year after training and earnings increases persisted in the second year after training.

In the health care arena, prevention is a main emphasis of managed care health systems. In return for a payment of a fixed amount per person, managed care organizations seek to improve the health of their members through an emphasis on "health" care in contrast to "sick" care. Accordingly, compared to persons in fee-for-service Medicaid, members in managed care systems are less likely to use expensive specialized services and to visit emergency rooms for nonurgent care. Medicaid resources can also be used in tandem with other sources of health care funds to enhance the use of prevention services, such as immunizations. Further, the Maternal and Child Health Services Block Grant program (Title V) spends over half of its funds on direct services and enabling services. Because states are afforded flexibility under the block grant, they can tailor programs to meet community needs. (See box on *State Prevention-Oriented Efforts in Health Care.*) Some states have also turned to behavioral incentives to emphasis prevention and to improve the health care of Medicaid beneficiaries. Maryland, for example, links the amount of the monthly AFDC payment to the children's receipt of immunizations.

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# Employing our Resources

*Thinking creatively for workable solutions*

## DRAFT

A Policy Paper of the  
National Association of State Workforce  
Investment Policy Council Chairs

Jerry Brown, Chair

March 1996

open to tuition-paying students for skills training in certain portable skills curricula.

Notable examples include Motorola University, McDonald's, "Hamburger U", and Disney University.

► **Business/Post-Secondary Institution Shared Costs**

Employers with a large number of employees and extensive training needs can join forces with a local post-secondary institution to design curricula and teach skills which are industry-specific but also portable and credentialed. Typically, the business pays for the curricula development and the institution ensures teacher development and quality standards achievement. Both share in the cost of program delivery and the business pays a reduced cost per pupil.

This arrangement is most frequently found in agreements with community colleges which have developed extensive programming in response to the needs of employers.

► **Consortia Arrangements**

This arrangement is similar to company training networks organized along customer-supplier lines. Typically, curricula is developed according to the specifications of the "member" companies and delivered to the supplier companies, often through the local community college. Development costs are borne by the consortia members; delivery costs are shared by the smaller supplier companies and individuals being trained. Curricula can be geared to basic management and customer services issues or focused on the requirements of the high performance workplace.

Some states provide matching funds to consortia of firms to undertake joint training programs suited to their unique needs. Typically, these programs are housed in a public educational or training institution so that the state's matching funds are eventually recaptured by the state-funded training institution.

Training Funds Capitalized by Unemployment Insurance (UI)

At least 20 states have earmarked a portion of their state-collected UI funds for training and related initiatives. In those states in which UI is well-funded, it can be used to finance workforce development without compromising the actuarial integrity of the fund. Also, states can obtain significant leverage with UI funds and realize a recognizable impact on training needs without a net tax increase.

UI associated taxes can be assessed against employers and employees.

► **Unemployment Insurance Training Trust Fund**

A portion of the UI funds is set aside in a separate reserve fund and the interest earned by the reserve fund is used to create a special trust fund.

01.11.19

X STEP

This trust fund is used to finance training programs and related services, e.g., employment security services.

Typically, this option is implemented by dividing the UI revenue into two streams. A new tax is created to generate funds for the reserve fund; the UI tax is reduced in an amount equal to the new tax. The revenues generated by the reserve tax are pledged to payment of UI benefits if the UI trust fund becomes insolvent.

Three states have established UI reserve funds: North Carolina, Idaho, and Oregon.

► **Unemployment Insurance Surtax**

A surtax added to the UI tax and the revenues dedicated for employment and training. Typically, the UI tax rate is reduced to offset the training surtax so that the tax impact is neutral.

Five states use a UI surtax to help fund workforce training: California, Delaware, Rhode Island, New Jersey, and Alaska.

**Tax Incentives for Employer-Provided Training**

Tax incentives are a means of encouraging private sector businesses to provide training by offsetting the expense of training with tax credits, tax deductions or tax deferral for expenses related to employee training. Since many states that have corporate income taxes have statutes that parallel the federal code, these options are applicable at both the federal and state levels.

A major consideration relative to tax incentives is the overall financial impact these will have on tax revenues. This impact will vary with the type of incentive offered, e.g., tax credit, tax deduction or tax deferral; the type of training costs that are eligible; the percentage of costs that are used in the computation; and the specific tax to which the incentive is applied, e.g., corporate income tax, sales tax, property tax, etc.

An obvious limitation of corporate income tax incentives is that these incentives would apply only to those firms with a tax liability which would automatically exclude all non-profits, such as many health care and community-based organizations. This type of incentive might also exclude for-profit firms that did not expect to have a taxable profit in a given year unless the incentive, e.g., a tax credit, could be carried forward to subsequent years.

The tax incentive option is extremely flexible and offers numerous decision points in how to structure and target the incentive. Some of the key issues central to the development of a tax incentive for training include:

**What types of training should qualify for the incentive?**

- All types of employee training
- Specific types, e.g., basic skills, job-specific skills, skill upgrades

accounting firm of Coopers & Lybrand, concluded that a flat tax offering exemptions for homeownership, charitable contributions, investments, payroll taxes and other priorities favored by the panel would require a rate of at least 25 percent to keep from adding to the deficit.

Alternatively, if the rate for the tax plan were set at 19 percent—the rate Kemp says he favors—preserving the many exclusions apparently advocated by the commission would add about \$200 billion annually to the deficit, roughly doubling its current size, the firm concluded.

The firm's assessment highlights the perils of raising the flat tax as a campaign issue. Opinion polls suggest that Americans dislike the complexity of the current tax code and are interested in the flat-tax concept as an alternative. But many political strategists warn voters would recoil at the prospect of a 25 percent tax rate.

Kemp's proposal tries to be the most politically pleasing—and the most politically doable—by giving voters what they want: low rates and lots of deductions.

A more bare-bones flat tax, more along the lines of the 17 percent flat tax advocated by multimillionaire publisher Malcolm "Steve" Forbes Jr., already is being attacked by rivals as a sop to the rich. Forbes's plan shelters investment income from taxes, but

dicted the flat-tax approach outlined by his commission could double the growth rate of

1996 at a rate of 16 percent. The low rate would increase the deficit in the early years, but by

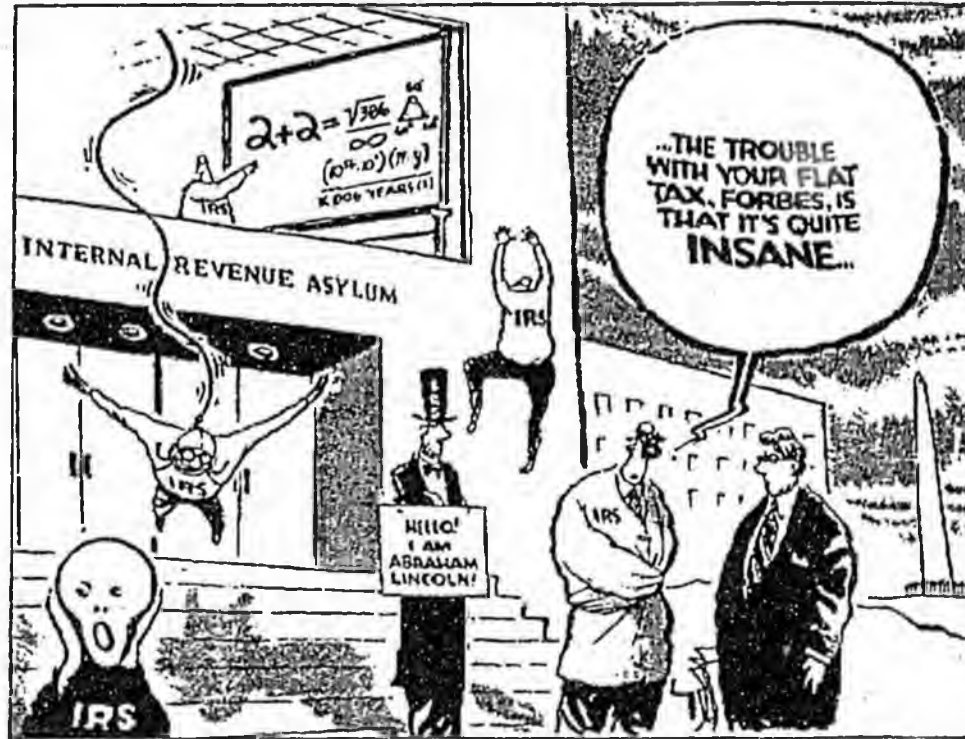
if the promised growth did not materialize, a flat tax of 19 percent rate and with all the exemptions endorsed by Kemp would add more to the national debt than the amount Congress and the White House are seeking to cut to balance the budget by 2002.

IN ITS ANALYSIS OF THE KEMP PLAN, Coopers & Lybrand made several assumptions. Because the Kemp group did not specify the level of personal exemptions allowed—except to say they should be "generous"—the accounting firm used a basic deduction of about \$32,000 for a family of four.

It then calculated the revenue impact of two versions of the plan: one that excluded investment income from tax and allowed deductions for payroll taxes, and a second that included additional deductions for mortgage interest, charitable contributions and state and local taxes.

Grace-Marie Arnett, the tax reform panel's executive director, disputes the analysis. She says the panel's report had deliberately steered clear of making precise recommendations.

"Anybody who tries to put numbers in there has put them in themselves," she says. "It's irresponsible and it makes me angry."



## The California Comeback

*The economy is being revived with new jobs and migration*

By William Claiborne  
Washington Post Staff Writer

**A**SACRAMENTO is a reminder of how bad things used to be, the walls of the 17th floor "war room" of California's Trade and Commerce Agency still are covered with the enticing brochures that other states used so successfully to lure California industries away during the long, deep recession of the early 1990s.

But as the Golden State emerges from five years of boom-to-bust economic free fall, the

STATES

windowless room, with its know-thy-enemy decor, is fast becoming a dusty repository for old file boxes and stationery supplies. The 34 states that once maintained full-time staffs in California to lure recession-weary businesses have all but given up their efforts.

"We'll keep this room, to remind us that we are always going to have to compete for a finite amount of capital. But the fact that this is starting to become a junk room is comforting to me," says California Secretary of Trade and Commerce Julie Meier Wright.

Hammered for five years by a precipitous drop in U.S. defense spending, the worst statewide recession in 60 years and a debilitating series of natural catastrophes, California is

coming back steadily and inexorably as the nation's leading economic force and a destination of choice for America's constantly migrating work force.

It still is far from reclaiming the boom times that accompanied the Cold War and its industrial windfalls, but a massive restructuring of the economy in new and more durable sectors and a resurgence of the old entrepreneurial spirit is beginning to revive the old California dream that once was the envy of the rest of the nation.

The war room's disuse is just the most vivid example of the turnaround.

The annual Manufacturers' Expansion and Relocation Exposition, at which out-of-state recruiters promoted corporate flight with promises of tax incentives and less regulatory

control, has been canceled this year because of a lack of interest. Last year, the number of registrants dropped from 450 to 150 firms.

Colorado and other traditional magnet states for disaffected Californians have reported a large drop off in immigration from the Golden State, a sign, economists say, of the growing job market. Colorado reported a 20 percent decline in driver's license applications from newly arrived Californians.

At the same time, California demographers have found an increase in inward migration from other states. If current trends continue, the state's population of 33 million will increase 1.6 percent a year over the next decade, a growth rate almost twice the national average.

Economists say California's job growth,

outside of the walls of the clean-air bureaucracies, beyond meeting rooms and work spaces of automo-

dedicated to specific trips with specific mileage, often the closed route from home to office to home.

which is driving the migration trends, is now more than 2.3 percent a year, far outstripping the national annual rate of 1.5 percent and is expected to continue to rise.

"We've passed the period of net outward migration. If you plot the job-growth rate against the population transfer, you need no other reason for the migration patterns than job growth," says Stephen Levy, director of the Center for Continuing Study of the California Economy, a Palo Alto research group.

The heady atmosphere of economic resurrection that surrounds the statistical abstracts of a comeback is everywhere. The state is marketing aggressively its Lazarus-like recovery and has launched a national economic development campaign aimed at stimulating outside investment.

Republican Gov. Pete Wilson, who recalls that he wasn't sure when elected five years ago whether he would be "chief executive of California or referee of its bankruptcy," began the year by affixing a vanity license plate to his government limousine reading "IS BACK" under the state name.

News magazines, which wrote ominously in 1991 of "California Crumbling" or "the Endangered Dream," have been gushing enthusiastically of late over the state's "roaring comeback" and "economic boom," as *The Economist* magazine recently put it.

The California legislature, meanwhile, is anticipating \$1.5 billion more in personal income, sales and corporate tax receipts than it received last year because of the resurgent economy. It is weighing a new budget that would increase spending in education sharply while at the same time reducing taxes 15 percent over three years for individuals and corporations.

While there are some dark clouds in the picture—unemployment, for instance, remains mired at about 2 percentage points above the national average and the housing market continues to be relatively flat—independent economists agree that the

California comeback is real.

"It's not the good old days revisited, but this turnaround is definitely quantifiable in a number of ways. We don't think it's a passing phenomenon," says Tom K. Lieser, UCLA Business Forecasting Project's associate director.

JOEL KOTKIN, A PUBLIC POLICY analyst at Pepperdine University, in Malibu, notes that for the first time since the Great Depression, California's economy is resurging without a boom in defense spending, a strong housing market or exploding growth in new construction—the traditional boom-and-bust sectors that in the past have governed the state's economy.

Instead, he and other leading economists say, California's more enduring economic strengths are now linked to such high-skill and high-pay industries as computer software and systems, motion picture production, electronics manufacturing, engineering and management consulting and export-related wholesale trade.

The emerging pillars of the California economy—entertainment, high-technology manufacturing and international trade—have so completely supplanted the aerospace, military and construction industries that by early spring economists expect that virtually all the 525,000 aerospace and defense-related jobs lost during the last five years because of the recession and end of the Cold War will have been replaced. In all, more than 730,000 people lost jobs in the recession.

Last year more than 300,000 jobs were created here, and the state is expected to repeat that performance both this year and next, according to Ted Gibson, chief economist for California's Department of Finance.

State officials say that more than 43,000 new businesses were created in California last year, a growth rate 2 percent higher than the nation as a whole. With a gross product now close to \$900 billion, California is not only the biggest economy in the

charge meter. When it runs up to 50 to 40 faster than the prospects for the latest congressional budget proposal. "Miles to discharge" in an electric

vehicle's recharging port.

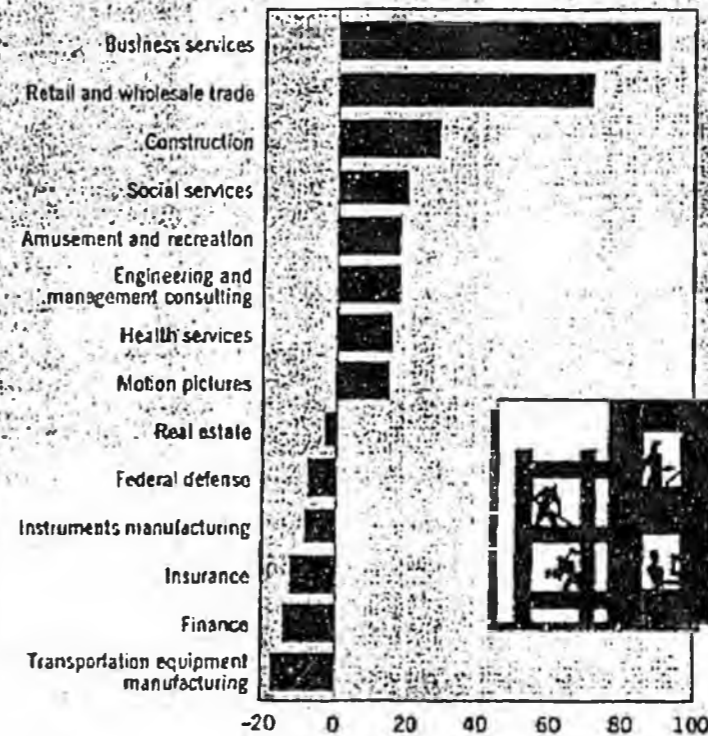
That's because of a dispute among automakers over which recharging system to use.

the flow of energy to the battery. It also involves, say, rewiring a home or office to handle increased voltages, as well as the use of safety

## WHERE THE JOBS ARE

California's economy is gaining strength but shifting: traditional manufacturing and defense jobs are making way for the service and entertainment sectors.

Number of jobs lost or gained, November 1994 to November 1995, in thousands



SOURCE: California Department of Finance

THE WASHINGTON POST

United States, but it also has moved up one notch to become the seventh largest economy in the world.

"Electronics manufacturing may level out a bit and aerospace will slow down even more before it levels off, but so far California is successfully stepping over the U.S. economic slowdown. We feel comfortable that recovery here will continue," Gibson says.

Wright, California's top economic development official, attributes much of the growth to policy changes made

by the state's Republican administration, which she says improved the business climate with worker's compensation reform, manufacturing startup incentives, capital gains tax breaks and research and development tax credits.

"It took a lot of debate to get these changes through, but we knew from our studies of other states that we simply were not competitive," says Wright, a former senior executive with TRW Inc., the giant space technology and electronics firm.

Economist Levy estimates that 30,000 new entertainment jobs were created last year, double the number of jobs lost in aerospace, and that the average entertainment job pays \$10,000 more than a comparable level aircraft job. Computer services also produced 30,000 new jobs, which on average pay \$6,000 more a year than an aerospace job. This rapid expansion of high-wage industries, Levy says, helps explain why income in California grew 7.2 percent, the first substantial gain in five years. The state now has the largest share of high-wage growth sectors in the country.

A dramatic symbol of California's economic restructuring came with last month's announcement by Hollywood executives Steven Spielberg, David Geffen and Jeffrey Katzenberg—founders of DreamWorks SKG—of plans to build a new high-tech film studio in an old hangar near Los Angeles International Airport that once was used to build military aircraft, including Howard Hughes experimental seaplane, Spruce Goose, in 1947.

Although some economists warned that a worsening of the national economic picture could significantly dampen California's comeback, Kotkin says he thinks the state could withstand a mild recession partly because of the growth in international trade, which is normally recession-proof.

But, for California to withstand a recession, Kotkin says, the state needs to develop a more globally minded and aggressively competitive self-confidence to replace its complacency of the Cold War boom years. "We're recovering economically faster than we are psychologically, which explains why the housing market is not taking off. You can't take so many years of pounding and not have it impact on your sense of confidence," he says. "You have to reeducate people about the massive restructuring that is occurring in our economy and where our new strengths are before they'll fully regain their confidence."

prepare for and look for work.

### *Job skills training*

- To assist you in attending vocational, technical or trade school.
- On-the-job training or work experience.

### *Job readiness activities*

- How to do a resume and to fill out applications correctly.
- Where to go to sign up or look for work.
- To acquaint you with general workplace expectations and work behavior that is necessary to get and keep a good job.

### *Job development and placement activities*

- Assistance in setting up job interviews with public and private employers.
- Help in acquiring the proper clothing or tools necessary for a job once you become employed.

### *Other support services*

Services that are necessary to enable eligible individuals to participate in JOBS, such as:

- Child care — Child care is provided for those participating in JOBS training education, or employment activities. You may choose your own child care from licensed providers, or choose a friend or relative to care for your child(ren). We will assist you in selecting adequate child care if you do not know who you want to care for your children.



Roberta Wright-Glinski and son, Matthew. Roberta graduated from the *OPTIONS: Teen Parenting Program* in May 1994.

• One-time, work-related expenses — Eye wear for work or protective purposes, licenses, fees or dues, and start-up expenses. Under extreme circumstances, it may be possible to assist you with car repair or medical treatment that is not covered by Medicaid or Indian Health Service.

• Transportation — We can assist you with transportation costs by paying for bus tokens or by reimbursing gas mileage.

• Transitional child care and extended Medicaid — Individuals who have achieved their program goal and who have found adequate employment find that they are no longer eligible for AFDC. It is possible to continue to receive transitional child care assistance and Medicaid for up to one year after exiting the program. These benefits must be applied for and approved through the Division of Public Assistance and the Day Care Assistance Program. This will help you to get over the difficult period of adjustment while you learn to take full responsibility for yourself and your family.

All services are provided on an individual, as-needed basis. JOBS funds are limited and are allocated in a careful and economical manner. No funds are disbursed without prior approval of the program director.

*For more information about JOBS/JOBS CHILD CARE, write or call:*

Tanana Chiefs Conference  
JOBS/JOBS Child Care Program  
122 First Avenue  
Fairbanks, AK 99701  
907/452-8251 (in Fairbanks)  
1-800-478-6822 (toll-free in Alaska)  
FAX 459-3851

LOURSE CHARLES  
JOBS/JOBS Child Care Coordinator, ext. 3191

MARIE JACKSON  
JOBS Program Case Manager, ext. 3194

DONNA SCOTT  
Employment & Training Program Director

All photos are of past or present JOBS clients. Permission was given to use photos.

*“Let's go to work!”*

*“Kk'udaa Kk'ots'oodeneyh”*

*“Juk Gwitr'it T'agwaroh'ya”*

*“Savagiaqta”*



Marie Head, UAF 1994 Journalism graduate, employed at radio station KZPA, Ft. Yukon, AK.



**JOBS/JOBS Child Care Program**

122 First Avenue — Fifth Floor  
Fairbanks, Alaska 99701

907/452-8251 (in Fairbanks)  
1-800-478-6822 (toll-free in Alaska)

**A**re you tired of receiving public assistance and wish you could get help with training, education or employment opportunities so that you could support yourself and your family? Do you feel that if you had better training, more education or more job experience you would be able to support yourself and your family? The JOBS/JOBS CHILD CARE PROGRAM can help you reach your goals, if you qualify for our program.

### *What is the JOBS Program?*

JOBS stands for JOB OPPORTUNITIES AND BASIC SKILLS. JOBS is a federally funded program that helps Alaska Native families receiving AFDC (Aid to Families with Dependent Children) to get the education, training or job skills necessary so that long-term welfare dependency can be stopped or avoided. JOBS helps people to help themselves become self-supporting and independent. JOBS can help you!!



*JOBS clients taking a computer class in Galena under UAF Outreach program.*

### *Where do I find the JOBS Program?*

Tanana Chiefs Conference is the Alaska Native Grantee designated to administer the JOBS program in the Tanana Chiefs/Doyon region. TCC also administers the JOBS program to the following eight villages of the Arctic Slope region: Anaktuvuk Pass, Atkasuk, Barrow, Kaktovik, Nuiqsut, Point Hope, Point Lay and Wainwright, under the same requirements. This means that the TCC Employment & Training program assists eligible Alaska Native families that are referred to us by the state Division of Public Assistance. The state

Division of Public Assistance determines who is eligible for AFDC then sends a letter of referral to us that an individual may be eligible to participate in JOBS. If you are eligible for JOBS program benefits, then we contact you by letter to call or come in for an interview and orientation. Or, if you are on AFDC, and hear of our services, you may come in on a volunteer basis.

### *Do I have to participate in the JOBS Program?*

Yes. The passage of Public Law 100-485 REQUIRES that all Alaska Native and American Indian AFDC recipients residing in the TCC or Arctic Slope Regions participate unless they are determined exempt (not required to participate due to certain circumstances) under JOBS guidelines. However, those members who are determined exempt MAY VOLUNTEER to participate in JOBS.

### *Who is eligible for JOBS?*

All Alaska Native AFDC recipients living in the TCC/Doyon and Arctic Slope regions. A tribal enrollment form or an Alaska Native Verification Form is required. JOBS applicants may verify tribal membership or Native blood quantum at TCC's Village Government Services, located on the fifth floor of the TCC Building in Fairbanks (TCC ext. 3270). If you are enrolled to a tribe outside outside the TCC region, you may request a certificate of Indian blood from the BIA, 101-12th Ave., Fairbanks, AK 99701 (456-0222).

### *How do I sign up for JOBS?*

You need to contact the JOBS program at the numbers or address listed in this brochure. We will ask you to come in to fill out or respond to an application packet and to participate in a program orientation and assessment of your needs.

The JOBS program also serves teen parents on AFDC. We can help with child care and other support services for a teen parent to continue with school, training or employment.

*The JOBS Program offers the following components or activities:*

### *Career counseling*

- The JOBS case manager will assist you in deciding what field of education, training or work will be best for you. With your cooperation, she will consider your needs, experience, natural talents, basic skills and your educational level. She will discuss your short-term and long-term goals. From there you will determine a course of action, which is called an EMPLOYABILITY DEVELOPMENT PLAN (EDP). This plan will outline a step-by-step process that will help you to reach your identified goal. Any change to



*Jack Shewfelt, Ft. Yukon Rice Project Technician, OJT JOBS participant.*

this plan must be mutually agreed upon by the case manager and the JOBS client.

- The JOBS case manager will give you continuous support during the time you are participating in the JOBS Program. You will be required to keep contact with her on a regular basis and to keep her informed of any changes in your living situation or desired changes to your EDP.

### *Education*

- To earn your high school diploma or GED.
- To attend Adult Basic Education classes.
- To attend college.
- To attend workshops or seminars to build self-esteem or self-confidence and to learn how to

Dely  
file  
STEP!

## INTRODUCTION TO ALASKA NATIVE JOBS PROGRAMS

Twelve Alaska Native Regional Corporations exist throughout Alaska as a result of the Alaska Native Land Claims Settlement Act. The Native Corporations provide services through profit and non-profit entities to enrolled shareholders within their designated regions. The non-profit corporations administer health, education, economic and social services programs. Service provision is funded by State and Federal grants that are either administered directly to the corporation, or are received as State pass-through grants. The Job Opportunities and Basic Skills Programs are administered either through Tribal Plan Preprints (operation plans) awarded to Alaska Native Tribal Grantees and authorized by P.L. 100-485, the Family Support Act; or through P.L. 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992. As of August 1, 1994, six Tribal Grantees administer JOBS programs in accordance with P.L. 100-485. Those programs are: Bristol Bay Native Association, Chugachmiut, Kawerak, Inc., Metlakatla Indian Community, Tanana Chiefs Conference, Inc., and Maniilaq Manpower. Three of the twelve Alaska Native Corporations administer JOBS programs under P.L. 102-477: the Association of Village Council Presidents, Cook Inlet Tribal Council and the Central Council of Tlingit & Haida Indian Tribes. Two tribal grantees, the Kodiak Area Native Association and the Aleutian-Pribilof Island Association have pending JOBS applications for administration in accordance with P.L. 102-477.

Alaskan Tribal Grantees are charged with implementing the JOBS program in accordance with policies and regulations as issued by final rule in Title II of the Family Support Act, which became effective on October 13, 1989. JOBS programs administered by Alaska Native Grantees are charged with the same duties and responsibilities as the Alaska Work Program, which administers services to the non-native population. Our most significant memorandum of agreement is with the Department of Health and Social Services, Division of Public Assistance, which describes the working relationship between the two agencies and details coordination and cooperation efforts that make service provision more efficient and effective.

### TANANA CHIEFS CONFERENCE, INC. ALASKA NATIVE JOBS GRANTEE

The Tanana Chiefs Conference, Inc. (TCC) Job Opportunities and Basic Skills (JOBS) Program is well into its third two-year funding cycle. The TCC JOBS program serves Alaska Natives living in forty-two villages within the Doyon TCC Region, as well as Fairbanks. TCC JOBS also serves the 8 villages of the Inupiat Community of the Arctic Slope Region. The JOBS program is staffed by the JOBS/JOBS Child Care Coordinator and a JOBS Case Manager. The number of clients participating in the JOBS program has increased dramatically over the past two years. This growth is due to several reasons. TCC JOBS is steadily receiving more referrals from the Division of Public Assistance (DPA) and other service provider agencies; more people in the region are aware of the

JOBS program and are eager to participate in a program that will assist them with education, training or employment opportunities; and Education/Employment technicians in the subregional offices have a better understanding of the JOBS program and are able to assist with referrals and service delivery.

Although distance delivery to villages within the Doyon and Arctic Slope Regions is difficult and costly, the JOBS program coordinates efforts with many other existing service providers. The JOBS program has memorandums of agreement with several agencies and programs, such as: the Adult Learning Programs of Alaska, the University of Alaska Single Parent and Displaced Homemaker Program, the Private Industry Council, the Hutchison OPTIONS Teen Parenting Program, Fairbanks Native Association, the Department of Labor, and others. Through such cooperative networking efforts, JOBS clients are able to receive a continuum of services provided in a more economical manner with less duplication of effort.

JOBS clients are primarily referred to us by the DPA. Once we receive a referral, we send out a letter to the prospective clients informing them that they may be eligible for program services; we ask them to respond. If they respond positively, we proceed with an application, registration and orientation process in person, by telephone, or, if economically feasible, on-site in the village. Sometimes, village clients come into Fairbanks on other business; we then schedule an appointment to see them at that time. Village clients, in many cases, are determined exempt (excused) from participation due to the fact that they live in remote areas. Remote villages often have limited services and few employment or training opportunities. The JOBS program does endeavor to work with existing village entities, such as: the school system, City and Native Councils, the village clinics, Head Start and other early childhood development programs, and in some cases, private enterprise. During the registration process, the JOBS staff works with the prospective client to determine an Employability Development Plan (EDP). This plan outlines a step-by-step process that will help the client to reach his/her goal of self-supporting employment. This plan outlines a step-by-step process that will help the client to reach her/his goal of self-supporting employment. The TCC JOBS program does not place a time limit for the participant to achieve his/her goal at this time. It often takes village clients longer to reach goals simply because of where they live. For clients living in Fairbanks, regular progress reports are required for continued program support. Clients must demonstrate that they are progressing in a consistent and positive manner in order to receive continued support.

The range of services available under the JOBS program varies from client to client. Clients living in Fairbanks, or in some of the larger villages, naturally have more program services that they may participate in, such as: education courses, on-the-job-training experience, vocational training or job development and placement. Each client case is carefully assessed, implemented and followed-up on a monthly and quarterly basis.

The TCC JOBS program has realized several successes over the past few years. TCC JOBS clients have successfully completed courses in the following areas: culinary arts,

computer and business classes, dental assistant training, diesel mechanics, hairdressing, Athabascan language instruction, journalism and office occupations. Several clients have earned high school diplomas or GEDs, one has earned a college degree, while many are continuing work toward educational goals. Others have become employed and have exited public assistance.

Following are summaries of success stories and some quotes from actual clients about how the TCC JOBS program has helped them to become self-sufficient and independent.

*"I am a 34 year-old single parent of 3 children and my work experience is limited. Upon leaving my last employment, I found it necessary to receive help through public assistance. I did not realize at the time that this was a blessing in disguise. For it was through AFDC that I was introduced to the TCC JOBS program. I have been able to attend courses at the University of Alaska. During the past two semesters I have completed four courses earning 12 credits toward an education degree. My school tuition, books and other fees have been paid for by TCC JOBS. Child care costs would have made working and attending college virtually impossible. TCC JOBS has provided for child care costs while I attend classes, study and while I work part-time, making my efforts worthwhile. This program has helped my education and self-esteem. Working toward completing my education gives me a great sense of accomplishment. Hopefully, more individuals will learn of this program and the benefits it provides."*

Ti-

*SS relocated to Fairbanks from a rural village in the Doyon Region 18 months ago. She was 18 years old, had one toddler child and wanted to complete her high school education. She registered with the TCC JOBS program right away. She stayed with friends while she waited for low income housing. Even though it was a struggle, she managed to get rides to and from school, and to and from her after school job. Within a few months, she did get into an affordable apartment. She earned her high school diploma in the spring of 1993 and registered for college courses for that fall. SS worked during the summer of 1993 under the Summer Youth Employment & Training Program (SYETP) while TCC JOBS offered supportive services by paying for child care and transportation costs. SS plans on continuing her college education this fall after she finishes working once again for the SYETP. SS has overcome many barriers, but with perseverance and continued JOBS support plans to complete her education and become self-supporting.*

*"I took the course to brush up on my computer skills. I figured it's been awhile since I've worked with one, the technology has changed. The course is a lot of fun, and the best part about it is that I'm learning new things, which will most likely help me in the future. I'm so glad that JOBS gave me the opportunity to take this course!"* The previous statement was written after a JOBS client had participated in a computer workshop offered in a remote village through a joint effort with UAF in December, 1993. Within 5 months of taking this course, CP became employed by the Tribal Council as a clerk and will soon be entirely self-supporting.

GJ came into the JOBS office in July 1992. She was referred to our program by DPA. GJ stated that she would like to continue office occupations courses at UAF. After going through the registration and orientation process, her transcripts demonstrated that she was indeed a very good student. The JOBS program assisted GJ with tuition, books and fees, as well as supportive services for the UAF school year. In June, 1993, GJ was interviewed and hired for a job that utilizes the computer, bookkeeping and filing skills that she learned as a student. JOBS assisted her with a basic set of interview and work clothing and continued to assist her with child care until the end of her 90-day window for supportive services. GJ is self-supporting and doing very well in her career.

DP, mother of three children, including a new born, relocated from her home village in the Doyon region to attend a 5 month computer course that she has been planning on taking for the past few years. She did not anticipate having her third child during the same week that the course was scheduled to start, but this did not stop her. DP had applied for and received local scholarships as well as a Pell grant. She also received financial assistance from the Higher Education Department at TCC. She came in to Fairbanks early enough to find adequate housing and to arrange for child care. Although she realized that it would not be easy, she stated, *"I planned to attend ACI for a long time and I'm going through with it. I don't want to lose the funding I have finally got in place."* DP had her baby during the second week of classes. She missed only a few lessons, which she promptly made up as soon as possible. DP is continuing with her computer courses and is at the top of her class. TCC JOBS assists with child care for this very determined person.

Marie Head, mother of five children, and grandmother of 10 children, has pursued her journalism degree at the University of Alaska for several years. This past spring, 1994, Marie received her degree, with a minor in Alaska Native Studies. Marie Head is now in the process of relocating back to her home village of Ft. Yukon where she will be employed at the newly operating public radio station. Ms. Head has had several articles printed in local papers; and plans to continue writing as much as possible. *"The journalism department has been wonderful in spending a lot of time and effort to teach me writing skills. I want to write the finest stories I can about my Native people. I'm thankful to the JOBS program for making it possible for me to finish my education. I appreciate the support and personal encouragement that the JOBS employees have given me to fulfill my dream of getting a college education."* TCC JOBS wishes Marie the best in her new career. She is bringing education and skill back to the village, an ideal result of the JOBS program.

JS, father of three, living in a remote Doyon village, took a job with the City under an on-the-job-training contract with TCC JOBS. The City is responsible for paying his full wage. Copies of his hours are submitted to our office, and we reimburse the City for 50% of his training wages for up to sixteen weeks. TCC JOBS also pays for child care while JS works. JS is an exemplary employee and is now thinking of other training he might participate in so that he can continue to support his children, as well as to set a good example for them and for others in the community. The TCC JOBS program is beginning to serve more fathers as primary caretakers of their children

## JOBS THROUGH THE HOME HEALTH CARE INITIATIVE

*(Appeared in the July/Aug. 1995 issue of The Council, newsletter of Tanana Chiefs Conference.)*

The JOBS Home Care Initiative is a two-year demonstration project funded by the U.S. Department of Health and Human Services and the Alaska Department of Health and Social Services. The purpose of the project is to recruit, train and employ recipients of Aid to Families with Dependent Children (AFDC) as home care providers. The goal is to employ welfare recipients in home care occupations. This employment will allow them to reduce their dependence on public assistance and increase the size and stability of the home care workforce, especially in rural villages. The project focuses on areas of the state where two conditions exist: individuals who are eligible for home care services cannot receive them because of a shortage of trained providers; and AFDC recipients reside in the community.

The Tanana Chiefs Conference Home Health Care Program will work with the Job Opportunities and Basic Skills Program (JOBS) to recruit, arrange for training and ensure employment for eligible applicants. Eligibility for participation in this specialized training is that an individual is an AFDC recipient and resides in a TCC-region target village. The target villages are Anvik, Arctic Village, Birch Creek, Chalkyitsik, Eagle, Fort Yukon, Grayling, Huslia, Kaltag, McGrath, Minto, Nenana, Northway, Nulato, Stevens Village, Tanana, Tetlin and Venetie. Letters will be sent to potential applicants very soon. TCC will be working with village councils during the selection process.

Training is tentatively scheduled to begin in Fairbanks on Sept. 10. Trainees begin the nurse's aide personal care attendant course and continue with intensive training for three weeks, six days per week, 8 hours minimum per day, for a total of 120 classroom hours. They will also participate in a supervised clinical practicum for 16 hours. Personal commitment for attending the training is imperative! Ten to twelve trainees selected from TCC-region villages will travel to Fairbanks for training. Transportation, room and board, and training materials will be provided, as well as other support services such as transportation and child care assistance.

Upon successful completion of the course, participants will be asked to make a commitment of at least one year to work in their home villages providing personal care and nursing assistance for eligible individuals. Individuals who meet the basic requirements to participate in this course should contact Cyndi Nation, Home Care Services director, at TCC ext. 3777 or Louise Charles, JOBS program coordinator, at TCC ext. 3191. Interested individuals may call either extension at 1-800-478-6822 to request further information. We encourage those interested to respond right away as there is much to arrange for prior to training. This is a training and employment opportunity that many only hope for. This may be your chance to learn new skills and to become employed and self-supporting.

# the council

DENA' NENA' HENASH ——— OUR LAND SPEAKS  
VOLUME 20, NUMBER 7 TANANA CHIEFS CONFERENCE OCTOBER 1993

## Nine new certified nurses aides graduate under special demonstration project

On Friday, Oct. 6, nine Interior village residents were certified as nurses aides after a three-week training course in Home Health Care/Personal Care.

The Friday graduation ceremony culminated an intensive 120-hour training course required to ensure competent home health care at the village level.

The course was designed for direct care procedures for elderly, disabled and chronically ill village residents that will allow them to remain at home in their villages instead of relocating to Fairbanks

for hospitalization or nursing home care.

Four entities worked in collaboration on a special demonstration project to recruit, train and employ rural Native recipients of Aid to Families with Dependent Children (AFDC). The demonstration project was funded by the U.S. Department of Health & Human Services and the Alaska Department of Health & Social Services. The TCC Job Opportunities and Basic Skills Program (JOBS) and the Home Health Care Program worked in conjunction with the Older Persons Action Group to accomplish the training. The successful outcome of this training demonstrates the importance of coordination of funding; collaboration of programming and utilization of proven models in creating or improving employment opportunities in rural Alaska. TCC is very proud to have been chosen as the first tribal organization grantee for such a demonstration project and is especially proud of the nine certified nurses aides who completed the course. There is a possibility that a similar training will be offered during early 1996.

The new certified nurses aides are to be commended for their dedication, commitment and hard work to this important goal. It took determination to leave families and communities to come to Fairbanks for three long, sometimes discouraging and lonely weeks. The reward is that now these tribal members have become or will become employed and they are setting an example for others in their villages. Congratulations!



New certified nurses aides are, left to right, Irma Howard, Grayling; Doreen Joe, Northway; Faye Yaska, Grayling; Wanda David, Tetlin; Christine Sam, Northway; Violet Titus, Minto; and Ann Kruger, Anvik. Not pictured are Janice Sam, Arctic Village; and Jennie Nickoli, Nulato.

## TANANA CHIEFS CONFERENCE, INC. JOBS/JOBS CHILD CARE PROGRAM

The Tanana Chiefs Conference JOBS (Job Opportunities and Basic Skills) Program is well into its fifth year of operation under the Employment and Training Department. The JOBS program is a federally funded program that offers education, training and employment opportunities to those individuals who receive AFDC (Aid to Families with Dependent Children) benefits. The goal of this program is to assist individuals so that they may become economically self-supporting and can exit welfare assistance. The TCC JOBS Program is available to Alaska Natives living in the Doyon Region and to eight villages in the Arctic Slope Region. The eight Arctic Slope Region villages are: Anaktuvik Pass, Atkasuk, Barrow, Kaktovik, Nuiqsut, Point Hope, Point Lay and Wainwright. Since the majority of individuals participating in JOBS are female, "she" will be used to refer to the caretaker parent and JOBS participant throughout this article.

The JOBS program, created by The Family Support Act, requires that individuals who are not exempt (excused) must participate in one of the components of the program: education, career counseling, job skills training, job readiness activities, and job development and placement activities.

If an individual is receiving AFDC (welfare) benefits and is an Alaska Native living in the Doyon or Arctic Slope Regions, she will be referred to the TCC JOBS program by the Division of Public Assistance (DPA). The DPA will send the TCC JOBS program a referral form stating that this person has applied for or is receiving AFDC and that she may qualify for JOBS. We then confirm that this person is receiving benefits by referencing the eligibility information system.

If they are on the eligibility list, we send them a letter explaining that they have been referred to us by DPA, and what the JOBS program is. We then inform the potential JOBS participant that they must come in or contact the JOBS office so that we may determine whether or not they will be exempt (excused) from participating. Even if a potential client is determined exempt, she may VOLUNTEER to participate in JOBS. The volunteer JOBS participant is entitled to the same services offered under the JOBS program that a mandatory participant has.

When a potential client comes in or calls the JOBS Case Manager, an appointment is set up for orientation and screening. If we do not receive a response from the potential client contacted, she is sent a second letter informing them that they must respond within a specified time frame. If they do not respond, or if they respond initially but do not follow-up with their JOBS assignments, we then inform them that they are placing themselves in the position to be "sanctioned." To be sanctioned means that the TCC JOBS office would contact the DPA to inform them that our (prospective) client is not cooperating or participating in assigned JOBS tasks. The DPA would then notify the client that unless they began to cooperate they will be penalized by losing some or all of their adult public assistance benefits for a specified period of time. When the client begins to comply, her benefits will be reinstated. Each subsequent time that the client chooses not to cooperate after that, the benefits for that individual would be discontinued for longer periods. Only under extreme situations might this occur. It is usually possible to work out a solution and get the client back on track before benefits are lost in a sanction.

hairdressing, Athabascan language instruction, journalism, office occupations as well as a number of students who are working toward attaining their GED or college degrees. We do have students whose long range goals are to become teachers, social workers, law students and medical technicians. Since more people are becoming aware of our program and its services, the JOBS caseload is growing. We have also begun to serve teen parents in the village so that they can finish their high school educations; as well as several teen parents participating in high school teen parenting programs in Fairbanks.

The main challenge we face this program year is to continue to reach more village residents with our program. It is difficult to provide outreach service to rural villages, but not impossible. Throughout this past spring through fall, TCC JOBS has assisted with several placements through joint efforts with Doyon Universal Ogden; as well as placements with various village entities through on-the-job training subcontracts. Several placements have turned into permanent employment. Throughout the program year, JOBS staff plan to visit a number of communities to inform and assist potential village participants with JOBS applications and registration.

If you have any questions about the JOBS Program or require further information, please call Louise Charles, JOBS Coordinator or Marie Jackson, JOBS Case Manager at 1-800-478-6822. This number is the TCC toll free number. You may also write to either of us at : JOBS Program, TCC Employment Office, 122 First Avenue, Fairbanks, Alaska 99701.

ANNUAL REPORT, 1993

The following are statistics for the TCC Job Opportunities and Basic Skills (JOBS) program for the period, January, 1993 through December 31, 1993:

1071 Client Contacts	1073 Inquiries
209 Agency Contacts	212 Clients Processed
23 Subregional Contacts	94 Clients Active/pending
27 School Contacts	
70 Employer Contacts	

69 JOBS Child Care Participants  
13 Client eligible for Transitional Benefits

Of the 212 clients processed, the following shows the breakdown of services as follows:

- 56 Clients were employed full-time during reporting period
- 48 clients in the job search component and some were referred to various business
- 16 clients attended vocational training
- 47 clients attended courses at UAF campus and downtown center, Interior campus sites- Tok & Bethel KUC (audio-conferences) and Alaska Bible College, on-going
- 29 clients participated in GED, adult basic skills and computer skills at the Adult Learning Program of Alaska
- 16 clients participated in OJT programs

25 clients from the rural areas (interior villages) were serviced during this reporting period.

ANNUAL REPORT, 1994

The following are statistics for the TOC Job Opportunities and Basic Skills (JOBS) program for the period, January, 1994 through December 31, 1994:

1334 Client Contacts	1424 Inquiries
333 Agency Contacts	373 Clients Processed
58 Subregional Contacts	70 Clients Active/pending
97 School Contacts	
45 Employer Contacts	

54 JOBS Child Care Participants  
17 Clients eligible or utilized Transitional Benefits

Of the 373 clients processed, the following shows the breakdown of services as follows:

- 45 clients became employed full-time during reporting period
- 17 clients permanently employed and exited the JOBS program successfully
- 198 clients participated in the job search component; several were referred to agencies and were provided employment counseling
- 19 clients attended vocational training in State
- 1 client attended the Byrant & Stratton Medical Office Training in New York (we only provided child care services)
- 27 clients attended courses at UAF campus and Tanana Valley Campus Downtown Center; also Interior Campus sites- Tok & Bethel KUC (audio-conferences) and Alaska Bible College (on-going)
- 29 clients participated in General Education Diploma, Adult Education Basic Skills and computer skills at the Adult Learning Program of Alaska
- 11 clients participated in On-the-job-training programs (4 clients from villages of Galena- 1, Ft. Yukon- 2, Beaver- 1)
- 03 teen moms graduated from high school
- 02 clients received their General Education Diploma
- 06 clients graduated from Alaska Computer Institute(3); SST Travel School of Alaska, Inc.(1); UAF(1); Computer Skills Training(1)
- 14 clients completed short computer courses at Adult Learning Program of AK, Computerland and UAF Interior Campus
- 01 client attended (is currently still) the Job Corps Center in Palmer

38 clients from the rural areas (interior villages) were serviced during this reporting period.

## ANNUAL REPORT, 1995

The following are statistics for the TCC Job Opportunities and Basic Skills (JOBS) Program for the period, January 1, 1995 to December 31, 1995:

1600 client contacts	1554 inquiries
248 agency contacts	522 clients processed (80 clients funded- money spent)
144 subregional contacts	58 pending
86 school contacts	
56 employer contacts	
	<b>TOTAL: 2134</b>
69 JOBS child care participants	
21 clients eligible or utilized transitional benefits	

Of the 522 processed, the following shows the breakdown of services as follows:

- 51 clients employed during reporting period, full time permanent, part time, temporary (seasonal)
  - 21 clients permanently employed and exited the JOBS program successfully
  - 331 clients participated in the job search component; several were referred to agencies and were provided employment counseling
  - 35 clients attended vocational training in State(2- AVTEC, Seward; 1-AK Techn. Ctr, Kotzebue; 1-Tok Ctr; 1-Kuskokwim Campus, Galena; 30-Alaska Computer Institute, Hutchison, Certified Nurse Training, etc., Fairbanks)
  - 1 client completed the pilot flight safety recertification training at the Lakeland Learning Ctr, FL
  - 3 clients attended the Job Corps
  - 1 client attended the West Coast Training, Portland, Oregon
  - 9 clients from the villages completed their CNA training successfully; 3 incomplete
  - 24 clients attended courses at the UAF campus, Tanana Valley Community, Downtown Center and Interior campus sites- 3 Tok; 1 Nenana; 1 Venetie;
  - 24 clients attended the Adult Learning Program of AK(19-GED, 5-ABE/computer)
  - 3 clients achieved their GED
  - 3 clients completed their ABE and computer courses
  - 8 teen moms attending high school
  - 2 teen mom graduated from high school
  - 1 client graduated from ACI
  - 3 clients participated in OJT programs- CAIHC Contract Health Dept., UAF Interior Campus, AK Business & Industrial Development Corp.
  - 2 clients participated in the work experience component
- 42 clients from the rural areas (interior villages) were serviced during this reporting period.

January 11, 1996

Region X Administration  
State JOBS Program Administration  
Fairbanks, AK

Dear Sir/Madam:

I am writing to show appreciation of the Tanana Chiefs Conference JOBS program. It is a vital program, to which I credit my employment.

First, I want to thank and commend the staff of the JOBS program and the TCC employment department. They are positive people, whose encouragement saw me through a hard time. Louise Charles, JOBS Director and Marie Jackson, JOBS Caseworker, are very good in their work. So, it is not only the program I am appreciative of, but the people who are making it not only work, but work well.

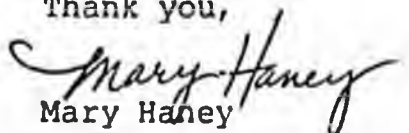
As an AFDC recipient, I just cannot see how I could look for a job without the services the TCC JOBS provides. Some of these are childcare, job listings, and resume writing. If the goal of Welfare Reform is to get parents to work, these services are necessary.

A primary service I received was to gain Work Experience in the TCC JOBS office. This helped my self-esteem, gave me experience and put me back into a "working mind-set". I was lucky to work with Louise and Marie, who were very supportive.

Currently, I am set to go to work full-time and will be earning a wage that will enable me to get off of AFDC. I am looking forward to being self-supporting of my family. Although I am grateful AFDC helped us make it through being unemployed, I am even more grateful the TCC JOBS program helped me get on my own feet.

Once again, I would like to stress the importance of the TCC JOBS program to helping AFDC parents work and to point out the quality staff working for the program.

Thank you,

  
Mary Haney  
4444B Woodriver Dr.  
Fairbanks, AK 99709


# STATE OF ALASKA

TONY KNOWLES, GOVERNOR

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY AND RURAL DEVELOPMENT

JOB TRAINING PARTNERSHIP OFFICE  
333 W. 4TH AVE., SUITE 220  
ANCHORAGE, ALASKA 99501-2341  
PHONE: (907) 269-4500  
FAX: (907) 269-4520

**To:** Alaska's Partners in Human Resource Development  
**From:** Debra Call, Former Chair, Alaska Job Training Council   
**Date:** February 16, 1996  
**Re:** AJTC Transition Report and Final Recommendations

As the concluding gesture in our transition to the Alaska Human Resource Investment Council (AHRIC) the Alaska Job Training Council (AJTC) has produced a closing report. We have prepared the report to provide some insight into the way JTPA has operated in Alaska, and to offer the lessons which we as a council and a training community, have learned in our twelve years of experience with the program.

Enclosed is a copy of the document as it was presented to members of AHRIC on January 26, 1996, in Anchorage. I believe that the *Transition Report and Final Recommendations to the Alaska Human Resource Investment Council* has accomplished everything we wanted it to do. It sets the framework for an understanding of the JTPA from a national policy perspective; it provides a brief overview of the state's current system for program operation; it includes a synopsis of Alaska's own policy development from employment training to our newer expectations for human resource development; and it concludes with a presentation of 18 recommendations to AHRIC, each one followed by a discussion of the issues, and examples of local or statewide practices which led to the recommendation.

This formally concludes our activities as Alaska's job training coordinating council. It has been a pleasure and a privilege to have served with so many dedicated members of our state's training, education and employment community. The leadership and talent in this group will serve our state and AHRIC well for many years to come.

enclosure as stated

**THE**  
**ALASKA JOB TRAINING COUNCIL**

**Transition Report and  
Final Recommendations**

**to the**

**Alaska Human Resource Investment Council**

**January, 1996**

Prepared with assistance from

**State of Alaska  
Tony Knowles, Governor**

**Department of Community & Regional Affairs  
Mike Irwin, Commissioner**

**Financial support for the production of this report was provided by the Job Training Partnership Act.**

**THE**  
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**January, 1996**

**State of Alaska  
Tony Knowles, Governor**

**Department of Community and Regional Affairs  
Mike Irwin, Commissioner**

**Division of Community and Rural Development  
Jeff Smith, Director**

**Job Training Partnership Office  
333 West Fourth Avenue, Suite 220  
Anchorage, Alaska 99501**

## **ACKNOWLEDGMENTS**

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The authors of this report wish to acknowledge the leadership and assistance of many groups and individuals who have contributed to the experiences and knowledge shared within. We recognize and appreciate the significant work done by the Governor's Office and the Lieutenant Governor's Office; all members (former and current) of the Alaska Job Training Council and its subcommittees; all members (former and current) of the state's three Private Industry Councils: the Anchorage/Mat-Su PIC, Fairbanks PIC, and the Alaska Statewide PIC; the state's three Service Delivery Area Directors and their staff, the Director and staff of the Job Training Partnership Office in the Division of Community and Rural Development, Alaska Department of Community and Regional Affairs; the members of the School-to-Work Council and its Director and staff, the members of the Governor's Council on Vocational and Career Education, its Executive Director and staff, the members of the Employment Security Advisory Council, its Director and staff, the members of the Alaska Community Services Commission, its Director and staff, the Commissioners and staff of the Alaska Department of Labor, the Alaska Department of Education, the Alaska Department of Commerce and Economic Development, and the Alaska Department of Health and Social Services; the University of Alaska; the U.S. Department of Labor, Region X Office; the National Governors Association; the National Association of Workforce Investment Policy Council Chairs; and the Alaska State Legislature in its support for Alaska's human resource development policies and initiatives.

## **MEMBERS OF THE ALASKA JOB TRAINING COUNCIL 1995**

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- **H. LEO BROWN**  
Labor Representative
- **JAMES CALDAROLA**  
Community Based Organization
- **DEBRA L. CALL (CHAIR)**  
Business/Industry
- **TOM CASHEN, COMMISSIONER**  
Department of Labor
- **REBECCA NANCE (alternate)**  
Director, Employment Security Division
- **JOANN HENDERSON**  
Community Based Organization
- **KAY HOCH**  
Business/Industry Representative
- **MIKE IRWIN, COMMISSIONER**  
Department of Community & Regional Affairs
- **JEWEL JONES**  
Public Agency/Local Government
- **BRUCE KLEVEN**  
Public-at-Large
- **DR. JO ANN C. McDOWELL**  
Postsecondary Education
- **KAREN PERDUE, COMMISSIONER**  
Department of Health and Social Services
- **JIM NORDLUND (alternate)**  
Director, Division of Public Assistance
- **SENATOR RANDY PHILLIPS**  
State Legislature
- **DAVID REES**  
Business/Industry
- **REPRESENTATIVE JERRY SANDERS**  
State Legislature
- **DONNA SCOTT**  
Business/Industry
- **MARY SHIELDS (VICE-CHAIR)**  
Business/Industry
- **MIKE YOUNG**  
Labor Representative

# CONTENTS

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Before you start . . . a few words about this report. We have attempted to craft a document which is easy to read, fairly broad in scope yet succinct in presentation. To help with this, we have kept the organization simple and straightforward.

## Pages

- 1-2 •Part I briefly reviews the growth of national employment and training policy beginning in 1917. This will provide a basis for general understanding of the philosophy behind the 1982 Job Training Partnership Act (JTPA).
- 3-6 •Part II discusses Alaska's system for administering the JTPA and very briefly explains each program in general overview.
- 7-9 •Part III summarizes the recent initiative to establish and implement a state human resource development policy and council.
- 10-26 •Part IV contains the final recommendations of the Alaska Job Training Council. Each of the 18 recommendations is followed by a short discussion and feature stories which support the statement.
- 27 •Part V concludes the report.
- 28-32 •Part VI Appendices A-C attach relevant items which may be of interest to the reader

**Alaska Job Training Council**

# Part I

## NATIONAL EMPLOYMENT POLICY

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The federal government has long understood the 'connection' between maintaining a skilled work force and sustained national economic growth. It has tried to provide opportunities for people with 'barriers to employment' to get the education and skills needed to enter the 'mainstream economy.' Attempts by Congress began with the Smith-Hughes Act of 1917, a law designed to encourage states and local areas to build vocational education systems.

1930's. It wasn't until the *Great Depression* that new programs showed the nation's move toward a more defined employment policy. Their focus however, was largely on short term job creation, rather than on long term work force preparation.

Two enduring programs of the era demonstrated some foresight. The Unemployment Insurance Program and the U.S. Employment Service were created not to prepare the unemployed for work, but to preserve workers' incomes during temporary periods of unemployment and to set up a labor exchange. Significantly, both relied upon a built-in employer support base financed as they were, through employer taxes.

1960's. It was in this way that the nation accommodated the needs of the unemployed for three decades. Not until the early '60s did the country become aware of the complexities involving a more deliberate national employment policy.

Awakened by the *civil rights movement* and the nation's 'rediscovery' of poverty, Congress directed programs almost exclusively toward outreach and training of the poor. In those days there was little public policy or even attention paid to the employer's side of work force preparation. The focus was on the 'social redemption' of the disadvantaged.

With the attention on immediate solutions to national poverty problems, the needs of employers and labor markets went largely unrecognized. Only through the continuing operation of the U.S. Employment Service and the newly enacted *Manpower Development and Training Act of 1962*, was recognition given to the private sector and its need for a skilled labor force.

1970's. By now the experience and knowledge of employment training practices had grown along with lessons learned from the unemployed and working poor. Acknowledgment of the need to match the 'economically disadvantaged' with the local labor market had begun to surface.

These connections contributed greatly to the passage of the *Comprehensive Employment and Training Act (CETA)* in 1972. At this point, the federal government began providing formula grants to local governments and directing them to develop training for the economically disadvantaged. This training was *to meet the needs of the local labor market conditions*.

In terms of national employment policy, the formal involvement of the private sector was probably the most significant legacy of CETA. Congress legislated employer input to job training with the 1978 amendments. The *Private Industry Councils (PICs)* created by these amendments were carried forward in the *Job Training Partnership Act (JTPA)*. Even more telling, their authority and scope expanded.

1980's/1990's. Passed in 1982 and effected a year later, the JTPA emphasized the "partnership" drawn from lessons of the past. This partnership was to be based on the relationship of the public-sector grant recipient to the private-sector business community.

This time however, funds were granted to state rather than local governments, and passed to local service delivery areas governed by newer versions of PICs. While membership of these local councils included community, government, labor and public agency representation, they were business dominated as required by law. Thus, employers brought the needs of the local labor market to local training programs.

While private sector participation was formally required at the local level, corresponding private sector involvement was required at the state level. To receive JTPA funds, each governor was required to appoint a *state job training coordinating council (sjtcc)*.

Like PICs, the sjtcc was to provide strong representation from business and industry. Again, including community, government, labor and public agency representation, linkage between the training of the citizens and the needs of the state's employers was intended to be at the forefront of public policy discussion.

Not only did the JTPA of the early 80's forge a new public-private partnership, but it also promoted linkage with the rapidly growing number of federal programs directed at moving particular segments of the population into jobs. The result of this intent was a requirement for coordination unmatched by other federal programs of the time.

## Part II

# JTPA PROGRAMS AND ALASKA'S SERVICE SYSTEM

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Generally speaking, the purpose of the JTPA has been to create programs which help people whose life conditions make it difficult for them to find and stay in full time jobs.

The JTPA is not a panacea to the problems of the unemployed. It is the nation's most comprehensive approach to job training ever, with an unparalleled emphasis on public-private partnerships.

### Alaska Job Training Council

Each state's job training coordinating council is appointed by and advisory to the governor. It has been the responsibility of the *Alaska Job Training Council* (AJTC) to plan and oversee coordination and effective delivery of employment training services within the state.

**History.** Created in 1983 by administrative order of Governor Bill Sheffield, the original 15 member council served as the governor's advisory body on all JTPA related matters. Five constituencies were represented: business and industry, government, education, organized labor, and the general public. Conforming the council to the 1989 JTPA amendments, Governor Steve Cowper expanded the council to 22 members in 1990. Representation was adjusted to approximate more closely a membership parity among business, labor and government.

**Tasks.** The AJTC neither operated programs nor provided services. Its purpose was to plan, coordinate and monitor the provision of employment training programs in the state. It has assessed the needs of the state's workforce; developed biennial plans which set statewide goals, objectives and coordination strategies for the programs; advised on performance standards; provided ongoing oversight of programs and services at the state and local levels; and worked to develop policy initiatives for the governor.

**Structure.** The AJTC accomplished a great deal of its work through its committee structure. During its twelve years, it contracted from an original 8-committee council to its concluding 3-committee structure. An ongoing interagency subcommittee (JTPA/Education Coordinating Committee) connecting the AJTC with state and federal agencies and SDA representatives, successfully coordinated JTPA and vocational education activities. A listing of these committees and their duties can be found in *Appendix A*.

### Private Industry Councils\* and Service Delivery Areas

As noted earlier, the PIC was first established in 1978 under amendment to CETA. The version we have today is the PIC more recently configured through the JTPA. The PICs serve as local advisory boards who have overseen services to at least 15,000 Alaskans since 1983. They have also been a critical link to local issues for the AJTC carrying a respected and significant voice on the council.

**History.** In 1983, shortly following enactment of JTPA, the state set about identifying its *service delivery areas* (SDAs). Each area was to be guided by a PIC. After numerous meetings and public discussions, it was ultimately concluded that Alaska met the criteria for three areas:

- Anchorage/Mat-Su Borough SDA
- Fairbanks North Star Borough SDA
- Alaska Statewide SDA

These areas distinguish themselves in geographical size, infrastructure, economy, population, and workforce development needs.

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\*Chairs of all PICs participated in a meeting on June 22, 1995, specifically to offer comments concerning local issues for AHRIC to consider. A listing of these comments is provided in this report as *Appendix B*.

## **Alaska's JTPA Service Delivery Areas**

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•*Anchorage/Matanuska-Susitna Consortium.* Established in 1983, the Anchorage/Matanuska-Susitna Consortium continues to operate today. It is the framework under which the service delivery area is able to design and deliver the training needed by residents of two regional governments, the Municipality of Anchorage and the Matanuska-Susitna Borough. The Municipality is the administrative entity for local receipt of JTPA funds, while the PIC provides the oversight and policy guidance for the programs.

The service delivery area encloses a mix of lifestyles and economics. It includes all of Anchorage, with the largest resident population in the state and an economy that is based heavily upon government employment, wholesale and retail trades and service industries. Contrast this to the more rural economy of the Matanuska-Susitna Valley, and you will begin to appreciate the very different employment needs of the residents served by this single SDA.

•*Fairbanks North Star Borough.* The Fairbanks PIC provides the oversight and policy guidance for programs serving the needs of the residents in the Fairbanks North Star Borough. The mayor of the City of Fairbanks is the local elected official for the PIC while the City of Fairbanks is the local grant recipient and program administrator.

The economy of this area is also diverse. In recent years, the oil industry and military construction projects have required the largest number of civilian workers. While the number of military projects has declined sharply, other smaller industries are on the rise. These include jobs in the retail service sector and tourism related industries. Future expectations include jobs at the Ft. Knox Gold Mine, a power plant in Healy and in the timber harvesting and air shipping services.

•*Alaska Statewide.* The remainder of the state is served by the Alaska Statewide Service Delivery Area. Stretching 1,400 miles from north to south and covering over 500,000 square miles, the region holds the distinction of being the nation's largest SDA. With representation from across this vast area, its PIC provides policy guidance and oversight of the employment training programs in this region.

Since its first meeting, the Alaska Statewide PIC has worked through the Division of Community and Rural Development in the Alaska Department of Community and Regional Affairs as its program administrator. This office in turn operates five regional sites.

As you would expect, the economy of this immense region is the most diverse of all SDAs in the state. It covers nearly every type of economic base imaginable, from coastal commercial fishing, to subsistence, to natural resource development (e.g. mining and timber harvesting), to tourism and retail service industries. It is the most sparsely populated of all SDAs. Population centers range from the state's capitol city of Juneau in the Southeast to towns and villages in western and northern interior Alaska. With a unique blend of rural lifestyles in areas of limited economic development, parts of this region struggle with some of the highest unemployment rates in the state, and create some of the greatest challenges to successful workforce development services.

## Statewide Administration

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The Alaska Department of Community and Regional Affairs administers the JTPA grant on behalf of the state. The Director of the *Division of Community and Rural Development* (DCRD) serves as the *State Liaison for Workforce Development*. The *Job Training Partnership Office* (JTPO) under direction of the division director, carries out the state's administrative duties.

### Programs for Economically Disadvantaged

The JTPA has undergone some revisions throughout its years. Earlier adjustments simply refined aspects of program operations. Amendments in 1988 enacted the Economic Dislocation and Worker Adjustment Assistance Act which directly impacted the JTPA. The most recent amendments in 1992, significantly affected many elements of the programs, not the least of which was provision for year-round youth programs.

•**Title II-Adult Programs.** These funds are devoted entirely to serving eligible adult participants with 'barriers to employment.' The governor allocates 77% of these funds to the SDAs through formula.

•**Title II-Youth Programs.** There are two areas of youth programs. The first is the long standing *Summer Youth Employment Training Program* (SYETP) and the latter is the 1992 enacted *Year-Round Youth* category. The governor passes all of the funds under the *SYETP* to the SDAs. However, 82% of the *Year-Round Youth* grant is allocated locally. Each program has separate eligibility requirements and separate definitions.

### Statewide Programs (Governor's Set-Aside)

Of the funds received for *Adult Programs* each year, 23% is held by the state. Of the *Year-Round Youth Program* funding, 18% is similarly reserved. These "set-aside" funds are divided into four separate categories of services, each administered on a statewide basis.

•**8% Education Coordination and Grants.** Of the eligible adult and youth funds set aside by the governor, 8% is reserved specifically for activities which coordinate job training programs of the JTPA with vocational education programs. These activities are required to focus on three areas: school-to-work transition; literacy and lifelong learning; and training, placement/retention of women in nontraditional employment.

Historically, the Alaska Department of Education has accepted these funds as passed through the Department of Community and Regional Affairs. More recently, funds have been awarded on the basis of statewide competitive proposals for projects.

•**5% Incentive Grants.** Of the eligible set-aside, 5% is reserved for "Incentive Grants and Capacity Building." Staff in the JTPO work with all of the SDAs in developing plans to meet their staff training and assistance needs.

The remaining funds are awarded by the governor as 'incentive grants' to the SDAs to reward them for outstanding performances in meeting or exceeding their predicted performance levels on a number of national standards. They may use these funds for services to the 'hard to serve' or for staff capacity building activities.

•**5% State Administration.** The final 5% set-aside funds under the *Adult* and *Year-Round Youth* programs is used to administer the JTPA at the state level. As noted earlier, the JTPO manages all statewide activities as well as pass-through grants to the SDAs.

•**5% Older Workers' Program.** In addition to the above set-asides which combine *Adult* and *Year-Round Youth* funds, a portion of funds from only the *Adult* program is reserved for activities and services related to the state's 'older worker.' For the most part, this is defined as an individual who is 55 and older and who meets JTPA income guidelines.

**Formula Grants to the SDAs.** While the governor keeps a portion of the *Adult* and *Year-Round Youth* funds, the remainder of the funds is passed directly to the SDAs. In turn, the SDAs serve designated populations based upon the job training plans developed every two years through their PICs. You will find examples and explanations of projects, services, and programs operated under Alaska's SDAs in Part IV of this report.

### **Dislocated Worker/Rapid Response Program**

While *Title II* of the JTPA focuses on youth and adults who are at a disadvantage in finding and keeping full time employment, *Title III* helps adults who are or are going to be permanently laid-off from their jobs, or who are considered 'long-term unemployed.' It is designed to assist individual job losses as well as mass lay-offs, and to do so rapidly. Ideally, the program provides assistance even before lay-offs occur.

#### **Local Administration**

The governor receives funds under this program and passes at least 50% to the SDAs. These funds are used to meet the special needs of "dislocated workers." There is no income eligibility requirement for the program, but the participant's employment dislocation must be due to an industry or plant closure or employer cut back.

#### **Statewide Administration**

While the SDAs serve the needs of residents in their area as lay-offs occur, the state Dislocated Worker Unit in the JTPO coordinates with them in organizing state-wide, regional, and industry-wide measures. This has included such activities as program marketing and workshops for dislocated workers. Alaska has also used these funds for such initiatives as *Unemployment Profiling* and *career transition centers*.

The state dislocated worker unit also coordinates rapid response activities. It has developed a statewide plan that insures response within 48 hours of notification of lay-off conditions. Working with the local SDA staff, this unit assists in arranging and coordinating on-site meetings, setting up labor-management committees and generally assisting the dislocated worker.

### **State Training and Employment Program (STEP)**

In addition to federally funded job training programs, Alaska has had great success in training and placing citizens through a state program. The State Training and Employment Program (STEP) was originally enacted in 1989 by the Alaska Legislature as a two year pilot program. It was extended twice, ultimately authorizing the program through June of 1996.

During this time STEP has served 4,890 workers who would otherwise have been ineligible for training assistance under the JTPA or for whom JTPA funds were not available. It has offered the worker an opportunity to acquire new skills, and in fact, has trained workers for new Alaskan businesses. It has also assisted many who have been displaced from their jobs.

Funded through a portion of employees' contributions to the Unemployment Insurance Trust Fund, the Alaska Department of Labor has granted these funds to the AJTC.

Historically, the AJTC has administered this grant program through the JTPO. That office in turn, has provided these funds to the SDAs for local training services. The SDAs have found STEP funds to be particularly accessible and flexible. They have used them to respond quickly to changing local economic conditions. Participant eligibility determinations have been quick and simple. As a result, many of Alaska's unemployed have been able to enter or return to the labor market quickly.

## **Part III**

# **From Employment Training to Human Resource Development**

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The first part of this report very briefly summarized some of what federal policy has done in developing national employment training programs. Part II provided a very general overview of JTPA programs in Alaska and how they are administered here. Part III will shift gears now and present much greater detail about how the state has broadened its perspective of employment training programs to the larger view of a human resource development system.

### **Employment and Training Policy**

The early years of Alaska's job training council were also its formative years. Working to set up an effective and efficient state system focusing on coordination, the council's attention was directed toward planning and oversight of programs. While a general employment training policy was understood then, it wasn't until 1989 that the state adopted a formal 12 point statement under administrative order of Governor Cowper.

While this significant step offered guidance in the delivery of employment training programs, the state was growing increasingly aware of the need to coordinate even more broadly. Given the direction in which programs were moving nationally, and the increasing demands for comprehensive coordination and increased efficiency, a policy focused on only specific elements of workforce preparation was being outpaced. The new welfare-to-work *JOBS Program* was on line and the need for even greater coordination was increasing.

It was about this time that the AJTC began revisiting its earlier premises, and started formulating a broader view reflecting a higher

level of coordination with a more comprehensive statewide system. This system would encompass not only employment training, but the larger aspects of "human resource development."

### **1990 Position Paper**

A *position paper* developed by members of the council was presented to gubernatorial candidates in the 1990 elections. The concluding position of the AJTC was that "human resource development should be the issue for Alaska." While this perspective prevailed, no policy was ever formally embraced. As the state delivered a growing number of 'human resource development' programs, frustration was mounting over the lack of a comprehensive policy to guide these programs into a holistic system.

It was at a point in late 1992 that the AJTC's membership articulated two immediate goals. First and foremost, this body wanted to see the state adopt a comprehensive policy for human resource development. This would be followed by system-wide implementation.

In the next three years the AJTC turned its attention to establishing first consensus, and then support, for a comprehensive policy. Assisted by input from members of PICs and other statewide and local advisory boards, a *white paper* was drafted in the fall of '93.

### **Blue Ribbon Task Force**

This paper contained the concerns and philosophy of the previous years and called for the creation of a *Blue Ribbon Task Force* to draft 'human resource development policy' and to recommend the "very best methods for

Alaska to implement" its direction. Operating as a subcommittee of the AJTC, a panel began to identify a comprehensive list of beliefs reflecting statewide consensus. They were set in legislation, and with the help of key legislators, a bill was introduced in early 1994. It was ultimately passed by both houses of the legislature, however vetoed by Governor Hickel because of shortcomings in the bill's structure.

#### Human Resource Development Policy

Because the governor valued the importance of addressing the need for policy, he immediately appointed a temporary *Human Resource Development Advisory Council*. This advisory body was to formulate a comprehensive statement and to suggest principles for its implementation. He recognized that such a policy was "needed to ensure that relevant public and private efforts are focused on a common goal."

He also outlined the tasks of the council. Development of their statement was to follow examination of several factors: respective roles of government, community, and private sector in developing the state's human resources and how their roles would be fulfilled best; the state's economic goals with regard to human resource development; and strategies for implementation of a comprehensive policy.

The 10-member council undertook a series of meetings through late summer and early fall of that year. With a draft policy in hand by early October, a statewide conference was held to conclude input from constituent groups on its basic tenants. Over 100 individuals from urban and rural Alaska in the areas of economic development, organized labor, community and volunteer services, employment services, job training, secondary and postsecondary education, vocational education, adult education, and private sector business and industry gathered in a single day to discuss policy points and direction.

The final policy was delivered to the governor on October 31. The advisory council

disbanded, satisfied that its concluding statement represented a broad consensus of human resource development constituencies from across the state.

#### Consolidation

With this new statement, came the expectation for Alaska's next governor to effect the policy through creation of a comprehensive council. This body would be the result of consolidating the planning, oversight, and policy advisory functions of at least three state workforce development boards.

The rationale for this action was fueled by several earlier findings. A 1992 assessment of state boards and commissions recommended the consolidation of three councils whose functions were very similar. They were the AJTC, the *Employment Security Advisory Council* and the *Governor's Council on Vocational and Career Education*.

In late 1994 the Legislative Budget and Audit Committee issued a comprehensive survey/review of work force related boards, programs and agencies in the state. Citing the opportunity to increase efficiency and eliminate "management redundancies" the report included a recommendation that these same three councils be consolidated into a single board to serve as the state's planning and coordinating body for workforce related programs.

Permitting the consolidation of these federally funded councils, the 1992 amendments to the JTPA outlined requirements for consolidation of such boards and their duties. The resulting "human resource investment council" had taken hold in several states and the concept had by now, garnered widespread support in Alaska. Earlier discussions of consolidation confirmed that there was political and popular support for the *concept* in Alaska, however, the details and specifics of a consolidated council were still undefined.

The Workforce Development Conference in October 1994 offered a forum for all gubernatorial candidates to share their views

and priorities in developing the state's 'human resources.'

#### **Alaska Human Resource Investment Council** Shortly following election to office,

Governor Knowles set the course for the state's human resource development system. At his request, state legislation was introduced in March 1995, to consolidate the AJTC, the *Employment Security Advisory Council* and the *Governor's Council on Vocational and Career Education* into a comprehensive planning and oversight board. This new body was to be known as the *Alaska Human Resource Investment Council (AHRIC)*.

With strong leadership from the Lieutenant Governor and widespread legislative support, the governor's bill passed. It was signed into law on June 3. This law sunsets the three formerly existing councils on December 31, 1995, and transfers the total of their duties, functions and responsibilities to AHRIC effective January 1, 1996.

#### **Workforce Development Block Grants**

As noted in Part I of this report, it has taken the nation more than eighty years to refine its principles for public workforce programs.

Congress is ready once more to effect a change. This time, its leadership is promoting a renewal of states' prerogatives in delivering federal program services. We are facing 'workforce development block grants' full square.

With bills in Conference Committee at this writing, it is a matter of time before states administer public training funds as part of larger 'workforce development block grants.' It will then be up to each state to establish its own priorities, to set key performance measures, and to operate a comprehensive service system. With AHRIC we now have a council who is properly positioned to advise the governor on these key issues, and who is also empowered to see that they work.

## **Part IV**

# **RECOMMENDATIONS TO THE ALASKA HUMAN RESOURCE INVESTMENT COUNCIL**

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Over the past 12 years the AJTC has had the privilege to work in partnership with a vast number of talented Alaskans. They have crossed the spectrum of private and public enterprise, they have represented statewide and local concerns and they have hailed from all corners of rural and urban Alaska. During this time, the Council has benefited greatly from the insights and lessons shared by these groups and individuals. As the gavel is passed from the AJTC to AHRIC, we would like to offer the observations and conclusions we have drawn over our years in working within the state's workforce development community. They are presented as a parting gesture of gratitude and respect for the hard work done by so many Alaskans. At the same time they are offered as an invitation to the members of AHRIC to enjoy the road ahead with the hope that these recommendations may help to map the way.

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### **1. Insist that developing the state's human resources is the most important state goal.**

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Continually remind state lawmakers and policy makers that development of Alaska's primary resource - its people - must be Alaska's priority goal. If we are to find ourselves competitive in the emerging world economy, we must focus on developing our most enduring natural resource.

Network, market and connect with other leaders in resource development. Panels such as *Marketing Alaska* offer opportunities to focus attention on developing not only our commercial resources, but our human resources. Our state's residents must be first in line for 'resource development.'

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### **2. Adopt a comprehensive policy for human resource development and require that all plans and services demonstrate how they adhere to and promote it.**

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A 1994 study of workforce-related programs prepared by Alaska's Legislative Budget and Audit Committee, generally concludes that the state's workforce preparation system would be more efficient if several councils were consolidated into a single human resource investment council. More to the point, it states that the efficiencies of the new council would be bolstered through implementation of the Human Resource Development Policy issued by the 1994 Governor's Advisory Council. The report suggests that the policy would provide the focus for state planning efforts.

The policy statement presented to the Governor by that council in October of '94, is included in this report as *Appendix C*. It reflects the thinking of a broadly representative group who received constituency based input. The work of the council is still relevant and timely and should be considered the starting point for definition of AHRIC's own policy.

Implementing this or any human resource development policy would naturally proceed through the 'human resource development'

system being built in Alaska today. This system will be composed of diverse elements, including employment services, job training, vocational and adult education, and supportive services such as child care and Aide to Families with Dependent Children (AFDC). The overall integrating thread is the connection to economic development strategies in the state. All of these elements should be part and parcel of the comprehensive policy and implementation strategy.

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**3. The human resource development system must be customer focused; meeting the needs of the employer and the worker. This will directly relate to economic development opportunities.**

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The system must be responsive to the needs of two customers: our business/industry sector and our 'client' or potential employee. It must meet the needs of the client while also keeping its sights on the needs of the employer.

This will not be a simple or easy task. The system must be flexible enough to adjust to changing conditions, while maintaining maximum responsiveness. Focus on its strengths. Look for advice from client and business/industry representatives who will provide some of the best assistance in defining a properly balanced 'needs-based/customer focused' system.

Adapting to meet local 'client' needs was in fact, the principle behind the formation of the Anchorage/Mat-Su Consortium in 1983. It stands today as a model of compromise, based on the belief by two adjacent governments that 'the customer comes first.'

***Anchorage/Mat-Su Consortium***

In 1983 local job training personnel and government officials seriously examined the working relationship between residents of the

Matanuska-Susitna Valley and the Anchorage Borough. As a result of many discussions, it was ultimately agreed that a consortium of the two political subdivisions (Anchorage Borough and the Matanuska-Susitna Borough) would be formed to serve residents of both regions as a single entity. This consortium would provide the same level of JTPA services to eligible 'clients' of both areas. To this day the arrangement has worked to the mutual satisfaction of both municipalities and their residents. Everyone generally agrees that one of the consortium's greatest efficiencies is its ability to serve the citizens of two areas as if they were within the boundaries of only one.

Customer focused service delivery was also at the heart of innovation which redesigned youth services, again at the Anchorage/Mat-Su SDA.

***Employment Competency System***

The Anchorage/Mat-Su SDA's *Employment Competency System* is an example of a system that has matured as a result of 'putting the customer first.' Recognizing in the early years of their programs that youth who were leaving JTPA were still not finding or holding jobs for very long, the SDA realized that something needed to change.

After much internal review, the office concluded that more intensive efforts needed to be focused on the particular employment barriers of individual youth. It also recognized the need for a strong basic skills foundation in all of its participants. As a result, it designed the *Employment Competency System* to operate as connected service components which would evaluate the specific needs of basic skills training, pre-employment/work maturity training and job specific skills training. They were seen as important aspects of preparing youth to be part of the current and future workforce. Over time, the system made a significant difference; more youth were finding jobs and keeping them longer than before. With proven success, the employment competency system was later adapted to serve this SDA's adult population as well.

In addition to concern over assessment, the Anchorage/Mat-Su SDA also deliberated over the most effective way to provide client training and support services with very limited dollars.

#### *In-House or Contract Services?*

The question was whether these functions should be contracted or provided *in house*. Ultimately, the SDA concluded that neither one nor the other should be used exclusively. It found that a combination of in-house services and competitive bid from local training institutions or businesses offered the best in available services. In the final analysis this 'coordinated competitiveness' has served to benefit the participant. There has been a consistently high level of support, cooperation, and quality of services.

The point is well demonstrated here that we must design our training and development system to meet the clients' needs if we are to make the most of our abilities to train Alaskans. However, with the customer also defined as Alaska's business and industry sector, we must provide the training to meet their needs. Private, and even public sector jobs, will define the skills and competencies needed by our workforce. Therefore business and industry must be recognized as key ingredients in deciding what training is funded.

An example of how a successful connection between 'market' conditions and training can prepare the local labor force and lead to sustained local employment, is found in the Northwest corner of the state. Were it not for close collaboration with the mining industry and trades organizations, local residents would not be employed to the impressive extent that they are today at the Red Dog Mine.

#### *Red Dog Mine*

A joint project to train workers for the Red Dog Mine, involving NANA/Coates Diamond Drilling, Maniilaq, Cominco and the

Alaska Statewide SDA, operated successfully from 1987 - 1990. Many trainees from these projects continue to be employed at the Red Dog Mine, a world-class deposit of lead and zinc ore 90 miles north of Kotzebue. At the height of its operation, 50% of its 360 employees were local Native Alaskans.

Customized training was conducted in electrical work, welding, mechanics, and millwright at two sites, Alaska Vocational Technical Center in Seward and Kotzebue Technical Center. Trainees were trained in groups, and returned to work at the mine in the summer, followed by additional classroom training, at the end of which they became full time employees. The retention rate was especially high.

The discovery of a new ore deposit as important as the first will extend the life of the mine. NANA is working at strengthening math and sciences in the K-12 school system to provide the basis for getting some residents into college training as engineers. After years of mine operation, and many groups of teachers and students touring the mine, local residents have come to understand the value of the project and its prospect of year-round work not otherwise available to village residents.

Again, here is an illustration of how crucial it is to involve local business/industry in training decisions when putting Alaskans to work. In this case it also reduced non-resident hire. It shows too, that going beyond training and including local school districts can promise that youth will be ready to fill local jobs.

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#### **4. Build on the strengths of the JTPA system which have already proven themselves and continue to build on the emerging elements which are supported by broad-based consensus.**

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Generally speaking, the JTPA has worked very well as a 'tool' to deliver job training. This

is due in large part to the flexibility it allows the service providers in tailoring training to the individual needs of the client. A strong and successful system must include a great measure of this adaptability.

Recognize also that the foundation of today's system has been constructed over many, many years. In the course of this building, a wealth of experience and a pool of talent has developed among those who have worked with it. In assessing the system's strengths, do not overlook the collective human 'assets' already available to draw from.

Other strengths of the system include the participation of the private sector, the collaboration among the state's agencies who administer the system, and the coordination with the state's JTPA Native Grantees. Every one of these elements has contributed significantly to setting the strong foundation we have today.

There are also several 'legs' of the JTPA system upon which to be build. These are the *Private Industry Councils*, the *One Stop Career System*, and the statewide *School-to-Work System*. Utilize them to their fullest. Insist that new or unfamiliar training and employment strategies show how they fit into these frameworks.

#### *Private Industry Councils*

In 1983 the state was divided into three service delivery areas. The JTPA services continue to be provided to local communities through these areas. Each one is provided oversight by a PIC.

Every two years each PIC in partnership with its local government, develops a job training plan for the area. This plan is tailored to local training needs, based upon the area's current and anticipated economic conditions.

These PICs are considered to be a strong feature of the JTPA system because of their broad representation from education, employment and training agencies and private sector employers. They allow the system a strong measure of local control. That is, PICs main-

tain maximum flexibility in program design which in turn allows local determination of services and delivery methods most responsive to the employers and the community. They provide a forum for the development of local public policies, and with their combination of private and public sector members, they can provide external oversight and local perspective not subject to agency politics or influence.

#### *One Stop Career System*

The Alaska Partnership for Employment and Training is the state's one stop career system. It is customer focused, designed to address the diverse employment and training needs of 'clients' as well as business and industry. It is based upon the use of current electronic technology, staff development and collaborative, interagency teamwork.

This multi-layer system will eventually encompass the entire state. It will make basic workforce preparation services available to all Alaskans under a 'seamless career system' set at four levels of service tiers. These tiers include *mail and dial up services*, *self-directed*, *intermediate*, and *full service offices*. Pilot sites are currently underway in Wasilla, Fairbanks and Bethel.

#### *School-to-Work Opportunities System*

In 1993 Alaska drafted its 'planning to plan' design for a school-to-work transition system. The following year a council, representing all aspects of Alaska's education and workforce preparation system and private sector employers, was appointed to firmly develop the state's plan. Through the course of many meetings and much public discussion, the plan was written in accordance with federal guidelines. The U.S. Department of Labor was offering competitive grants to states whose plans merited funding for implementation. In 1995, Alaska was selected to receive an initial year grant of \$1.3 million.

Today the Alaska Department of Education (DOE) administers this *system building*

program. Last year DOE funded two-thirds of all state school districts to provide professional development, capacity building and/or local improvement efforts toward achieving the goals of *Goals 2000*. Among those goals was the direction to "provide (a) performance-based student-centered plan for transition from school to employment or further training which encourages life long learning." In this context, the Alaska *School-to-Work* initiative will 'bridge the gap between school based and work based expectations.' It will form the 'conduit' helping to move Alaska's youth from school to 'the world of work.'

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**5. There must be a strong *education element* in Alaska's system, connecting secondary and postsecondary perspectives with business, government and labor for a 'holistic' system.**

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Connect with the state's education sector as a critical element in human resource development. For example, linkages with the Postsecondary Education Commission, State Board of Education, and University of Alaska Board of Regents will be essential for a comprehensive system. Policy discussions of these public bodies must be part of AHRIC's knowledge to insure coordinated and comprehensive system development.

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**6. Promote continuous private sector innovation and upgrading through Industry Clusters.**

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The *Industry Clusters* concept was identified and made popular by the Harvard Business School Professor, Michael Porter. He supports the perspective that a key determinant of competitive advantage in today's economy is

the capacity of a region's industries to continuously upgrade. This continuous upgrading and innovation is most likely to happen when a region has a cluster of competitive industries with access to highly specialized pools of skilled workers.

This approach would serve Alaska well. We should begin with identifying the top industries in our state, followed by the skills and the training needs of those industries. AHRIC is encouraged to see that a survey of these skills needs is done for industries on a region-by-region basis. Provide these skills lists to the agencies, service providers and the job seekers, so that we train Alaskans to the skills in demand for their areas.

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**7. Insist upon private sector involvement at all levels of job training and job development.**

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Stating the obvious, since the private sector is one of the two customers in the state's human resource development system, the greater the participation from the customer, the greater the likelihood that the system will meet the customer's needs.

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**8. Ensure that the *State Training and Employment Program (STEP)* is established in law as a permanent program before it sunsets in June, 1996.**

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The Alaska legislature authorized this 'temporary' state training and employment program in 1989. Originally designed to increase training opportunities for the state's workers, foster new jobs, and reduce the number of claims for unemployment benefits, it has accomplished these objectives, and more.

The STEP has enabled participants to

increase their average quarterly earnings from 9% to 12% in each program year. With a relatively high completion rate of more than 80%, the program has proven to be effective and cost efficient.

#### *Local Partnerships and Market Driven Training*

In Fairbanks, STEP was utilized to foster an innovative partnership between *Tanana Chiefs Conference* or TCC (the Native JTPA Grantee serving the Interior and Arctic Slope regions) and the Painters' Union Local. This pre-apprenticeship training program was successful over a period of several years and went on to become the prototype for a component of a highly acclaimed national program.

The STEP has also fostered a 'roustabout' training program offered through TCC. Originally funded under JTPA and BIA funds, recent federal cutbacks would have meant eliminating the program if it weren't for STEP. That would have been unfortunate, since it has graduated 180 students, 97% of whom have secured employment on Doyon's North Slope drilling rigs.

An example of how responsive this program has been to other parts of Alaska is the coordination of STEP funded training with the *Community Development Quota (CDQ)* program in rural Alaska. It has prepared local residents in western Alaska villages to train for jobs in an industry being developed under local cooperatives of their own.

#### *STEP Trains for CDQ*

Late in the fall of 1992, a major new fishery development initiative was established. Known as the CDQ program, it was developed to provide rural communities along the state's western seashore a role in the vast fishery off their coastline.

The CDQ program provides an allocation of pollock to coastal community corporations. Fish can be either directly harvested or leased to industry partners. Proceeds can be channeled back into groundfish operations or to-

ward nearshore fishery development projects. CDQ groups are required to actively participate in the harvesting, processing, and marketing efforts.

In order to respond rapidly to program developments, newly organized CDQ groups turned to STEP for help. Without bureaucratic 'overload,' STEP was able to respond almost immediately. Entry level training programs at the Alaska Vocational Technical Center in Seward offered quality orientation for new workers. During the first year, 75 rural residents were assisted through STEP funding. Another 50 residents attended fishery training funded by CDQ entities.

Within 7 months of the CDQ program's onset, more than 230 positions had been made available for rural residents in the ground fishing industry, with numerous individuals returning for additional contracts. During 1992 and 1993, more than \$1.2 million in personal wages were channeled to coastal communities.

Additional fishery training programs are underway using STEP. Rural residents have completed small vessel maintenance, navigation and fishing practices courses. Other training activities include office occupation training, management intern positions, and Coast Guard exam preparation.

We believe that the success of STEP is due largely to the fact that it is a state program. It is responsive to Alaska's unique conditions and it is comparatively easy to administer.

All in all, STEP has demonstrated its effectiveness and value as a state funded program offering distinct advantages to Alaskan workers, Alaskan businesses and Alaskan service providers. With this win-win-win program set to end in June, 1996, Governor Knowles has introduced legislation this session to continue the program 'permanently' under state law. Every effort must be made to ensure that STEP continues without interruption.

#### *Business Incentive Training Program*

Needless to say, programs which encourage 'economic development' will generally find



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favor with business and industry. Under the auspices of incentive training programs, private employers can be encouraged to upgrade the skills and retrain their current employees.

As with STEP, several years ago the state legislature authorized a *Business Incentive Training Program* (BITP). It was intended to 'encourage private industry to provide new job opportunities by offering assistance in training and retraining employees to implement new technologies.' The program received limited funding and generated only lukewarm support. In spite of mixed reviews, the purpose and application of this program deserve another look.

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## **9. Strengthen collaboration and coordination to maximize employment and training opportunities.**

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History and experience have shown us that collaboration and coordination play critical roles in determining how effective we are at developing our resources. Our workforce preparation community has a long and successful history of collaboration at all levels.

Through efforts to establish the PICs, the Alaska Human Resource Investment Council, a School-to-Work System, a One Stop Career Center system, and networks of cross memberships among boards and councils, we believe that effective collaborative relationships have been forged. Others yet remain to be made. Contacts with the Alaska Housing Finance Corporation and statewide and local chambers of commerce are good places to start.

The following illustrations show what has been done creatively through cooperative relationships and they offer insight into what can be done in the future.

### ***JTPA/Education Coordinating Committee***

For many years this group facilitated the coordination of vocational education and job training programs. The committee, comprised of state and federal workforce and education administrators, SDA Directors, and advisory members from the AJTC and Governors Council on Vocational and Career Education, was a broadly representative forum for sharing information on programs.

It assisted in developing cooperative agreements under JTPA/Education Coordination and Grants funds (8% funds), providing assistance and direction in developing the plan for these funds and making recommendations to the AJTC and others on connecting activities between vocational education and job training programs. As a result of the unusual level of interagency collaboration, the committee has helped to fund projects which have served as prototypes for statewide innovations. Notable among these is the *Alaska Youth Ready for Work* Initiative, our state's precursor to the school-to-work system.

### ***Alaska Youth Ready for Work***

At the invitation of the governor, CEO's from Alaska's top firms met in March of 1989 to address the issue of whether our state's youth were ready for work. The conclusion was that far too many were poorly prepared. As a result, these business leaders compiled a list of 27 skills, attitudes and values needed to be successful in work, and developed criteria to encourage school reform projects addressing these elements. This initiative became known as *Alaska's Youth: Ready for Work* (RFW).

The JTPA/Education Coordinating Committee offered \$600,000 during the 1990-91 school year for school reform projects based on the RFW. Four demonstration sites were selected: the Mat-Su Borough School District, Kenai Peninsula Borough School District (two projects - one in Kenai/Soldotna the other in Homer), Juneau-Douglas High School, and Ketchikan High School.

Each project was conceptually distinct. However, each one also included the elements of career awareness, exploration and planning; basic skills development; participation by local employers and awareness of the RFW employer listed skills, attitudes and values.

These projects have continued in some form beyond their original 1990 JTPA grant. In fact, in most cases these demonstration projects have grown in scope because school districts have committed their own resources to seeing them continue.

The RFW program itself is a nationally recognized initiative. It has received awards for its innovation and creativity from such respected groups as the National Association of State Directors of Vocational and Technical Education, U.S. Basics, the National Conference of State Legislatures, and the U.S. Department of Labor. The RFW is respected today as a not-for-profit organization of Alaska's employers committed to working with schools, parents and community organizations.

Another instance of what can happen through interagency collaboration can be found with the construction of the *Alaska Job Corps Training Center*.

#### ***Alaska Job Corps Training Center***

Working through coordinated and concerted efforts of state advisory boards and agencies a most remarkable thing happened. The Alaska Job Corps Training Center was opened in 1994 following years of serious negotiations, cooperation and hard work among federal, state and local groups. It took a large measure of tenacity and generosity to see the pooling of funds needed for site development and construction.

Interestingly, while agencies and local governments were working hard to see that pieces were falling into place, the Alaska Native Coalition on Employment and Training (ANCET) was doing a fair share of work on its own. Campaigning hard in the early 1990's, it worked to support the state in seeing that Alaska become a selected site. It fought along with the state to retain our site

when it was in danger of being scrapped in early 1992. And when the project was facing scale-back, the State and ANCET independently but successfully, insisted that dorms and child care facilities remain intact. Thus, ANCET and state-local-federal partnerships were key ingredients in seeing the Center become a reality for Alaska.

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### **10. Rely on PICs for advice, recognizing and rewarding the successful outreach and networks set-up through their SDAs.**

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While statewide collaboration may be responsible for system-wide advancements, program participants have reaped untold benefits from the collaboration of the SDAs. With continuing reductions in program funds, the SDAs have had to leverage ever shrinking JTPA dollars all the while improving their abilities to train and place individuals in jobs.

#### ***Mountain View Community Participation Project***

Working with schools, the community center and other community groups and organizations in the Mountain View Area, the summer youth program in the Anchorage/Mat-Su SDA has succeeded with extensive outreach to low income youth.

Over the past three years the SDA has coordinated with these groups to provide both program and staff support for summer youth activities. These projects have included a peer training program, community beautification of local parks, playground supervision, graffiti removal from public buildings and property, and a gardening project in which program participants supervised the planting and maintenance of gardens. At the end of the garden project, the vegetables were gathered and distributed to local residents. In coordination with the Municipal Parks and Recreation Department, these youth continued with landscaping, planting and maintaining gardens in Mountain View.

One of the more profound challenges for all of the SDAs has been to make JTPA services a priority for clients with multiple barriers. Partnering with the local school district, youth detention center and contractors, the Anchorage/Mat-Su SDA was able to make a difference in many young lives through *Special Work Experience*.

This program has enabled hundreds of seriously handicapped and institutionally restrained youth to participate in work experience. Community projects are able to operate effectively at low cost because of the 'in-kind' contributions of administrative services made by most of the contracted agencies/organizations. This has left only training salaries as the cost to be covered by JTPA.

#### ***ACE's Community Beautification and Landscaping Project***

Anchorage School District's Alternative Career Education (ACE) program has included 25-30 youth each summer in projects that have ranged from community landscaping and maintenance of city plant and shrub sites to simple land reclamation. The ACE program has been able to provide the closer supervision needed by many of the project youth to stay focused, to learn the tasks and to effectively carry them through to completion. This program has received accolades for the exemplary work of the participants and the record times in which the youth completed task. The last two years have seen the Anchorage School District assume all of the administrative cost involved in the project, leaving more funds for overall youth wages.

#### ***McLaughlin Youth Center***

Many of the youth in this state detention and correction center meet the eligibility criteria of the JTPA. Work experience has been provided to more than 25 of the institution's residents each summer. Again, with only the cost of the wages for two or three job training assistants, maximum use has been made of the participant's involvement in the project. Youth must compete for the available slots by demonstrating appropriate behavior and

reaching academic levels acceptable to the project's coordinator. This has proven to be a real incentive for changed behavior in some youth.

#### ***ACS's Botanical Garden Project***

Residents of the Alaska Children's Services (ACS) are under the state's Foster Care system. Special Work Experience has enabled approximately 25 of these youth to participate fully in the JTPA summer program. The ACS has involved these youth in their project to develop a botanical garden. Three years of ongoing participation have seen the project area grow from woods and shrubs to a landscaped panorama of plants and fauna attracting more and more visitors.

Youth have in fact, built a storage shed, removed tons of earth, refilled and composted acres of land (for the plants and trees and shrubs selected for the garden) and in general, produced a noteworthy "work of art." And, as with the other youth projects, when JTPA experienced a decrease in available funds for its summer program, ACS cooperated by making an "in kind" contribution of administrative cost to this project. In addition, it hired most of the previously JTPA on-site job training counselors from other funding sources.

It is apparent from these examples, that there are secondary rewards to local collaboration. In these instances, there were long term community improvements, incentives for behavioral modification, and neighborhood participation in local beautification projects.

Extensive coordination was at the heart of award winning efforts in the youth programs operated by the Fairbanks SDA. This service area received national recognition in 1990 for its success in meeting the needs of 'troubled' youth.

#### ***Fairbanks Youth Program - Presidential Award***

In 1990 the Fairbanks PIC received the highly prestigious *Presidential Award* for its JTPA services to 'at-risk' youth. This was a first for Alaska.

The highly successful program was aimed at youths between the ages of 14 and 21, who were considered to be at-risk of not graduating from high school. It was designed to work closely with the youth from the time they were identified as 'at-risk' until they had achieved high school graduation, received vocational training or were placed in paying, unsubsidized jobs. It served 328 youth in 1989, the year it was nominated for the award.

Unlike the majority of youth job training programs nationwide which operate only during the summer months, this program combined a wide variety of services into a comprehensive year-round program. This novel approach is considered one of the primary reasons it was so successful. The program exceeded all of the performance goals set for its various elements in 1989 including: in-school mentoring (drop out prevention), in-school training for handicapped individuals, parenting for pregnant teens, job skill training for incarcerated youth, job corps recruitment, referral and placement, out-of-school youth program, and a summer training project.

Another reason for its success can be attributed to the extensive level of community involvement. In building its program, the PIC included the local school district, downtown business people, local churches, the military bases, local unions and the Fairbanks North Star Borough, as well as local community groups such as the Lions and Quota Clubs.

An illustration of what can be achieved when community involvement is aided by interagency collaboration is remembered at Petersburg.

#### *Petersburg At-Risk-Youth*

A highly effective project helped at-risk youth in Petersburg between 1988 and 1992. The Petersburg Children's Center received funds from JTPA to craft a multi-faceted program that provided students with orientation and classroom training combined with hands-on work experience with local employers.

There were 12 youth in the community

who were identified as highest at-risk for leaving school, and therefore program eligible. At the top of the list were pregnant girls. The Petersburg Children's Center wanted to provide these girls with parenting skills, so the single moms were taught child care in the Center's nursery, hands-on with their own children. Once the children were adjusted to the nursery and the mother had adequately developed her skills, she went on to regular job training. These parents were so successful, not one single mother was later found to have entered the social services system for any issue to do with parenting.

This program also served special education students and high school dropouts. The youth covered the required competency skills and work maturity issues (getting to work on time, dressing and behaving appropriately on the job). Training in basic skills and other classroom work took place at the high school. Out-of-school youth were taught by the Adult Basic Education staff in the Job Services office of the Alaska Department of Labor (DOL).

One of the reasons it was believed to be so successful, was that most of the youth participated in jobs that matched their interest. The youth were paid as if the employer were paying them, and they worked their way through their required ten competencies and skills. With very careful monitoring for their safety, and a special waiver of child labor laws, they performed real jobs in real work situations.

Another very successful part of the program was the big city survival course, which combined funds from JTPA with leadership funds from vocational education. In real life urban settings, students learned to use public transportation, enroll in school or find a job, a place to live, and how to pay their own expenses on a budget.

Over several years the program had a successful completion rate of between 90 and 100%. Students completed high school or received their GEDs, and some went on to further education. The program prospered from the cooperation of Petersburg High School, the Adult Basic Education, Alaska Statewide SDA, DOL, and from individual employers.

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**11. Permit the service delivery areas to identify their 'special populations' and reward them for programs that creatively meet the employment and training needs of these groups.**

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There are groups of Alaska residents who may need some of the most innovative response strategies for effective training. Allow the service regions to identify who those special populations are and what strategies are needed to effectively serve them. Some areas of focus may be on the older worker, persons with disabilities or rural residents. Regardless of the special group, such factors as local outreach, attention to detail, and ongoing coordination will play a large part in serving their needs as shown in the following examples.

*Homer Flex High School*

Homer Flex High School is based on a network of community, private enterprise and educational resources using state-of-the-art computer technology to capture and spark the interest of high school dropouts and other "at risk" youth.

The JTPA students have access to a flight simulator, global positioning system, a career information system called AKCIS, computerized instruction, and driver training. There are computer connections between the regular and alternative high schools, and remote connections with some students' homes or worksites.

This innovative system is based on the premise that learning should take place wherever it is most effective. As a result, virtually all of the "hard to serve" youth complete the program, and continue their education or get jobs.

Remote hookup has allowed special needs students to work at home. Multi-site hookups also permit more than one school or agency to legally use an extremely expensive piece of software. With its daily teacher-student

feedback, the program is seen further as a model for home schooling in rural Alaska.

A key to the success of the program may well be the individualized contact. There has never been more than a 4:1 ratio of students to teacher. Each youth is set up with an individualized academic program. Support services are also tailored to the student's need for shelter, and child care, etc.

Like so many others, this program also benefits from several community efforts, such as the local incentive trust. This fund supports the student in a part time job while JTPA evaluates the student's progress in attaining workplace skills and attitudes. Eventually the student knows how to come to work on time and how to relate to fellow employees. The student masters technological skills, and then goes to work for an employer who has entered a limited internship agreement to help.

A large number of employers in Homer are interested in working with the youth in this program and in providing them jobs. Kenai Building Supply hired a student whose tasks were set up so course material could be given on the job. Homer city's Water Treatment and Waste Management Department did likewise.

In Homer, the staff's holistic approach to educating and training young people from troubled environments clearly helped them feel they could succeed in life. On the other end of the age continuum, innovation was afloat in Fairbanks several years back in their efforts to serve the needs of the 'older worker.'

*ElderNet*

Started by the Fairbanks SDA, ElderNet was a comprehensive entrepreneurial training program for those 55 and older who met JTPA program eligibility requirements. In early 1992, JTPA funds were used as ElderNet 'start-up funds.' The University of Alaska, Tanana Valley Campus (UAF/TVC) allowed 60 future entrepreneurs to gather twice a week for 8 consecutive weeks to learn the ways of small business.

Local media coverage and local business people lent support to the program. A num-

ber of successful business leaders came to the classes to share their expertise with the participants. Guest lecturers included one of the vice presidents of Key Bank, the manager of New York Life, and the owner of a successful warehouse. The class itself was taught by an Associate Professor of Applied Business Administration at UAF.

In the spring of 1993 the first class of Eldernet graduates formed a non-profit organization called *ElderNet Inc.* They published a catalog of products and services and they set up a retail space on the ground floor of the UAF/TVC building. The retail store operated from May to September of that year. In October, the group moved to the Fairbanks downtown area, naming their store *House of Gifts*.

The *House of Gifts* was made available for community meetings which would be of interest to the senior population in Fairbanks. Regular classes were held there including instruction in doll making, Ukrainian egg decorating, beadwork, parka sewing, knitting, and flower painting.

During its operation, the *House of Gifts* also became the hub for "Wish Tree," the annual event of gift giving for seniors during the Christmas holidays. During 1992, 190 seniors in residential housing were the recipients of gifts donated by the people of Fairbanks, and delivered by ElderNet Elves. This effort bridged the generations, as it brought together local junior and senior high school students with Eldernet seniors to wrap and deliver gifts. The number of gift recipients grew to 250 in 1993 and almost 400 in 1994.

While the *House of Gifts* has had to close its doors, the program was considered an overwhelming success, due largely to the fact that several of the senior entrepreneurs continue to be in business and continue some level of economic self sufficiency. The Fairbanks SDA no longer subsidizes the ElderNet though it exists today as an ongoing non-profit organization.

Looking now to ways in which challenges have been translated into benefits, a special JTPA project was set up to assist clients in moving from 'welfare-to work.'

### *Project Career Course*

Project Career Course has proven its merit in successfully transitioning the chronically unemployed off welfare rolls and into jobs or advanced training. Funded by the Alaska Statewide SDA since 1988, the project combines classes taught at the University of Alaska Southeast with work experience, basic skills refresher, and whatever support services are needed by the individual.

Not only has the project been successful statistically, but it has demonstrated the value of interagency cooperation and a new attitude about how to deal with public assistance.

In this program, all instruction is geared toward employment with a holistic approach that distinguishes it from most other training programs. The most important course in the program is thought to be *life skills management*. There, students learn to identify what they have and what they want. They learn to recognize the value of exercise, nutrition and time management. They learn to develop a schedule, set goals, prioritize, and delegate. Support services such as child care and transportation are provided by the JOBS Program, administered by the Alaska Department of Health and Social Services.

Many students are overcoming a lifetime of poor self-esteem, a major stumbling-block to independence. At evaluation time, students report that the program helped them to believe in their own ability to succeed. Most course graduates either go to work or continue with further training.

This program is a lesson in interagency collaboration, attention to 'customer needs' and holistic service strategies which produce benefits for a population often noted to have 'multiple barriers' to employment.

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**12. Increase the ability of the state to coordinate the efforts of private sector businesses, 'dislocated workers' and local communities in mitigating the impact of worker lay-offs.**

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Alaska is particularly vulnerable to swings in its economy. The effects can be devastating to the workers and their communities who are impacted by plant closures or industry failures. The state and the SDAs have shown great initiative in their abilities to respond rapidly to these disastrous conditions as you'll see below. However, we have room for improvement in working with local communities to lessen the disruptions when jobs are lost.

***Anchorage/Mat-Su Rapid Response***

Over the years the Anchorage/Mat-Su SDA has been called upon to respond to both anticipated and unexpected business closures. In attempts to stay viable, businesses have made drastic cuts in personnel and/or restructured themselves, so that more is done with less. Unfortunately, this is often at the expense of the worker. The number of lay-offs have ranged from a low of 25 employees to over 500. In each case, it has been the SDA's job to provide the affected worker with as much assistance, support and information as possible, and to act as a resource in their effort to obtain new employment.

Providing support services for laid off workers has taken on many forms. These services have included setting up a centralized location, traveling out to the actual worksite and working in coordination with other agencies. Services have also included job counseling and referral, assistance with resume preparation, and purchase of tools and materials needed by these individuals. For those who have found jobs out of state, the SDA has served as a coordinator in the worker's effort to clear up business here and relocate. A partial list of the more recent rapid response situ-

ations include the Cambior Alaska (mining company), Alyeska Pipeline Services, and Mark Air.

Moving now from a general perspective of local efforts to serve dislocated workers, look at how two 'rapid responses' have been handled by the Alaska Statewide SDA.

***Sitka/Wrangell Transition Centers***

Alaska Pulp Corporation mill closures in Sitka in the fall of 1993 and in Wrangell in the fall of 1994 have been met by JTPA with the establishment of two Career Transition Centers (CTC) to help the laid off workers prepare for other work.

In each case, the mill was the community's major employer. Mill workers were paid a high hourly wage for a job that required limited formal education. Were it not for the retraining offered by JTPA, prospects in the shrunken local job markets looked bleak for many.

The Sitka CTC assisted about 200 displaced workers during its nearly two years of operation, and closed in June 1995. The CTC was housed at the University of Alaska Southeast Sitka campus. *Project New Chance* in Sitka graduated several classes from its six-week integrated program offering math and writing enhancement, computer literacy and job development. Several people earned their GEDs in the program.

The closure's impact was particularly severe in Wrangell, where 278 people were laid off, causing a slowdown in other businesses. The CTC opened there in December 1995, for one year of planned operation. A full time coordinator headed the staff, assisted by a coordinator from the University of Alaska Sitka and a half-time adult basic education tutor. The Alaska DOL supplied counselors and unemployment insurance services, testing and workshops.

*Project New Chance* from UAS-Sitka has continued with classes for former millworkers in Wrangell. This same initiative has expanded to initiate Wrangell's first degree program, a two-year Associate of Applied Science in business management.

Former mill workers will have their expenses paid under the Trade Adjustment Act (TAA), and additional applicants may come from the community.

Both centers received funding from a National Reserve Grant, a set-aside of the JTPA Dislocated Worker funds directed at plant closures. TAA funds available through the DOL have also provided services. Center activities have relied on the close cooperation between JTPA and DOL staff.

Finally, the Fairbanks SDA is a ready source of how one-on-one assistance to the dislocated worker can be critical in the directions taken by the lives of real people.

#### *Beth Vonnahme*

Ms. Vonnahme lost her job when her employer closed its Fairbanks branch office. She asked for JTPA assistance to complete her Bachelor of Arts degree in Business at the University of Fairbanks campus. During her senior year, Ms. Vonnahme started her own small business, *Compost Happens, Inc.* When she graduated from the university she brought her idea to the City of Fairbanks and was awarded a one year contract to collect lawn and leaf material from the city landfill. Overall, Ms. Vonnahme's small business turned into a profit making enterprise which was good for her and good for the City of Fairbanks.

#### *Robert Winn*

Mr. Winn was considered to be *long term unemployed*. His employment background included 30+ years in the restaurant/bar business. He wanted to change careers and asked for help with accounting and computer training. He attended the Computer Skills training school in Fairbanks. Upon graduation Mr. Winn first obtained a 'temporary' nine month job with the Fairbanks Convention and Visitors Bureau as an Administrative Assistant. At the end of the temporary job he applied for and was hired by the Fairbanks PIC as a Budget Technician.

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### **13. Conditions in rural Alaska often require unconventional approaches to employment and training. The state's system should be flexible enough to accommodate and promote them.**

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Alaska's unique conditions often times require exceptional creativity. Many jobs are public service jobs. In fact, the percentage of jobs in the public sector in rural Alaska is sometime as high as 85-90%. Many other jobs are seasonal, which may not qualify them under 'JTPA.' They should be acknowledged as legitimate 'employment' and work experience. An article reprinted here from the *Fairbanks Daily News-Miner* of July 28, 1994, tells the story best.

#### **Fish Counts Fish and Game Can Count On** by Wendy Hower, Staff Writer

**KALTAG** —Three young men bumped knees as they sat in the 12-foot-high wooden tower and stared down into Kaltag Creek for six straight hours Tuesday.

It was hot as a salmon smoker under the green tarp roof. The batteries in the portable tape player were dead.

"It's not boring when the bear's around," said Arlo Olson, 17.

Suddenly, a single, sunset-hued fish drifted in the water below.

"A king," someone said.

Olson wrote it down on a clipboard and resumed his watch.

Since June 21, Olson and nine other Native teenagers from the Yukon River village of Kaltag have worked round-the-clock shifts to count salmon. So far they've recorded 36,387 chum salmon and 153 king salmon—and three black bears who wandered by.

This proof of the summer's healthy chum salmon run convinced the state Department

of Fish and Game to open up commercial fishing four times this summer for the whole village.

"If we didn't do this, we probably wouldn't have had a fishing season this year," Olson said.

Eli Nicholas, 16, agreed they are "doing some good."

A metal fence, called a fish weir, stretches halfway across the creek to guide salmon close to the tower, where white bags of sand are lined up in a row underwater. The silhouettes of fish are easy to spot against the white bags.

The teen-agers count salmon as they swim upriver to spawn; they subtract the number of salmon returning down river. Since June 21, they have missed only 4 1/2 days of counting.

Fish counting is a real job. The teen-agers earn \$6.33 an hour for their pains and, in the process, pick up some advanced math and science.

Learning how to use statistics and evaluate data, they discovered that this year's run determines how many salmon they can take with commercial fishing four years from now. They found out chum salmon tend to run between 10 p.m. and 4 a.m.

"They're learning how to work," said Frank Burris, state 4-H fisheries and natural resources agent for Alaska Cooperative Extension. "They're learning that data collection is boring and the fun part is putting the numbers together at the end."

Theirs is some of the best salmon escapement data for any river within the Yukon drainage, Burris said.

The extension program, begun in Kaltag four years ago, is jointly funded by the state Department of Community and Regional Affairs' Summer Youth Employment Program.

Villagers have long used fish wheels on the Yukon River to catch chum salmon and harvest eggs to sell to Japanese buyers.

They dry the rest of the chum salmon for dog food and use nets to catch king salmon, a much better-tasting fish.

The fish counting tower is on Kaltag Creek, a tributary of the Yukon River, because fish are difficult to count in the deep waters

of the Yukon River. The teens built the tower themselves.

Amy VanHatten, 4-H program director for the Tanana Chiefs Conference, said the teens are luckier than many college students who never get a chance to work in the field.

"You're starting way ahead of the game in some respects," VanHatten told them.

Russ Holder, assistant area manager for the state Department of Fish and Game, said the fish-counting project was most responsible for opening up the Yukon River for commercial fishing. The only other fish counting took place on the Anvik River, north of the village of Holy Cross, he said.

What's more, Holder said, the project has improved relations between Kaltag villagers and Fish and Game officials. The data lent credibility to villagers' claim that salmon runs were strong enough to support a fishing season.

As you see, a mix of ingenuity and sensitivity to local conditions can actually present a rather remarkable, but obviously relevant, summer of work experience for rural youth.

For another look at how rural success relies on innovation, turn now to Interior Alaska where TCC has operated the *Rural Interior Alaska Home Care Services*. The following is excerpted from an article entitled...

#### **Aging Gracefully at Home, Elders Get Chance to Remain in Villages** by Kristan Kelly

... At 77, (Ellen) Peter is the oldest person in Nulato. There are Nulato elders older than her, such as 100-year-old Martha Brush, but all have gone to urban nursing homes. Nurse Peggy Eickman, 48, and nurse's aide Jennie Nickoli, 45, are working to ensure that Peter and other elders can stay in Nulato as long as they wish, through a program called Tanana Chiefs Conference Rural Interior Alaska Home Care Services.

Eickman, a registered nurse and physician's assistant based in Fairbanks, travels to interior villages assessing the needs of

the elders. She notes the special needs of each elder. Next, village nurse's aides such as Nickoli visit the elders providing daily care.

After the original assessment, Eickman returns periodically to visit the elders and observe their health. She believes that allowing elders to live in their home village strengthens their spirit and, in turn, their health.

The program is three years old and growing. Fifteen villages offer the program and women interested in becoming nurse's aides in their villages have formed a waiting list. The aides are trained during a three-week intensive course in Fairbanks by the Older Persons Action Group.

Tanana Chiefs Conference pays for more than 50 percent of the program while the rest of the money is gathered from a number of state sources, said Cyndi Nation, the conference's program director.

"People want to have our people stay at home. They want them in the community," Nation said.

This program, she said, gives elders the choice of where they want to live, even to die.

"In some of our villages, there is a belief that if an elder isn't able to die in the community, their spirit can't rest," Nation said.

To villages, the program helps them keep their elders close to them and their children. Elders are the keepers of the old way—when they leave, so too does that knowledge.

Differences in culture, lifestyles and beliefs can be respectfully and effectively built into the way the state and local providers serve the rural population. This should be encouraged.

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#### **14. Define 'EMPLOYMENT.'**

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Provide a uniform definition of 'employment' recognizing that local communities may consider traditional activities to be work activities, and that the definition must apply to workforce programs under AHRIC's purview. The purpose of a comprehensive and shared

definition of what constitutes 'employment' will do much to guide programs. Subsistence is the largest employer in rural Alaska. Seasonal fishing, hunting and trapping as well as beading and traditional craftwork are economically viable activities in many parts of our state. Yet, as a state we are routinely challenged to justify their classification as true 'employment.' This must change.

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#### **15. Explore training incentives that will reduce non-resident hire. Establish yearly goals against which to measure the effectiveness of these incentives.**

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In 1993 there were more than 75,000 non-residents workers in Alaska. That same year more than 50,000 Alaskans filed for unemployment insurance benefits. Thus, 22.8% of the total employed wage and salaried jobs in the private sector, and in state and local governments in Alaska were held by out of state workers.

Non-resident earnings represented 11.8% of all earnings in these areas. Because non-residents work a relatively short time in Alaska and do not live here, the economic impact associated with their earnings is low. And when they take jobs that Alaskans could fill, unemployed Alaskans draw from unemployment insurance and other financial aid programs. These conditions are unacceptable. Examine all possible incentives which could work to lower the rate of non-resident hire in Alaska.

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#### **16. Strengthen collaboration and coordination with the state's JTPA/social service Native Grantees.**

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While the AJTC has established ongoing coordination and collaboration with JTPA/ social service Native Grantees, linkages could be improved. The importance of doing this is clear when we remember that populations served by Native Grantees have the highest unemployment rates of any group in the state. Operating under separate JTPA programs which in turn produce separate systems, increases our need for better communication and more coordination. The ANCET organization offers the advantage of an existing umbrella composed of Alaska's JTPA Native Grantees. Concentrate and build on the coordination offered through this group.

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**17. Establish a direct and continuing connection with the Alaska Job Corps Training Center.**

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In the past, efforts by state, local and Native groups have been successful in seeing a state Job Corps Training Center built. We need to continue our efforts at statewide and local involvement with the center to insure that its training fits the needs of Alaska's population. The ever changing economy and the unique conditions in rural Alaska must be reflected in the center's curricula. We believe that the current curricula does this. Let's make sure it continues. We need to maintain dialogue and ongoing participation at all levels.

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**18. Make welfare-to-work a priority; plan to focus training on low-income workers.**

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Expected changes to federal welfare laws include a mandatory cap of five years an adult may receive AFDC. Insuring that AFDC recipients enter the workforce and become self-sufficient before their 'five year time limit' will represent a major challenge for all programs.

One of the programs under AHRIC's oversight is the *JOBS* Program. It represents an ongoing partnership among the Alaska Departments of Health and Social Services, Labor, Education, Community and Regional Affairs, and members of ANCET. It offers AFDC recipients the opportunity to gain workplace literacy and job skills, to look for and find employment, and to receive child care supportive services. Through *JOBS*, the Department of Health and Social Services provides funds for this partnership.

The successful operation of *JOBS* shows that AFDC recipients can escape welfare dependency by finding paid work. Since its inception in 1990, 4,152 AFDC recipients have entered paid employment as a result of participation.

State legislation needed to reform Alaska's cash welfare programs must recognize that providing job training, education and child care to Alaska's AFDC recipients continues to require a financial investment in the *JOBS* program. Without this investment, we believe many AFDC recipients will reach the end of their welfare limit without gaining the skills or receiving the child care needed to enter the workforce and retain employment. Loss of AFDC eligibility will cause a severe economic hardship to their children, and put additional strain on other public and private agencies already struggling to meet the needs of Alaska's poorest families.

## **Part V**

### **CONCLUSION**

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As a state we are clearly focused on preparing our workforce with the skills and attitudes required by our workplaces. The development of these skills and attitudes must be reflected in all levels and fields of public education, career/job development and public supportive services.

We have had our share of successes over the years. We have seen innovation and creativity work to the advantage of our citizens. And we have met challenges face on. We have never been afraid to push ourselves as a community working together for a shared goal.

We move on to a new era of 'human resource development.' We are ready as a community-state to face new and even greater expectations. We are committed to helping in whatever way possible to meet the needs of tomorrow's workforce community. We believe very strongly that our renewable resources are our valuable resources. Alaska's primary renewable resource is its people. We must make the development of this resource our first priority.

## **Appendix A**

### **Alaska Job Training Council**

#### **1992-1995 Committee Structure and Duties**

*Coordination Committee:* to insure effective coordination of employment training programs. The committee developed statewide coordination criteria, reviewing and assessing coordination consistency of state plans for employment services, vocational education, adult basic education, JOBS and Food Stamps Employment and Training Program; ongoing review of all coordination activities, including one-stop centers; and insured cross representation on the interagency JTPA/Education Coordinating Committee.

*Programs Compliance Committee:* to provide oversight and monitoring of service delivery areas' activities as well as to plan the resource allocation and reallocation of the economic dislocated worker adjustment program. The committee set performance standards for the state, priorities and target groups for the state employment and training program (STEP); and participated in the setting of JTPA program policies.

*Executive Committee:* to provide for supervision of the affairs of the council between its regularly scheduled meetings. The committee recommended resource allocations for JTPA, prepared reports to the governor, provided guidance to council staff, and acted on behalf of the full council when so directed or when emergency concerns justified it doing so.

## Appendix B

### Comments from Alaska's PICs June 22' 95

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**Q. What is going well within the JTPA system that facilitates local and regional economic development? What are some program successes? What are recommended benchmarks to measure success of employment and training programs throughout the state.**

- ◆ PICs are a strong feature of JTPA because of broad representation from public sector education, employment and training agencies and private sector employers.
- ◆ JTPA system, because of strong local control, maintains maximum flexibility in program design to determine services and delivery methods most responsive to employers and the community. PICs, with their combination of public and private sector members, can provide external oversight and perspective not subject to agency politics or influence.
- ◆ Program successes: meet emerging needs for services, i.e., responding to layoffs or working with new employers to train workers; consistently meet stringent performance standards for each program (youth, adult, dislocated worker, etc.); apply continuous improvement model to evaluating and upgrading program services.
- ◆ Common or uniform benchmarks/ standards of performance should be established for all programs throughout the state providing employment and training services.  
The standards should be realistic, but based upon employment-related, work force outcomes, not process-related factors. They should include outcomes such as number of clients to obtain jobs, placement wage, type of occupation and is it related to the training received, and employment status at a future time to determine success of placement through job retention.  
Standards should not force programs to focus on process (excessive data collection and reporting, prescribed mix of services, required enrollment levels in certain activities, etc.).
- ◆ PICs provide a forum for the development of locally responsive public policies.

**Q. What could be done better? How could the statewide strategic planning and oversight process be improved? How can AHRIC assist in connecting economic development, work force development, and education and training systems, yet still maintain responsiveness and flexibility at the local level?**

- ◆ In order for many different programs across the state to more effectively combine services, administrative and political barriers need to be removed. AHRIC could provide this leadership and commitment.
- ◆ Membership must consist of policy-makers with the authority to mandate systemic change, i.e., Departmental heads, not designees (at least during the formative stages of AHRIC and a consolidated delivery system).
- ◆ "Be a conduit, not a bottleneck."
- ◆ Establish uniform and realistic administrative requirements and performance standards related to employment and economic development.
- ◆ Provide leadership in resolving issues such as sharing client data, pooling funds, unnecessary reporting requirement though changes at the state level, where appropriate, and advocacy for changes at the federal level where necessary.
- ◆ Share governance and administrative functions with the most local level feasible, with few intervening layers.

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**Q. How should AHRIC and local boards interact to ensure that local employment and training perspectives are part of the statewide strategic planning and oversight process?**

- ◆ Respect the historical perspective and expertise developed through the PICs during the 12 years of JTPA. PIC members understand how programs operate, effective program design, meaningful and realistic measure of performance, community and business relations, problems to avoid (administrative, programmatic, political), how decisions or problems at the policy level can affect delivery of services to clients
- ◆ Include as many PIC members on AHRIC as possible to tap this resource (in formally designated PIC seat and private sector seats)
- ◆ Use the PIC model for local boards—they have proven, through volunteer members, to be an inexpensive vehicle for the development of public policy
- ◆ PICs represent local interests and concerns, program constituents, that may not have a forum for expression at state or federal level—formally include PICs in the planning and oversight processes through extended membership of AHRIC committees, etc.
- ◆ Keep the lines of communication between AHRIC and local boards direct—don't interject other layers of administration or communication.
- ◆ Maintain maximum flexibility for use of resources, allowing local decisions regarding program design, mix of services and methods of delivery, target populations, etc. consistent with the goals and guidelines established by AHRIC.
- ◆ Consider existing models for distribution of resources based on identified need, and allow for revisions in the model when something doesn't work. Don't reinvent the wheel
- ◆ The AHRIC should set standards for itself, its staff, and its administrative features.

**Q. When the local board's responsibilities increase, describe its new role in the community. What decisions are boards making? What level of influence do they have in local and regional economic development? List the contents of local board reports to AHRIC?**

- ◆ PIC Involvement in program design and decisions:
  - ◆ Development of two-year plan of operations for JTPA (Job Training Plan/ Substate Plan)
  - ◆ Selection of contractors/service providers
  - ◆ Method of service delivery (in-house/ contracted)
  - ◆ Prioritizing services
  - ◆ Advocates for program clients with policy-makers and employers
  - ◆ Foster interagency cooperation through PIC membership
  - ◆ Assuring program priority and emphasis consistent with and responsive to economic development efforts
  - ◆ Assure maximum flexibility in use of program resources to respond to emerging needs in the business community
  - ◆ Administrative streamlining, system improvements
  - ◆ Offer JTPA as ingredient in local economic development "package"
- ◆ Increase in responsibilities would not be a stretch because of broad representation currently on PICs and the coordination and collaboration developed with many other agencies and programs over the years.
- ◆ Recommend that reports to AHRIC from local boards include, beyond the usual statistics and program narratives the following:
  - ◆ Information on trends in employment and economy, changes in economy and labor market
  - ◆ Recommendations for new program options and services responsive to local needs (programs like the Business Incentive Program, entrepreneurial training, etc.)
  - ◆ More effective funding methods (better targeting of resources to address sudden changes in the economy or labor market like STEP and Dislocated Worker programs)

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**Q. What are major areas of employment opportunities in the SDAs which are represented on the PIC?**

The following are major areas of employment opportunity in the SDAs and they are represented on the PIC:

- Construction
- Public utilities
- Oil industry & support industries
- Care giving community
- Office occupations
- Small business community
- Government

## **Appendix C**

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### *Alaska Human Resource Development Policy*

1994

prepared by the  
**Governor's Human Resource Development Advisory Council**

*The people of the state are Alaska's most important resource. Therefore the policy of the state of Alaska shall be to develop a prepared workforce, provide a healthy business climate and eliminate barriers to employment. All programs relating to economic development; primary, secondary and post secondary education; job training; and social services shall be integrated into a system of lifelong learning opportunities.*

The Governor's Human Resources Development Advisory Council finds that in order to promote a robust economy, enable economic independence and increase the standard of living for all citizens, Alaska must produce a literate, skilled and productive workforce that matches current and future business trends and public service needs. The goal of both public and private sector workforce development efforts is for every Alaska resident to be trained and qualified for an Alaskan job so that all citizens of the state can have the skills and opportunity to earn a living.

Every citizen is ultimately responsible for his or her livelihood and it is up to each individual to develop and maintain the skills necessary to earn a living wage in a rapidly changing and increasingly competitive global economy. State, federal and local government agencies, community based organizations, Native organizations, organized labor and business all have complementary roles to play in investing in the development of Alaska's human resources. Alaska also has a special obligation to residents of rural areas to acknowledge and respect the traditional culture, while promoting local employment and community service opportunities.

Consistent with national efforts to consolidate myriad federally funded workforce development programs into an integrated human resource investment system, education and training programs in Alaska must be organized in a coherent, cost-effective and accountable manner. The objective is to create a market driven system accessible to every citizen seeking education, training, career guidance or employment services.

While there have been widespread concerns over the duplication and lack of coordination among employment and training programs at the federal level, it does not appear that the same can be said of Alaska, at least at the service delivery level. A 1994 study of workforce-related programs issued by the Legislative Budget and Audit Committee generally concludes that 'at the local level coordination minimized duplication.' However it finds that 'management redundancies exist in overlapping responsibilities of federally required councils' at the statewide planning and oversight level.

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