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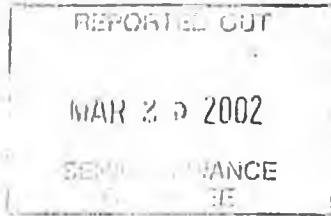
270

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/19/02



FURTHER:

DATE TURNED IN TO OFFICE: 25 March 2002

Finance Committee considered **SENATE BILL NO. 270**

SB 270 BOARD OF DISPENSING OPTICIANS

"An Act extending the termination date of the Board of Dispensing Opticians; relating to the regulation of dispensing opticians; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 270 (Lol)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DCED	2/11/02	20.6		#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
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FISCAL NOTE

**STATE OF ALASKA
2002 LEGISLATIVE SESSION**

MAR 20 2002
SENATE FINANCE

Fiscal Note Number: _____
 Bill Version: CS SB 270 (L&C)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title An Act extending the termination date of the BRU: Occupational Licensing (117)
Board of Dispensing Opticians Component Occupational Licensing
 Sponsor Senate Rules by Request
 Requester Senate Finance Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	14.2	14.2	14.2	14.2		
Travel	3.5	3.5	3.5	3.5		
Contractual	2.9	2.9	2.9	2.9		
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	20.6	20.6	20.6	20.6	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	20.6	20.6	20.6	20.6	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1156-Receipt Supported Services	20.6	20.6	20.6	20.6		
TOTAL	20.6	20.6	20.6	20.6	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill extends the Board of Dispensing Opticians to June 30, 2005, and amends statutes relating to the licensing examination. In accordance with AS 08.03.020, funding is extended one year following the termination date allowing the board to conclude its affairs. The information above identifies direct expenditure and revenue information included in the FY 2003 Operating Budget request. New funds are not required to implement changes to the examination statutes.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division: Occupational Licensing Date/Time 3/22/02 2:34 PM
 Approved by: Deborah B. Sedwick, Commissioner Date 3/22/2002
 Agency: Department of Community & Economic Development

Alaska State Legislature

SENATOR
GENE THERRIAULT
Chair



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Legislative Budget and Audit Committee

Senate Bill 270

"An Act extending the termination date of the Board of Dispensing Opticians."

Sponsor:

Senate Rules Committee by Request of the
Legislative Budget and Audit Committee

Sponsor Statement

Alaska Statute 08.71.010 established the State Board of Dispensing Opticians in 1973 to regulate and control the practice of opticians in Alaska. The Board promotes the competent and safe practice of opticianry. The Board currently oversees 99 licensed opticians and approximately 158 apprentices.

The Board consists of four licensed Opticians and one public member appointed by the governor. It regulates the practice of opticianry in the state by setting education, training, and work experience standards necessary for an individual to be licensed. Such standards provide reasonable assurance that persons licensed as opticians are qualified.

An audit was conducted and released by the Legislative Budget and Audit Committee on January 24, 2002. The audit expressed several concerns with the Board, mainly in regards to the Board's examination process and the amount of apprenticeship hours required for licensure. SB 270 reduces the number of hours required and removes the Board's state examination replacing it with successful completion of the national exams. It also allows a candidate who has earned an associate degree from a school of optometry to become licensed in Alaska after passing the national exams, but removes the mandate that the candidate also complete 2,000 hours of apprenticeship.

Under AS 08.03.010, Termination of State Boards and Commissions, the State Board of Dispensing Opticians is set to expire June 30, 2002. If the Legislature does not act to extend the Board, it will have one year, until June 30, 2003, to administratively conclude its affairs. Senate Bill 270 will extend the Board for three years and makes changes to its licensure requirements.

Contact: Heather Brakes, Legislative Budget and Audit Committee Aide

INTERIM ADDRESS

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Sectional Analysis

CSSB 270(L&C)

"An Act extending the termination date of the Board of Dispensing Opticians; relating to the regulation of dispensing opticians; and providing for an effective date."

Section 1. Amends AS 08.03.010 to extend the Board of Dispensing Opticians for three years to June 30, 2005, as recommended by the audit report released on January 24, 2002 by the Legislative Budget and Audit Committee.

Section 2. Removes the reference to the board's examination in AS 08.71.055(1) & (5).

Section 3. Removes the reference to the board's examination from AS 08.71.080.

Section 4. Amends AS 08.71.090 removing reference to the board's examination and requiring one or both of the national examinations be successfully completed for licensure in Alaska.

Section 5. Amends AS 08.71.110 reducing the number of apprenticeship hours from the currently required 6,000 hours to 3,000 hours. An associate degree from a recognized school or college may be substituted for experience requirements.

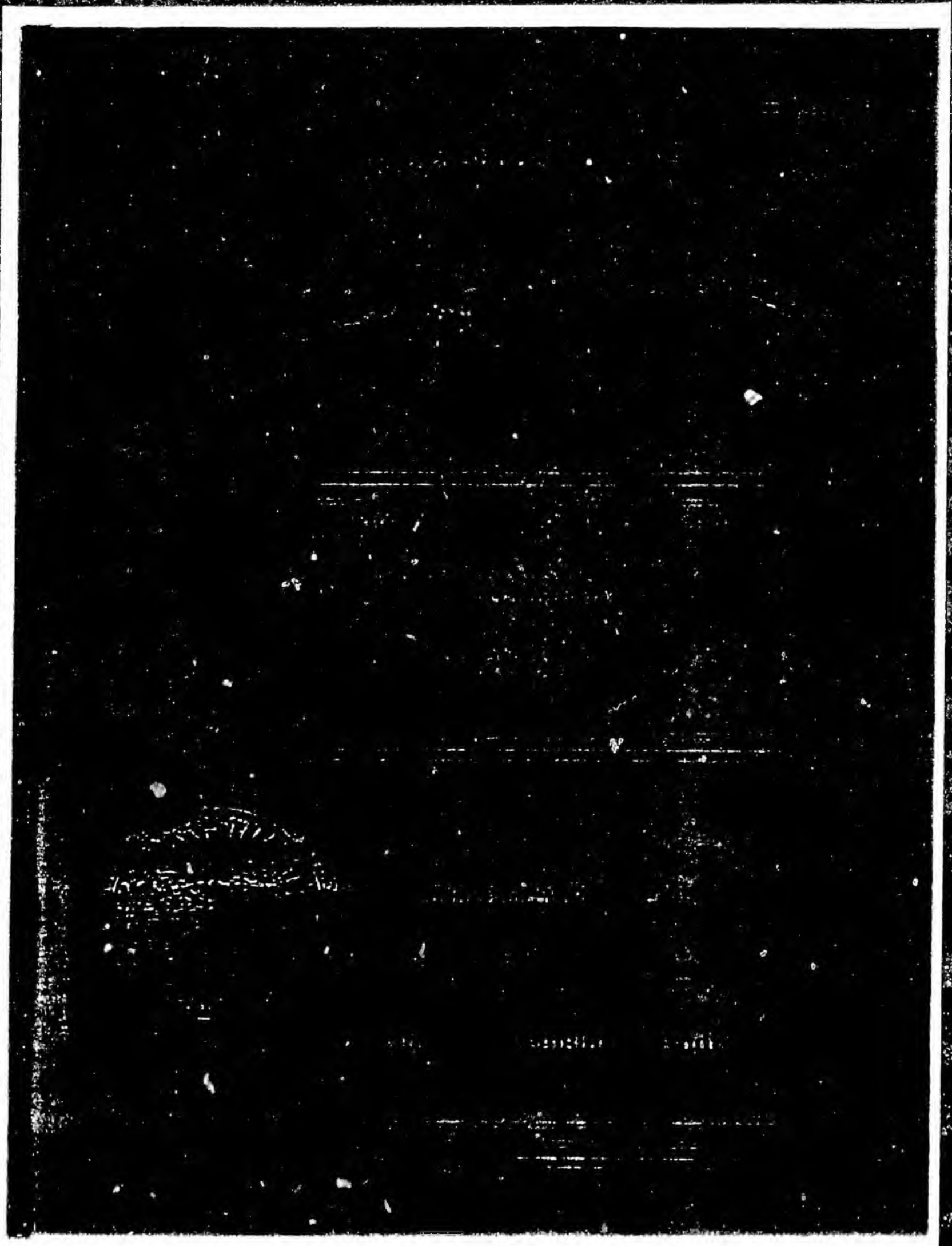
Section 6. Removes reference to the board's examination in AS 08.71.120.

Section 7. Amends AS 08.71.130 by clarifying the renewal of license statute.

Section 8. Amends AS 08.71.145, cleaning up the licensing by credentials statute with the removal of the "examination" reference.

Section 9. Repeals AS 08.71.100 from the chapter and removes the board's examination.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



October 1, 2001

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF COMMUNITY
AND ECONOMIC DEVELOPMENT
BOARD OF DISPENSING OPTICIANS
SUNSET REVIEW

September 20, 2001

Audit Control Number

08-20010-02

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(c) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(9), the Board of Dispensing Opticians is scheduled to terminate on June 30, 2002. The board would be allowed one year in which to conclude its administrative operations.

In our opinion, the termination date for the Board of Dispensing Opticians should be extended. The regulation and licensure of opticians contributes to the protection of the public's welfare. We recommend the legislature extend the termination date of the Board of Dispensing Opticians to June 30, 2005.

This sunset review was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are set out on page one of this report.

Pat Davidson, CPA
Legislative Auditor

TABLE OF CONTENTS

	<u>Page</u>
Objectives, Scope, and Methodology	1
Organization and Function	3
Report Conclusions.....	5
Findings and Recommendations	7
Auditor Comments	9
Analysis of Public Need	11
Agency Response:	
Board of Dispensing Opticians	15
Department of Community and Economic Development.....	19

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Dispensing Opticians. As required by AS 44.66.050(a), the legislative committee of reference shall consider this report during the legislative oversight process to determine whether the board should be reestablished. Currently, AS 44.66.010(9) states that the board will terminate on June 30, 2002, and will have one year from that date to conclude its operations.

Objectives

The three central, interrelated objectives of our report are:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public interest.
3. To determine if the board has exercised appropriate regulatory oversight of licensed opticians.

The assessment of the operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relate to the determination of a demonstrated public need for the board.

Scope and Methodology

Under the direction and supervision of the Division of Legislative Audit, another auditor conducted the majority of this review. We followed professional standards to determine that the other auditor was independent and that their work was competent and sufficient.

The major areas of our review were licensing, examination, and board proceedings. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Compliance with statutes and regulations related to the licensing of Dispensing Opticians and the registration of optician apprentices.
3. Files and documentation of individuals licensed as opticians and those who are applying to be licensed as opticians.
4. Files related to investigations carried out by the Division of Occupational Licensing involving allegations of violations of statutes and regulations related to opticians.

5. Information related to the requirements of other states related to individuals being licensed as dispensing opticians.
6. Minutes of board meetings and division correspondence files.
7. Annual reports issued by the board.

In addition, we conducted interviews with Division of Occupational Licensing staff.

ORGANIZATION AND FUNCTION

Alaska Statute 08.71.010 establishes the Board of Dispensing Opticians. The board consists of five members appointed by the governor and is subject to legislative confirmation. Four members must be dispensing opticians while the fifth member is of the general public with no financial interest in opticianry.

The board regulates the practice of opticianry. The board sets the minimum standards to practice in Alaska by:

1. Registering dispensing optician apprentices.
2. Licensing opticians through examination or credentials.
3. Establishing, amending, or eliminating regulations affecting the standards of professional opticianry practice.
4. Instilling disciplinary actions in accordance with the Administrative Procedures Act when a person has violated statutes or regulations related to the practice opticianry.

**Board of Dispensing Opticians
(As of June 30, 2001)**

James Rothmeyer – Optician, Chair
Ann M. Bezona – Optician
Larry Harper - Optician
Cynde Oleck - Optician
Roberta Rawcliffe - Public Member

From a commercial perspective, the licensed dispensing optician is, compared to other professional groups, somewhat uniquely situated. The optician provides services that also can be provided by two other licensed professionals: optometrists and ophthalmologists (the latter being a licensed physician specializing in care of the eyes). State law specifies that the rights, privileges, and obligations of dispensing opticians are designed not to *"limit or restrict a licensed physician or optometrist from the practices enumerated"* in the dispensing optician statutes. Additionally, statute provides that *"each licensed physician and optometrist has all the rights and privileges which may accrue under [statute] to a Dispensing Optician licensed [under state law]."*

Opticians provide services to the public that also can be provided by individuals associated with and supervised by optometrists and ophthalmologists. Some opticians work independently while others are employed by, or in some other way affiliated with, optometrists and ophthalmologists.

Department of Community and Economic Development, Division of Occupational Licensing

The Department of Community and Economic Development, Division of Occupational Licensing provides administrative and investigative assistance to the Board of Dispensing Opticians. Administrative assistance includes budgetary services and functions such as

collecting fees, maintaining files, receiving and issuing application forms, and publishing notices of examinations and meetings.

Alaska Statute 08.01.065 mandates the Department of Community and Economic Development, with the concurrence of the board, adopt regulations to establish the amount and manner of payment of application fees, examination fees, license fees, registration fees, permit fees, investigation fees, and all other fees as appropriate for the occupations covered by the statute.

Alaska Statute 08.01.087 empowers the Division of Occupational Licensing with the authority to act on its own initiative or in response to a complaint. The division may:

1. Conduct an investigation if it appears a person is engaged in or is about to engage in a prohibited professional practice.
2. Bring an action in Superior Court to enjoin the act.
3. Examine the books and records of an individual.
4. Issue subpoenas for the attendance of witnesses and records.

REPORT CONCLUSIONS

In our opinion, the Board of Dispensing Opticians is operating in manner to promote the practice of opticianry in the state consistent with the interest of public protection. Although we have some reservations about the operations of the board, as reflected in the Findings and Recommendations section of this report, we believe the board is serving the public interest by promoting competence and integrity of individuals holding themselves out to the public as opticians.

The Board of Dispensing Opticians serves a public purpose by promoting the competent and safe practice of opticianry. The board does this through establishing standards for licensed professionals and monitoring the manner in which they practice. The board has carried out these responsibilities in a satisfactory manner. We do have concerns about the criteria used and the process followed by the board in licensing individuals applying to become opticians.

Alaska Statute 08.03.010(c)(9) requires that the Board of Dispensing Opticians be terminated on June 30, 2002. Under AS 08.01.020 the board has a one-year period to administratively conclude its operations. While the standard extension time period for boards suggested in statute is four years, we recommend that the board's termination date be limited to three years (June 30, 2005) in order to provide the legislature an expedited opportunity to consider the actions taken by the board to address the concerns presented in this report.

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FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The Board of Dispensing Opticians should evaluate the reasonableness of the apprenticeship period required for individuals seeking to be licensed.

To become licensed as an optician in the State of Alaska, an individual must pass an examination that is offered at least once a year by the board. To be eligible to sit for this examination, an individual must have graduated from high school and accumulated at least 6,000 hours of training as a registered optician apprentice. This apprenticeship requirement is reduced to 2,000 hours for individuals that have graduated from an associate degree program in opticianry. Most of the individuals licensed by examination in Alaska do so under the 6,000 hour apprenticeship requirement.

Currently, 22 states regulate opticians through the use of a licensing board. The remaining states either utilize a registration system or do not regulate opticians. All of these states provide for a process by which an individual can become licensed through an apprenticeship process.¹ Alaska's apprenticeship requirements are typical of those followed by other states that utilize a board to regulate opticians; however, other states have apprenticeship requirements as low as 2,000 or 3,000 hours.

Over the last three fiscal years, the board has licensed eight people under the experience and examination requirements.² By comparison, the board has registered 94 new apprentices over the same period. While there may be commercial reasons for this large difference between the number of individuals seeking licensure as opticians compared to apprentices, the disparity also suggests that the 6,000 hour requirement may unduly prohibit people from getting licensed as an optician.

We suggest the board reconsider the necessity of the 6,000 hour requirement. The board should survey registered apprentices and assess the extent that apprentices aspire to become licensed opticians. If a significant number of apprentices would be interested in becoming opticians if the 6,000 hour requirement was lowered, the board should then reconsider the necessity of requiring what is in essence a three year apprenticeship.

Given that professional competence is promoted¹ by requiring individuals pass national examinations – the question the board should address is: How much more public protection is provided by requiring individuals to apprentice for three years compared to two years, or even one year? In the context of the two-tiered examination process, the additional requirement that an individual serve a three year apprenticeship may be unreasonably restrictive, and not in the overall interests of the public.

¹ To be licensed through an apprenticeship process, the applicant typically is required to have graduated from high school or attain a graduate equivalent diploma.

² While ten opticians have been licensed over the past three fiscal years, two received their license under the credentials procedure rather than through the experience and examination process.

Recommendation No. 2

The board should reconsider whether to continue requiring applicants pass a state administered practical examination. If it elects to continue requiring a practical examination, the board should take steps to improve the objectivity and consistency with which the examination is scored.

The board requires applicants for licensure to pass a national written examination and a practical examination to demonstrate sufficient ability to dispense optical products. The practical examination is over two hours long and is related to the "mechanics" of the profession – proper use of various devices to measure individuals for fit and comfort of eyewear and contact lenses.

This is a prior audit recommendation. In our 1995 sunset review³, we recommended the board improve the objectivity and consistency of the state's practical opticianry examination. We noted at that time that the results of the examination had been challenged five times, and in two instances test scores were changed – once resulting in an applicant moving from failing to a passing score.

The board has administered over 20 examinations in the past three fiscal years. We selected 11 of these practical examinations and reviewed the scores calculated by the board. We found five errors in the calculation of the scores. Since FY 98, four individuals who initially received failing scores in their practical examination protested the procedures and scoring. Upon review, two were licensed by the board.

At this point, we suggest the board give serious consideration to discontinuing the practical examination and require applicants only to pass the nationally recognized examinations offered by the American Board of Opticianry (the National Opticianry Competency Examination) and the National Contact Lens Examiners (the Contact Lens Registry Examination) for licensure within the State. Alternatively, the board could possibly explore efforts being made by other state licensing agencies to develop a regionally-recognized, if not nationally endorsed, practical examination.

We continue to be concerned about the apparent subjectivity or error-prone nature of the current examination. This continuing problem, coupled with what may be unduly high apprenticeship hour requirements discussed in Recommendation No. 1, may be artificially limiting the number of individuals seeking licensure as opticians and contributing to the disparity between the number of registered apprentices and number of applicants.

³ Department of Commerce and Economic Development, Board of Dispensing Opticians, September 29, 1995 (Audit Control Number 08-1435-96)

AUDITOR COMMENTS

Under AS 44.66.050(d)(4) part of a sunset review is to provide "*an assessment of alternative methods of achieving the purposes of the program.*" In this context, we considered the merits of regulating opticians through the use of a titlement law. Such a law would certify qualified practitioners of a given profession utilizing a state registration process without administrative oversight from a licensing board.

Registering opticians under a titlement statute is a reasonable public policy alternative

Currently, 22 states license opticians through the use of licensing board. The other jurisdictions regulate opticians through the use of a registration program under a titlement law, or have no minimum established requirements related to the practice of opticianry.

This variety in how opticians are regulated involves a concept referred to as "scope of practice." What licensed professions are allowed to do, and conversely, prohibited from doing, by state law and regulation, constitutes what is termed a profession's scope of practice.

The scope of practice for opticians, to a large extent if not completely, falls within the purview and scope of practice of optometrists and ophthalmologists.⁴ Given such circumstances, jurisdictions in which opticians are registered under a titlement law, or not licensed at all, the public still receive opticianry services typically from optometrists or opticians who are often affiliated with, or supervised by, optometrists.

Given the nature of the profession's scope of practice, coupled with the limited potential for real adverse harm to the public health and welfare, a registration program for opticians has merit. Such a program administered by the Division of Occupational Licensing could provide for the registration of individuals holding themselves as opticians. If an individual could demonstrate they had passed recognized national examinations and had worked the required apprenticeship, they could be registered as an optician. Such a system could provide adequate, if not optimum, protection to the public.

Due to current concerns, maintaining a board is the preferable policy alternative at this time

Registration of opticians under a titlement law, rather than licensure through the use of an oversight board of professionals would essentially set in place the status quo. As reflected in the Findings and Recommendations section, there are concerns regarding the reasonableness of the hours required of apprentice opticians prior to being eligible for licensure as opticians.

⁴ This situation is explicitly recognized in state law at AS 08.71.230(1) which states no part of the optician licensing statute is to be construed as limiting or restricting "*a licensed physician or optometrist from the practices enumerated in [the opticianry statutes], and each licensed physician and optometrist has all the rights and privileges which may accrue under [the statutes] to dispensing opticians...*"

As discussed in Recommendation No. 1, the disparity between the number of individuals licensed as opticians compared to the number registered as apprentices in part suggests that perhaps the 6,000 hour work requirement may be unreasonably onerous. The Division of Occupational Licensing would not likely be inclined to evaluate and possibly adjust the apprenticeship time requirements discussed in Recommendation No. 1.

The other concern, as discussed in Recommendation No. 2, is that consistency and applicability of the state practical examination would likely be made irrelevant since registration would involve licensure based only on an applicant passing the nationally recognized examinations. However, we believe the board should continue to work on this issue, possibly investigating the potential for joining other states who are attempting to establish a practical examination, acceptable to a group of participating states, if not on a national level.

Essentially, the board is acting in the interests of the public at large. As required by AS 08.91.065(c), licensing fees charged to opticians are established at a level intended to equal all regulatory costs. Accordingly, the public is benefiting from the board at no expense to the state's general fund.

The public would be better served by having a group of informed, engaged, and practicing professionals involved in resolving the current concerns involved in the licensing of dispensing opticians. Accordingly, our recommendation to extend the board's termination date, as set out in the Report Conclusions section, reflects our judgment of the regulatory alternatives involved. Given the current issues related to the licensure of opticians in Alaska, the board should be continued in order to best address these concerns. During the subsequent sunset review, we believe progress in these areas should be assessed, and licensing alternatives to the current board oversight structure should be given further consideration.

ANALYSIS OF PUBLIC NEED

The following analyses of the board activities relate to the public need factors defined in the "sunset" law, AS 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

Determine the extent to which the board, commission, or agency has operated in the public interest.

To the extent there were applicants for licensure, the board has licensed 10 opticians over the past three fiscal years. Through licensure, the individuals are designated to offer eyeglass fitting and contact lens dispensing services to the public that is in accordance with established professional standards.

Determine the extent to which the operations of the board has been impeded or enhanced by existing statutes, procedures, and practices, which it has adopted. and any other matter, including budgetary, resource, and personnel matters.

The limited number of licensed opticians, compared to high number of registered apprentices, suggests that the requirement that apprentices work 6,000 hours prior to being qualified for licensure may be excessive. The number of individuals seeking licensure as opticians may be artificially restrained by this apprenticeship requirement, requiring an individual work three years as a registered apprentice before being eligible to sit for the necessary opticianry examinations.

The board has not resolved the prior sunset audit recommendation related to the state practical examination. The objectivity and consistency of the state practical examination did not improve over the current sunset review period, resulting in successful challenges by applicants who originally were determined to have failed the test.

Determine the extent to which the board has recommended statutory changes that are generally of benefit to the public interest.

Since the past sunset audit, the board has reviewed proposed statutes and regulations at each meeting. These changes were in conjunction with the prior sunset audit that made recommendations concerning AS 08.71.150 (which dealt with reciprocity, a process the board was no longer utilizing for licensure) and AS 08.71.145 (which dealt with licensure by credentials). The 1996 legislature passed a measure repealing AS 08.71.150, while the credentials licensing process remains in statute.

Determine the extent to which the board, commission or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of services, economy of service, and availability of services that it has provided.

The location, date, and time of upcoming meetings and exams were advertised in Alaskan newspapers, as well as on the Board of Dispensing Opticians web page, with adequate time for interested individuals to attend or to submit written comment for review. The board's meeting agenda sets aside suitable time for the board to receive public comment. Minutes from the meetings of the board reflect public participation at various meetings.

Determine the extent to which the board has encouraged public participation in the making of its regulations and decisions.

Public notice was given for all proposed regulations in major Alaskan newspapers. The board meeting minutes document that time was allotted for the scheduled public comment period. All proposed regulation changes are submitted to the public participation process.

Determine the efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.

For the period between July 1, 1998 and June 30, 2001 (FY 99 – FY 01), the Division of Occupational Licensing opened three cases related to dispensing opticians. One was generated by a public complaint regarding the authority of an individual to write prescriptions for eyeglasses. The complaint, received in May 2001, was still in investigative status during August 2001, although it did appear the division had already determined that the individual was acting beyond the scope of their authority.

The two other cases were generated by shop visits conducted by occupational licensing investigators. In one instance, an optician was found to be practicing without a license. The individual had previously been licensed by the state, but had not submitted documentation that he had met the continuing education requirements. This resulted in his unlicensed status. He was fined \$300. The other case involved an individual, working for an optometrist, who was working as an optician without appropriate supervision.

We have reviewed the nature and extent of complaints filed involving dispensing opticians. In our view, the Division of Occupational Licensing, in conjunction with the board, took appropriate investigative actions, prioritized complaints in a reasonable manner, and proceeded in a manner consistent with the potential threat the complaints posed to the public welfare.

Determine the extent to which the board regulates entry into an occupation or profession and whether it has presented qualified applicants to serve the public.

New Licenses Issued	FY 99	FY 00	FY 01	Total	Current Licenses
Dispensing Optician	5	2	3	10	105
Apprentice	24	39	31	94	158

During the past three years, the Board of Dispensing Opticians has issued two licenses by credentials. Licensure by credentials requires "licensing requirements substantially equivalent to or higher than those of this state." The state of Alaska requirements are among the strictest in the nation, requiring both a state practical exam and 6,000 hours of apprenticeship hours or equivalent experience.

Determine the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board to its own activities and the area of activity or interest.

We did not find any evidence that the board was not complying with the state personnel practices, including affirmative action in qualifying applicants. In no instances has the board denied an applicant a license based on personal attributes.

Determine the extent to which statutory, regulatory, budgeting or other changes are necessary to enable the board to better serve the interest of the public and to comply with the factors enumerated in this subsection.

The board should reevaluate the requirement that individuals work at least 6,000 hours as a registered optician's apprentice before being eligible to take the examination for licensure. See discussion in Recommendation No. 1.

The board should either eliminate the state practical examination or develop a more objective test that can be consistently administered to prospective applicants for licensure. See discussion in Recommendation No. 2.

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DEC 26 2001

LEGISLATIVE AUDIT

ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET AND AUDIT COMMITTEE
Division of Legislative Audit
P. O. Box 113300
Juneau, Ak 99811-3300

Fax: (907)465-2347

E-mail legaudit@legis.state.ak.us

Re: Audit Control #08-20010-02
Board of Dispensing Opticians

In regards to the December 6, 2001 "CONFIDENTIAL" preliminary audit report, I would like to respond to the Audit Committee's findings and recommendations.

Recommendation No 1

The Board has evaluated and reconsidered the 6,000 hour training requirement for apprentices. The minutes of the board's November 21, 2001 teleconference meeting reflects this in it's motion that it be "Resolved that the opticianry statutes be amended so that in order to qualify for a spectacles opticianry license, an individual must have either an associates degree from a C.O.A. - accredited school and pass the national and state exams, or have 3,000 hours of experience, pass the Career Progression Program, and pass the national and state exams, and furthermore, in order to register and work as an apprentice, a person must be enrolled in the Career progression Program."

This should accomplish several objectives regarding apprentice requirements. The 6,000 hour training requirement has been reduced by half. The adoption of the National Academy of Opticianry's Career Progression Program home study course will give all apprentices an equal opportunity to develop and share a common knowledge base, that will make them much more qualified and successful test candidates.

Recommendation No 2

The Board is committed to the long overdue overhaul of the State Licensing Examination.

Solution No 1

Dr. R. Ferguson's practical test. This test is currently used by the state of North Carolina. It is to my knowledge the only practical exam currently available and qualified to meet our state licensing exam requirements. The Board want's very much to procure this test and use it at the soonest possible date. The challenge is to convince the state's procurement office that this Board is short of both time and money . We see merit in

allowing a one time procurement exemption, so that the Board has a more suitable and objective test for the April 19, 2002 State Licensing Exam. The test and related materials are readily available and could be sent to the State at least a month before the exam, the cost is nominal at \$100.00 per applicant. See attachment 1.

Solution No 2

Start the "Request for Proposals" process. The time and cost to complete this process is not known at this time. It is known that it would not be done in time for the April 2002 exam, it is also known it will be expensive. Before proceeding with this the Board will make an enquiry, as to just how much the cost would be. While this may be the best long term solution and will in all likelihood be the course chosen by the Board, it does not address the dilemma of the current test being susceptible to challenge and replacing it in the limited time available.

Solution #3

Have the Board rewrite/revise the current exam. While not impossible, it will be difficult to meet the April 29, 2002 test date and have all Board members agree on the new test content. This would not in my opinion offer a long term solution of having a badly needed completely objective test.

Conclusion

As stated the Board has already addressed the 6000 hour requirement for apprentices. The Board has resolved to amend the statutes to 3000 hour training for apprentices with a more well defined education and training requirement. This Board believes that the national written examination alone does not demonstrate the applicants ability to perform common tasks needed to insure the proper safe and accurate dispensing of ophthalmic prescription devices. A suitable practical test can be procured that will eliminate the concerns about objectivity. The recommendation to extend the termination date for the Board of Dispensing Opticians to June 30, 2005 is acceptable, however given the Boards positive action in resolving concerns regarding apprentice training hours, the Board would like to request the full 4 year standard extension time to June 30 2006 in order to address and resolve the concerns regarding the State practical exam.

TO: State of Alaska, Division of Occupational Licensing
Attrn: Nan Lathrop, Licensing Examiner, Board of Dispensing Opticians

FROM: Roy R. Ferguson, Ph.D. (DBA The Learning Curve)
120 East Bruce Street
Sevierville, Tennessee 37862

DATE: November 9, 2001

SUBJECT: Practical Examination Development and Administration Services

This bid pertains to examination development and administrative services to the State of Alaska, Division of Occupational Licensing, Board of Dispensing Opticians. The term of the contract is from Spring 2002 to Spring 2007 with a three-year renewal period at the option of the Division. Barring any unforeseen circumstances, the first examination may be scheduled Spring 2002. The Learning Curve must receive all test applications at least one month prior to test administration.

DESCRIPTION OF PRACTICAL EXAMINATION

The proposed Opticianry Practical Examination (*supplied by The Learning Curve*) is a forty (40) question, multiple-choice text which objectively measures the applicants ability to perform some of the most common tasks relating to ophthalmic dispensing.

Three different lens types are contained in four identical metal frame styles. All test sets are fabricated and verified as to accuracy by Colts Laboratories, 21915 U.S. Highway 19 North, Clearwater, Florida 33765, which is an A2LA accredited laboratory, then validated using second-year opticianry students. Approximately fourteen questions concern progressive lenses: eleven with standard bifocals, four with single vision, non-prism lenses, and five with single vision lenses containing prism. All remaining questions cover decentration, add power, bi-centric grinding, and knowledge of proper frame alignment and ability to use conventional frame adjustment tools. The test is designed to be completed in a fifty minute period.

The equipment (*supplied by the Board of Dispensing Opticians*) required to administer this examination includes a manual lensmeter, lens measure, flexible millimeter ruler, thickness gauge, fine-tip, water soluble felt tip marker, Optical Laboratories Association Progressive Identifier, and scratch paper. Applicants are required to supply their own lens measure, thickness gauge, scientific calculator (if desired), flexible millimeter ruler, and may supply their own non-automatic lensmeter if they wish. All other equipment will be supplied at the test site. A calibrating gauge such as a "Gaugemaster" will be available for applicants to insure the accuracy of their instruments. Two test proctors should be available: one to confirm applicant identification, sign in test applicants, and provide calibration devices; a second can administer as many as eight (8) examinations per test session.

This practical examination is based on the following reference material.

Brooks, C.W. *Understanding Lens Surfacing*. Butterworth-Heinemann, Boston, 1992.

Brooks, C.W. *Essentials for Ophthalmic Lens Work*. Butterworth-Heinemann, 1983.

Brooks, C.W., and Bonish, I.M. *System for Ophthalmic Dispensing*.

Butterworth-Heinemann, Boston, 1996.

Z-80.1-1995 American. *American National Standard for Ophthalmics - Prescription Ophthalmic Lenses - Requirements*. New York: American National Standards Institute, 1995.

Optical Laboratories Association, *Progressive Identifier*.

This practical examination may include but will not be limited to:

- Finding single-vision and multi-focal lens powers using a Crossed-Line-Target Lensmeter;
- Reading lens prescriptions in both plus cylinder and minus cylinder form;
- Determining add power;
- Measuring lens center thickness with lens calipers;
- Checking for horizontal and vertical prism;
- Calculating prismatic effect and bicentric grinding corrections;
- Measuring base curves and seg width;
- Measuring distance between centers, and determining "distance PD," and "near PD" using fabricated eye glasses;
- Quote and apply ANSI Z80-1-2005, standards;
- Identify and calculate inset, seg inset, and total inset;
- Measure seg height and determine seg drop;
- Knowledge of proper frame alignment and conventional frame adjustment tools;
- Identify lenses by both product name and manufacturer;
- Progressive addition lenses areas include monocular decentration, distance reference point, prism reference point, fitting cross, near reference point, manufacturer's hidden identifying logo, hidden reference points, hidden add power engraving, recommended minimum height, and prism thinning.

QUALIFICATIONS OF CONTRACTOR

Roy R. Ferguson, Ph.D.

Education:

- Walden University, Ph.D., Administration/Management
- Tusculum College, Master of Arts, Management
- Tusculum College, Bachelors of Science, Business Management

Licensure Application Review Experience:

- Tennessee State Board of Dispensing Opticians (Licensing Board), 1988 – 1991
- Testing Contractor, North Carolina State Board of Opticians:
 - Theory of Light;
 - Rx Interpretation;
 - Ophthalmic Lenses Examination;
 - Measurements of the Face;
 - Ophthalmic Lens Surfacing, Finishing;
 - Practical Anatomy of the Face;
 - Eyeglasses Practical Examination.

Examination Experience

- Opticianry Program Director, Roane State Community College, 1989 – 1996
- Approved 3 Semester Hour College-Level Courses
 - Charter Oak State College, New Britain, Connecticut
 - Introduction to the Optical Business
 - Organizational Behavior for the Ophthalmic Professional
 - Assessment of the Visual System
 - Introduction to Ophthalmic Optics
- College-Level Courses Submitted for Approval
 - Charter Oak State College, New Britain, Connecticut
 - Business Ethics – 3 Semester Hours
 - Consumer Behavior – 3 Semester Hours
 - Growing and Managing an Entrepreneurial Business – 3 Semester Hours

January 16, 2002

Pat Davidson, Legislative Auditor
Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811

Dear Ms. Davidson:

Thank you for the opportunity to comment on the Board of Dispensing Opticians preliminary audit.

The chair of the Board of Dispensing Opticians submitted an audit response describing the Board's support for a reduction in apprenticeship hours and for contracting for an improved practical exam for spectacles.

Since the requirements for licensure as an optician are set in statute, the law must be amended to implement the board's recommendations. The board advocates reducing by half the number of apprenticeship hours and replacing those hours with correspondence education. Individuals with an associate degree in opticianry would not be required to serve any apprenticeship and could be licensed after passing the exams. Individuals without opticianry degrees would be required to enroll in a correspondence course called the Career Progression Program at the beginning of their 3,000-hour apprenticeship. They would have to complete the correspondence course and pass the exams to qualify for licensure.

It is my understanding the Career Progression Program costs each student approximately \$800, but it would improve public health and safety as well as prepare apprentices for the exams. Under the current system, there is no guarantee that apprentices receive comprehensive training during their three to six year apprenticeships.

If education is added to the license qualifications, consideration should be given to the licensure by credentials statute to ensure that experienced opticians who received their training exclusively through apprenticeship in other states are not unintentionally barred from Alaska licensure.

Thank you for considering my comments on the preliminary audit.

Sincerely,

Catherine Reardon, director

Audit Report

DEPARTMENT OF COMMUNITY AND
ECONOMIC DEVELOPMENT
BOARD OF DISPENSING OPTICIANS
SUNSET REVIEW

September 20, 2001



Audit Control Number:

08-20010-02

Division of Legislative Audit
P.O. Box 113300, Juneau, Alaska 99811-3300

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from the Senate and two from the House. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than \$6 billion a year. As legislators and administrators try increasingly to allocate state revenues effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

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DIVISION OF LEGISLATIVE AUDIT

Pat Davidson, CPA
Legislative Auditor

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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October 1, 2001

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF COMMUNITY
AND ECONOMIC DEVELOPMENT
BOARD OF DISPENSING OPTICIANS
SUNSET REVIEW

September 20, 2001

Audit Control Number

08-20010-02

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(c) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently under AS 08.03.010(c)(9), the Board of Dispensing Opticians is scheduled to terminate on June 30, 2002. The board would be allowed one year in which to conclude its administrative operations.

In our opinion, the termination date for the Board of Dispensing Opticians should be extended. The regulation and licensure of opticians contributes to the protection of the public's welfare. We recommend the legislature extend the termination date of the Board of Dispensing Opticians to June 30, 2005.

This sunset review was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are set out on page one of this report.

A handwritten signature in cursive script that reads "Pat Davidson".

Pat Davidson, CPA
Legislative Auditor

TABLE OF CONTENTS

	<u>Page</u>
Objectives, Scope, and Methodology	1
Organization and Function	3
Report Conclusions.....	5
Findings and Recommendations	7
Auditor Comments.....	9
Analysis of Public Need	11
Agency Response:	
Board of Dispensing Opticians.....	15
Department of Community and Economic Development.....	19

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Dispensing Opticians. As required by AS 44.66.050(a), the legislative committee of reference shall consider this report during the legislative oversight process to determine whether the board should be reestablished. Currently, AS 44.66.010(9) states that the board will terminate on June 30, 2002, and will have one year from that date to conclude its operations.

Objectives

The three central, interrelated objectives of our report are:

1. To determine if the termination date of the board should be extended.
2. To determine if the board is operating in the public interest.
3. To determine if the board has exercised appropriate regulatory oversight of licensed opticians.

The assessment of the operations and performance of the board was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relate to the determination of a demonstrated public need for the board.

Scope and Methodology

Under the direction and supervision of the Division of Legislative Audit, another auditor conducted the majority of this review. We followed professional standards to determine that the other auditor was independent and that their work was competent and sufficient.

The major areas of our review were licensing, examination, and board proceedings. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Compliance with statutes and regulations related to the licensing of Dispensing Opticians and the registration of optician apprentices.
3. Files and documentation of individuals licensed as opticians and those who are applying to be licensed as opticians.
4. Files related to investigations carried out by the Division of Occupational Licensing involving allegations of violations of statutes and regulations related to opticians.

5. Information related to the requirements of other states related to individuals being licensed as dispensing opticians.
6. Minutes of board meetings and division correspondence files.
7. Annual reports issued by the board.

In addition, we conducted interviews with Division of Occupational Licensing staff.

ORGANIZATION AND FUNCTION

Alaska Statute 08.71 010 establishes the Board of Dispensing Opticians. The board consists of five members appointed by the governor and is subject to legislative confirmation. Four members must be dispensing opticians while the fifth member is of the general public with no financial interest in opticianry.

The board regulates the practice of opticianry. The board sets the minimum standards to practice in Alaska by:

1. Registering dispensing optician apprentices.
2. Licensing opticians through examination or credentials.
3. Establishing, amending, or eliminating regulations affecting the standards of professional opticianry practice.
4. Instilling disciplinary actions in accordance with the Administrative Procedures Act when a person has violated statutes or regulations related to the practice opticianry.

**Board of Dispensing Opticians
(As of June 30, 2001)**

James Rothmeyer -- Optician, Chair
Ann M. Bezona -- Optician
Larry Harper - Optician
Cynde Oleck - Optician
Roberta Rawcliffe - Public Member

From a commercial perspective, the licensed dispensing optician is, compared to other professional groups, somewhat uniquely situated. The optician provides services that also can be provided by two other licensed professionals: optometrists and ophthalmologists (the latter being a licensed physician specializing in care of the eyes). State law specifies that the rights, privileges, and obligations of dispensing opticians are designed not to *"limit or restrict a licensed physician or optometrist from the practices enumerated"* in the dispensing optician statutes. Additionally, statute provides that *"each licensed physician and optometrist has all the rights and privileges which may accrue under [statute] to a Dispensing Optician licensed [under state law]."*

Opticians provide services to the public that also can be provided by individuals associated with and supervised by optometrists and ophthalmologists. Some opticians work independently while others are employed by, or in some other way affiliated with, optometrists and ophthalmologists.

Department of Community and Economic Development, Division of Occupational Licensing

The Department of Community and Economic Development, Division of Occupational Licensing provides administrative and investigative assistance to the Board of Dispensing Opticians. Administrative assistance includes budgetary services and functions such as

collecting fees, maintaining files, receiving and issuing application forms, and publishing notices of examinations and meetings.

Alaska Statute 08.01.065 mandates the Department of Community and Economic Development, with the concurrence of the board, adopt regulations to establish the amount and manner of payment of application fees, examination fees, license fees, registration fees, permit fees, investigation fees, and all other fees as appropriate for the occupations covered by the statute.

Alaska Statute 08.01.087 empowers the Division of Occupational Licensing with the authority to act on its own initiative or in response to a complaint. The division may:

1. Conduct an investigation if it appears a person is engaged in or is about to engage in a prohibited professional practice.
2. Bring an action in Superior Court to enjoin the act.
3. Examine the books and records of an individual.
4. Issue subpoenas for the attendance of witnesses and records.

REPORT CONCLUSIONS

In our opinion, the Board of Dispensing Opticians is operating in manner to promote the practice of opticianry in the state consistent with the interest of public protection. Although we have some reservations about the operations of the board, as reflected in the Findings and Recommendations section of this report, we believe the board is serving the public interest by promoting competence and integrity of individuals holding themselves out to the public as opticians.

The Board of Dispensing Opticians serves a public purpose by promoting the competent and safe practice of opticianry. The board does this through establishing standards for licensed professionals and monitoring the manner in which they practice. The board has carried out these responsibilities in a satisfactory manner. We do have concerns about the criteria used and the process followed by the board in licensing individuals applying to become opticians.

Alaska Statute 08.03.010(c)(9) requires that the Board of Dispensing Opticians be terminated on June 30, 2002. Under AS 08.01.020 the board has a one-year period to administratively conclude its operations. While the standard extension time period for boards suggested in statute is four years, we recommend that the board's termination date be limited to three years (June 30, 2005) in order to provide the legislature an expedited opportunity to consider the actions taken by the board to address the concerns presented in this report.

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FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The Board of Dispensing Opticians should evaluate the reasonableness of the apprenticeship period required for individuals seeking to be licensed.

To become licensed as an optician in the State of Alaska, an individual must pass an examination that is offered at least once a year by the board. To be eligible to sit for this examination, an individual must have graduated from high school and accumulated at least 6,000 hours of training as a registered optician apprentice. This apprenticeship requirement is reduced to 2,000 hours for individuals that have graduated from an associate degree program in opticianry. Most of the individuals licensed by examination in Alaska do so under the 6,000 hour apprenticeship requirement.

Currently, 22 states regulate opticians through the use of a licensing board. The remaining states either utilize a registration system or do not regulate opticians. All of these states provide for a process by which an individual can become licensed through an apprenticeship process.¹ Alaska's apprenticeship requirements are typical of those followed by other states that utilize a board to regulate opticians; however, other states have apprenticeship requirements as low as 2,000 or 3,000 hours.

Over the last three fiscal years, the board has licensed eight people under the experience and examination requirements.² By comparison, the board has registered 94 new apprentices over the same period. While there may be commercial reasons for this large difference between the number of individuals seeking licensure as opticians compared to apprentices, the disparity also suggests that the 6,000 hour requirement may unduly prohibit people from getting licensed as an optician.

We suggest the board reconsider the necessity of the 6,000 hour requirement. The board should survey registered apprentices and assess the extent that apprentices aspire to become licensed opticians. If a significant number of apprentices would be interested in becoming opticians if the 6,000 hour requirement was lowered, the board should then reconsider the necessity of requiring what is in essence a three year apprenticeship.

Given that professional competence is promoted by requiring individuals pass national examinations – the question the board should address is: How much more public protection is provided by requiring individuals to apprentice for three years compared to two years, or even one year? In the context of the two-tiered examination process, the additional requirement that an individual serve a three year apprenticeship may be unreasonably restrictive, and not in the overall interests of the public.

¹ To be licensed through an apprenticeship process, the applicant typically is required to have graduated from high school or attain a graduate equivalent diploma.

² While ten opticians have been licensed over the past three fiscal years, two received their license under the credentials procedure rather than through the experience and examination process.

Recommendation No. 2

The board should reconsider whether to continue requiring applicants pass a state administered practical examination. If it elects to continue requiring a practical examination, the board should take steps to improve the objectivity and consistency with which the examination is scored.

The board requires applicants for licensure to pass a national written examination and a practical examination to demonstrate sufficient ability to dispense optical products. The practical examination is over two hours long and is related to the "mechanics" of the profession – proper use of various devices to measure individuals for fit and comfort of eyewear and contact lenses.

This is a prior audit recommendation. In our 1995 sunset review³, we recommended the board improve the objectivity and consistency of the state's practical opticianry examination. We noted at that time that the results of the examination had been challenged five times, and in two instances test scores were changed – once resulting in an applicant moving from failing to a passing score.

The board has administered over 20 examinations in the past three fiscal years. We selected 11 of these practical examinations and reviewed the scores calculated by the board. We found five errors in the calculation of the scores. Since FY 98, four individuals who initially received failing scores in their practical examination protested the procedures and scoring. Upon review, two were licensed by the board.

At this point, we suggest the board give serious consideration to discontinuing the practical examination and require applicants only to pass the nationally recognized examinations offered by the American Board of Opticianry (the National Opticianry Competency Examination) and the National Contact Lens Examiners (the Contact Lens Registry Examination) for licensure within the State. Alternatively, the board could possibly explore efforts being made by other state licensing agencies to develop a regionally-recognized, if not nationally endorsed, practical examination.

We continue to be concerned about the apparent subjectivity or error-prone nature of the current examination. This continuing problem, coupled with what may be unduly high apprenticeship hour requirements discussed in Recommendation No. 1, may be artificially limiting the number of individuals seeking licensure as opticians and contributing to the disparity between the number of registered apprentices and number of applicants.

³ Department of Commerce and Economic Development, Board of Dispensing Opticians, September 29, 1995 (Audit Control Number 08-1435-96)

AUDITOR COMMENTS

Under AS 44.66.050(d)(4) part of a sunset review is to provide "*an assessment of alternative methods of achieving the purposes of the program.*" In this context, we considered the merits of regulating opticians through the use of a titlement law. Such a law would certify qualified practitioners of a given profession utilizing a state registration process without administrative oversight from a licensing board.

Registering opticians under a titlement statute is a reasonable public policy alternative

Currently, 22 states license opticians through the use of licensing board. The other jurisdictions regulate opticians through the use of a registration program under a titlement law, or have no minimum established requirements related to the practice of opticianry.

This variety in how opticians are regulated involves a concept referred to as "scope of practice." What licensed professions are allowed to do, and conversely, prohibited from doing, by state law and regulation, constitutes what is termed a profession's scope of practice.

The scope of practice for opticians, to a large extent if not completely, falls within the purview and scope of practice of optometrists and ophthalmologists.⁴ Given such circumstances, jurisdictions in which opticians are registered under a titlement law, or not licensed at all, the public still receive opticianry services typically from optometrists or opticians who are often affiliated with, or supervised by, optometrists.

Given the nature of the profession's scope of practice, coupled with the limited potential for real adverse harm to the public health and welfare, a registration program for opticians has merit. Such a program administered by the Division of Occupational Licensing could provide for the registration of individuals holding themselves as opticians. If an individual could demonstrate they had passed recognized national examinations and had worked the required apprenticeship, they could be registered as an optician. Such a system could provide adequate, if not optimum, protection to the public.

Due to current concerns, maintaining a board is the preferable policy alternative at this time

Registration of opticians under a titlement law, rather than licensure through the use of an oversight board of professionals would essentially set in place the status quo. As reflected in the Findings and Recommendations section, there are concerns regarding the reasonableness of the hours required of apprentice opticians prior to being eligible for licensure as opticians.

⁴ This situation is explicitly recognized in state law at AS 08.71.230(1) which states no part of the optician title statute is to be construed as limiting or restricting "*a licensed physician or optometrist from the practice enumerated in [the opticianry statutes], and each licensed physician and optometrist has all the rights privileges which may accrue under [the statutes] to dispensing opticians....*"

As discussed in Recommendation No. 1, the disparity between the number of individuals licensed as opticians compared to the number registered as apprentices in part suggests that perhaps the 6,000 hour work requirement may be unreasonably onerous. The Division of Occupational Licensing would not likely be inclined to evaluate and possibly adjust the apprenticeship time requirements discussed in Recommendation No. 1.

The other concern, as discussed in Recommendation No. 2, is that consistency and applicability of the state practical examination would likely be made irrelevant since registration would involve licensure based only on an applicant passing the nationally recognized examinations. However, we believe the board should continue to work on this issue, possibly investigating the potential for joining other states who are attempting to establish a practical examination, acceptable to a group of participating states, if not on a national level.

Essentially, the board is acting in the interests of the public at large. As required by AS 08.91.065(c), licensing fees charged to opticians are established at a level intended to equal all regulatory costs. Accordingly, the public is benefiting from the board at no expense to the state's general fund.

The public would be better served by having a group of informed, engaged, and practicing professionals involved in resolving the current concerns involved in the licensing of dispensing opticians. Accordingly, our recommendation to extend the board's termination date, as set out in the Report Conclusions section, reflects our judgment of the regulatory alternatives involved. Given the current issues related to the licensure of opticians in Alaska, the board should be continued in order to best address these concerns. During the subsequent sunset review, we believe progress in these areas should be assessed, and licensing alternatives to the current board oversight structure should be given further consideration.

ANALYSIS OF PUBLIC NEED

The following analyses of the board activities relate to the public need factors defined in the "sunset" law, AS 44.66.050. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

Determine the extent to which the board, commission, or agency has operated in the public interest.

To the extent there were applicants for licensure, the board has licensed 10 opticians over the past three fiscal years. Through licensure, the individuals are designated to offer eyeglass fitting and contact lens dispensing services to the public that is in accordance with established professional standards.

Determine the extent to which the operations of the board has been impeded or enhanced by existing statutes, procedures, and practices, which it has adopted, and any other matter, including budgetary, resource, and personnel matters.

The limited number of licensed opticians, compared to high number of registered apprentices, suggests that the requirement that apprentices work 6,000 hours prior to being qualified for licensure may be excessive. The number of individuals seeking licensure as opticians may be artificially restrained by this apprenticeship requirement, requiring an individual work three years as a registered apprentice before being eligible to sit for the necessary opticianry examinations.

The board has not resolved the prior sunset audit recommendation related to the state practical examination. The objectivity and consistency of the state practical examination did not improve over the current sunset review period, resulting in successful challenges by applicants who originally were determined to have failed the test.

Determine the extent to which the board has recommended statutory changes that are generally of benefit to the public interest.

Since the past sunset audit, the board has reviewed proposed statutes and regulations at each meeting. These changes were in conjunction with the prior sunset audit that made recommendations concerning AS 08.71.150 (which dealt with reciprocity, a process the board was no longer utilizing for licensure) and AS 08.71.145 (which dealt with licensure by credentials). The 1996 legislature passed a measure repealing AS 08.71.150, while the credentials licensing process remains in statute.

Determine the extent to which the board, commission or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of services, economy of service, and availability of services that it has provided.

The location, date, and time of upcoming meetings and exams were advertised in Alaskan newspapers, as well as on the Board of Dispensing Opticians web page, with adequate time for interested individuals to attend or to submit written comment for review. The board's meeting agenda sets aside suitable time for the board to receive public comment. Minutes from the meetings of the board reflect public participation at various meetings.

Determine the extent to which the board has encouraged public participation in the making of its regulations and decisions.

Public notice was given for all proposed regulations in major Alaskan newspapers. The board meeting minutes document that time was allotted for the scheduled public comment period. All proposed regulation changes are submitted to the public participation process.

Determine the efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.

For the period between July 1, 1998 and June 30, 2001 (FY 99 – FY 01), the Division of Occupational Licensing opened three cases related to dispensing opticians. One was generated by a public complaint regarding the authority of an individual to write prescriptions for eyeglasses. The complaint, received in May 2001, was still in investigative status during August 2001, although it did appear the division had already determined that the individual was acting beyond the scope of their authority.

The two other cases were generated by shop visits conducted by occupational licensing investigators. In one instance, an optician was found to be practicing without a license. The individual had previously been licensed by the state, but had not submitted documentation that he had met the continuing education requirements. This resulted in his unlicensed status. He was fined \$300. The other case involved an individual, working for an optometrist, who was working as an optician without appropriate supervision.

We have reviewed the nature and extent of complaints filed involving dispensing opticians. In our view, the Division of Occupational Licensing, in conjunction with the board, took appropriate investigative actions, prioritized complaints in a reasonable manner, and proceeded in a manner consistent with the potential threat the complaints posed to the public welfare.

Determine the extent to which the board regulates entry into an occupation or profession and whether it has presented qualified applicants to serve the public.

New Licenses Issued	FY 99	FY 00	FY 01	Total	Current Licenses
Dispensing Optician	5	2	3	10	105
Apprentice	24	39	31	94	158

During the past three years, the Board of Dispensing Opticians has issued two licenses by credentials. Licensure by credentials requires "licensing requirements substantially equivalent to or higher than those of this state." The state of Alaska requirements are among the strictest in the nation, requiring both a state practical exam and 6,000 hours of apprenticeship hours or equivalent experience.

Determine the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board to its own activities and the area of activity or interest.

We did not find any evidence that the board was not complying with the state personnel practices, including affirmative action in qualifying applicants. In no instances has the board denied an applicant a license based on personal attributes.

Determine the extent to which statutory, regulatory, budgeting or other changes are necessary to enable the board to better serve the interest of the public and to comply with the factors enumerated in this subsection.

The board should reevaluate the requirement that individuals work at least 6,000 hours as a registered optician's apprentice before being eligible to take the examination for licensure. See discussion in Recommendation No. 1.

The board should either eliminate the state practical examination or develop a more objective test that can be consistently administered to prospective applicants for licensure. See discussion in Recommendation No. 2.

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LEGISLATIVE AUDIT

ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET AND AUDIT COMMITTEE
Division of Legislative Audit
P. O. Box 113300
Juneau, Ak 99811-3300

Fax: (907)465-2347

E-mail legaudit@legis.state.ak.us

Re: Audit Control #08-20010-02
Board of Dispensing Opticians

In regards to the December 6, 2001 "CONFIDENTIAL" preliminary audit report, I would like to respond to the Audit Committee's findings and recommendations.

Recommendation No 1

The Board has evaluated and reconsidered the 6,000 hour training requirement for apprentices. The minutes of the board's November 21, 2001 teleconference meeting reflects this in it's motion that it be "Resolved that the opticianry statutes be amended so that in order to qualify for a spectacles opticianry license, an individual must have either an associates degree from a C.O.A. - accredited school and pass the national and state exams, or have 3,000 hours of experience, pass the Career Progression Program, and pass the national and state exams, and furthermore, in order to register and work as an apprentice, a person must be enrolled in the Career progression Program."

This should accomplish several objectives regarding apprentice requirements. The 6,000 hour training requirement has been reduced by half. The adoption of the National Academy of Opticianry's Career Progression Program home study course will give all apprentices an equal opportunity to develop and share a common knowledge base, that will make them much more qualified and successful test candidates.

Recommendation No 2

The Board is committed to the long overdue overhaul of the State Licensing Examination.

Solution No 1

Dr. R. Ferguson's practical test. This test is currently used by the state of North Carolina. It is to my knowledge the only practical exam currently available and qualified to meet our state licensing exam requirements. The Board want's very much to procure this test and use it at the soonest possible date. The challenge is to convince the state's procurement office that this Board is short of both time and money . We see merit in

allowing a one time procurement exemption, so that the Board has a more suitable and objective test for the April 19, 2002 State Licensing Exam. The test and related materials are readily available and could be sent to the State at least a month before the exam, the cost is nominal at \$100.00 per applicant. See attachment 1.

Solution No 2

Start the "Request for Proposals" process. The time and cost to complete this process is not known at this time. It is known that it would not be done in time for the April 2002 exam, it is also known it will be expensive. Before proceeding with this the Board will make an enquiry, as to just how much the cost would be. While this may be the best long term solution and will in all likelihood be the course chosen by the Board, it does not address the dilemma of the current test being susceptible to challenge and replacing it in the limited time available.

Solution #3

Have the Board rewrite/revise the current exam. While not impossible, it will be difficult to meet the April 29, 2002 test date and have all Board members agree on the new test content. This would not in my opinion offer a long term solution of having a badly needed completely objective. test.

Conclusion

As stated the Board has already addressed the 6000 hour requirement for apprentices. The Board has resolved to amend the statutes to 3000 hour training for apprentices with a more well defined education and training requirement. This Board believes that the national written examination alone does not demonstrate the applicants ability to perform common tasks needed to insure the proper safe and accurate dispensing of ophthalmic prescription devices. A suitable practical test can be procured that will eliminate the concerns about objectivity. The recommendation to extend the termination date for the Board of Dispensing Opticians to June 30, 2005 is acceptable, however given the Boards positive action in resolving concerns regarding apprentice training hours, the Board would like to request the full 4 year standard extension time to June 30 2006 in order to address and resolve the concerns regarding the State practical exam.

TO: State of Alaska, Division of Occupational Licensing
Attn: Nan Lathrop, Licensing Examiner, Board of Dispensing Opticians

FROM: Roy R. Ferguson, Ph.D. (DBA The Learning Curve)
120 East Bruce Street
Sevierville, Tennessee 37862

DATE: November 9, 2001

SUBJECT: Practical Examination Development and Administration Services

This bid pertains to examination development and administrative services to the State of Alaska, Division of Occupational Licensing, Board of Dispensing Opticians. The term of the contract is from Spring 2002 to Spring 2007 with a three-year renewal period at the option of the Division. Barring any unforeseen circumstances, the first examination may be scheduled Spring 2002. The Learning Curve must receive all test applications at least one month prior to test administration.

DESCRIPTION OF PRACTICAL EXAMINATION

The proposed Opticianry Practical Examination (*supplied by The Learning Curve*) is a forty (40) question, multiple-choice text which objectively measures the applicants ability to perform some of the most common tasks relating to ophthalmic dispensing.

Three different lens types are contained in four identical metal frame styles. All test sets are fabricated and verified as to accuracy by Colts Laboratories, 21915 U.S. Highway 19 North, Clearwater, Florida 33765, which is an A2LA accredited laboratory, then validated using second-year opticianry students. Approximately fourteen questions concern progressive lenses: eleven with standard bifocals, four with single vision, non-prism lenses, and five with single vision lenses containing prism. All remaining questions cover decentration, add power, bi-centric grinding, and knowledge of proper frame alignment and ability to use conventional frame adjustment tools. The test is designed to be completed in a fifty minute period.

The equipment (*supplied by the Board of Dispensing Opticians*) required to administer this examination includes a manual lensmeter, lens measure, flexible millimeter ruler, thickness gauge, fine-tip, water soluble felt tip marker, Optical Laboratories Association Progressive Identifier, and scratch paper. Applicants are required to supply their own lens measure, thickness gauge, scientific calculator (if desired), flexible millimeter ruler, and may supply their own non-automatic lensmeter if they wish. All other equipment will be supplied at the test site. A calibrating gauge such as a "Gaugemaster" will be available for applicants to insure the accuracy of their instruments. Two test proctors should be available: one to confirm applicant identification, sign in test applicants, and provide calibration devices; a second can administer as many as eight (8) examinations per test session.

This practical examination is based on the following reference material.

- Brooks, C.W. *Understanding Lens Surfacing*. Butterworth-Heinemann, Boston, 1992.
- Brooks, C.W. *Essentials for Ophthalmic Lens Work*. Butterworth-Heinemann, 1983.
- Brooks, C.W., and Borish, I.M. *System for Ophthalmic Dispensing*.
Butterworth-Heinemann, Boston, 1996.
- Z-80.1-1995 American. *American National Standard for Ophthalmics - Prescription Ophthalmic Lenses - Requirements*. New York: American National Standards Institute, 1995.
- Optical Laboratories Association, *Progressive Identifier*.

This practical examination may include but will not be limited to:

- Finding single-vision and multi-focal lens powers using a Crossed-Line-Target Lensmeter;
- Reading lens prescriptions in both plus cylinder and minus cylinder form;
- Determining add power;
- Measuring lens center thickness with lens calipers;
- Checking for horizontal and vertical prism;
- Calculating prismatic effect and bicentric grinding corrections;
- Measuring base curves and seg width;
- Measuring distance between centers, and determining "distance PD," and "near PD" using fabricated eyeglasses;
- Quote and apply ANSI Z80-1995, standards;
- Identify and calculate inset, seg inset, and total inset;
- Measure seg height and determine seg drop;
- Knowledge of proper frame alignment and conventional frame adjustment tools;
- Identify lenses by both product name and manufacturer;
- Progressive addition lenses areas include monocular decentration, distance reference point, prism reference point, fitting cross, near reference point, manufacturer's hidden identifying logo, hidden reference points, hidden add power engraving, recommended minimum height, and prism thinning.

QUALIFICATIONS OF CONTRACTOR

Roy R. Ferguson, Ph.D.

Education:

- Walden University, Ph.D., Administration/Management
- Tusculum College, Master of Arts, Management
- Tusculum College, Bachelors of Science, Business Management

Licensure Application Review Experience:

- Tennessee State Board of Dispensing Opticians (Licensing Board), 1988 – 1991
- Testing Contractor, North Carolina State Board of Opticians:
 - Theory of Light;
 - Rx Interpretation;
 - Ophthalmic Lenses Examination;
 - Measurements of the Face;
 - Ophthalmic Lens Surfacing, Finishing;
 - Practical Anatomy of the Face;
 - Eyeglasses Practical Examination.

Examination Experience

- Opticianry Program Director, Roane State Community College, 1989 – 1996
- Approved 3 Semester Hour College-Level Courses
 - Charter Oak State College, New Britain, Connecticut
 - Introduction to the Optical Business
 - Organizational Behavior for the Ophthalmic Professional
 - Assessment of the Visual System
 - Introduction to Ophthalmic Optics
 - College-Level Courses Submitted for Approval
 - Charter Oak State College, New Britain, Connecticut
 - Business Ethics – 3 Semester Hours
 - Consumer Behavior – 3 Semester Hours
 - Growing and Managing an Entrepreneurial Business – 3 Semester Hours

Alaska

**Department of Community
and Economic Development**

Division of Occupational Licensing

P.O. Box 110806, Juneau, AK 99811-0806

Telephone: (907) 465-2534 • Fax: (907) 465-2974 • Text Telephone: (907) 465-5437

Email: license@dced.state.ak.us • Website: www.dced.state.ak.us/occ/

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JAN 16 2002

LEGISLATIVE AUDIT

January 16, 2002

Pat Davidson, Legislative Auditor
Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811

Dear Ms. Davidson:

Thank you for the opportunity to comment on the Board of Dispensing Opticians preliminary audit.

The chair of the Board of Dispensing Opticians submitted an audit response describing the Board's support for a reduction in apprenticeship hours and for contracting for an improved practical exam for spectacles.

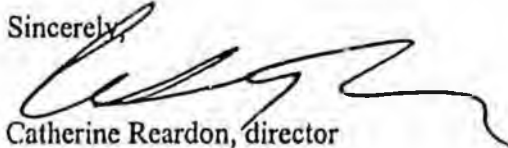
Since the requirements for licensure as an optician are set in statute, the law must be amended to implement the board's recommendations. The board advocates reducing by half the number of apprenticeship hours and replacing those hours with correspondence education. Individuals with an associate degree in opticianry would not be required to serve any apprenticeship and could be licensed after passing the exams. Individuals without opticianry degrees would be required to enroll in a correspondence course called the Career Progression Program at the beginning of their 3,000-hour apprenticeship. They would have to complete the correspondence course and pass the exams to qualify for licensure.

It is my understanding the Career Progression Program costs each student approximately \$800, but it would improve public health and safety, as well as prepare apprentices for the exams. Under the current system, there is no guarantee that apprentices receive comprehensive training during their three to six year apprenticeships.

If education is added to the license qualifications, consideration should be given to the licensure by credentials statute to ensure that experienced opticians who received their training exclusively through apprenticeship in other states are not unintentionally barred from Alaska licensure.

Thank you for considering my comments on the preliminary audit.

Sincerely,



Catherine Reardon, director

Audit Report

DEPARTMENT OF LABOR AND WORKFORCE
DEVELOPMENT
STATE TRAINING AND EDUCATION
PROGRAM

March 6, 2002



Audit Control Number:

07-30005-02

Division of Legislative Audit

P.O. Box 113300, Juneau, Alaska 99811-3300

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

DIVISION OF LEGISLATIVE AUDIT

The Legislative Budget and Audit Committee is a permanent interim committee of the Alaska Legislature. The committee is made up of five senators and five representatives, with one alternate from the Senate and two from the House. The chairmanship of the committee alternates between the two chambers every legislature.

The committee is responsible for providing the legislature with audits of state government agencies. The programs and activities of state government now cost more than \$6 billion a year. As legislators and administrators try increasingly to allocate state revenues effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by the Division of Legislative Audit helps provide that information.

As a guide to all their work, the Division of Legislative Audit complies with generally accepted auditing standards established by the American Institute of Certified Public Accountants and with government auditing standards established by the U.S. General Accounting Office.

Audits are performed as mandated by Alaska Statutes or at the direction of the Legislative Budget and Audit Committee. Individual legislators or committees can submit requests for audits of specific programs or agencies to the committee for consideration. Copies of all completed audits are available from the Division of Legislative Audit's offices in either Juneau, Anchorage, or our web site <http://www.legis.state.ak.us/legaud/web/default.htm>.

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March 15, 2002

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF LABOR
AND WORKFORCE DEVELOPMENT
STATE TRAINING AND EMPLOYMENT PROGRAM

March 6, 2002

Audit Control Number

07-30005-02

One of the main objectives of this audit was to review administration of the state training and employment program (STEP) by the Alaska Human Resource Investment Council and ascertain compliance with state law. We were also asked to review the impact of STEP on the solvency of the unemployment compensation fund and the calculation of employer unemployment insurance tax rates. Further, we were requested to provide detail STEP expenditure information.

The audit was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are discussed in the Objectives, Scope, and Methodology section.

Handwritten signature of Pat Davidson in cursive.

Pat Davidson, CPA
Legislative Auditor

TABLE OF CONTENTS

	<u>Page</u>
Objectives, Scope, and Methodology	1
Organization and Function	3
Background Information	5
Report Conclusions	13
STEP Expenditure Analysis.....	23
Findings and Recommendations	29
Appendices	35
Appendix A - Summary STEP Expenditures	37
Appendix B – Summary Vendor/Grantee Expenditures by Entity Type.....	47
Appendix C – Detail Vendor/Grantee Expenditures by Entity Type.....	57
Appendix D – Detail Vendor/Grantee Expenditure by Service Delivery Area	85
Appendix E – Detail Vendor/Grantee Expenditures by Amount.....	117
Agency Response:	
Department of Labor and Workforce Development.....	149
Legislative Auditor’s Additional Comments.....	159

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 of the Alaska Statutes and a special request by the Legislative Budget and Audit Committee, we reviewed the Alaska Human Resource Investment Council's (AHRIC) administration of the state training and employment program (STEP) and other programs with which it is involved, including compliance with state laws and regulations. Additionally, we evaluated the impact of diverting employee unemployment insurance (UI) contributions on the solvency of the unemployment compensation fund and the calculation of employer/employee UI tax rates. Further, we have provided detail STEP expenditure information.

Objectives

The specific audit objectives were:

- Determine whether diversions of employee UI contributions impact the solvency of the unemployment compensation fund.
- Determine whether diversions of employee UI contributions impacted employer UI tax rates.
- Determine whether the practice of diverting employee UI contributions jeopardizes federal funding.
- Evaluate administration of AHRIC and STEP for compliance with statutes.
- Evaluate the STEP grant award process and ascertain whether abuses, such as favoritism, are occurring.
- Provide detail expenditure information giving emphasis to the six statutorily defined program elements.

Scope

We obtained an understanding of STEP administration since the program's creation in FY 90, and focused our review on the five-year period FY 97 through FY 01. Review of AHRIC covered the period FY 97 through FY 01. We also reviewed the newly created Alaska technical and vocational education program's impact on UI trust fund solvency. This review encompassed FY 01.

Methodology

Our evaluation of AHRIC and STEP involved reviewing, analyzing, and testing the following:

- State statutes and regulations

- AHRIC Board minutes, committee reports and various publications
- Selected reimbursable service agreements, grant awards, and contracts
- STEP-related request for proposals and scoring/evaluation documentation
- STEP expenditure and budget documentation maintained by the State and service delivery area (SDA) administrative agencies
- STEP client files
- Alaska Training and Vocational Education expenditure documentation
- Attorney General opinions and memorandums of understanding
- Department of Labor and Workforce Development (DLWD) job training promotional materials

Additionally, we interviewed the following individuals:

- DLWD internal auditors
- Alaska Workforce Investment Office program coordinator and staff involved with STEP grants
- AHRIC executive director and program staff
- Municipality of Anchorage and Balance of State job training program coordinators and program staff
- DLWD, Division of Employment Security director and assistant director
- DLWD deputy commissioner
- Attorney with the Legislative Legal and Research Services office

ORGANIZATION AND FUNCTION

The Department of Labor and Workforce Development

Under the provisions of Title 23 of the Alaska Statutes, the Department of Labor and Workforce Development (DLWD) is charged with fostering and promoting the welfare of the wage earners of the State, improving working conditions, and advancing opportunities for profitable employment. The department is responsible for:

- administering employment services, unemployment insurance, and workers' compensation programs,
- enforcing laws and regulations dealing with job safety, hours of work, wages, work conditions, and public employer/employee labor relations, and
- collecting, analyzing, and disseminating labor and population statistics.

Included in the provisions of Title 23 is the Employment Security Division Act.

Employment Security Division

DLWD's Employment Security Division promotes employment, economic stability, and growth by operating a no-fee labor exchange that meets the needs of employers, job seekers, and veterans. By statute, the division's mission is to promote employment and economic stability by responding to the needs of employers and job seekers.

To ensure that job ready workers are available to meet employer needs, the Employment Security Division administers three complementary programs: Employment Services, Unemployment Insurance, and job training through a network of Alaska Job Centers throughout the state. Employment Services includes job placement, job matching and referral, vocational counseling, and job search assistance. Unemployment Insurance provides for the payment of temporary benefits to eligible, unemployed workers while they are seeking employment. Job training services are designed to meet the unique needs of individuals who wish to enter or re-enter the job market, with particular assistance for unemployed workers, low-income adults, youth and others who need help finding stable employment.

Alaska Human Resource Investment Council

Alaska Human Resource Investment Council (AHRIC) is a Governor-appointed council which is organizationally associated with DLWD's commissioner's office. AHRIC provides policy oversight to the Governor and legislature regarding state and federally funded job training and vocational education programs. AHRIC's mission is to facilitate the process necessary to create and maintain an efficient, effective, and integrated human resource investment system. Members of AHRIC represent stakeholder groups in workforce

development, bringing together public and private sector training providers with employers, so people are being trained for appropriate employment. Council members look at employment trends and emerging occupations to customize training and prepare Alaskans for high demand jobs.

Job Training Programs

State administration of job training programs is organizationally located within DLWD's Alaska Workforce Investment Office. Job training programs are guided by business and community leaders throughout the state. These leaders are represented on the Alaska Workforce Investment Board, and through local workforce investment boards. For purposes of providing services, the state is divided up into two workforce investment areas (referred to in this report as service delivery areas (SDAs)):

- The Municipality of Anchorage and communities within the Mat-Su Borough.
- The Balance of State – areas of the state outside the Municipality of Anchorage and the Mat-Su Borough.

Job training provides help to eligible persons with the ultimate goal of moving them into permanent, self-sustaining employment. Grants are available for state vocational education coordination; older worker training; youth employment and training; a program for dislocated workers, and adult and youth training. The main funding source for job training programs is the Federal Workforce Investment Act program and the State's Training and Employment program.

Training providers may be state and local governments, public and private nonprofit agencies, Native organizations, community-based organizations, educational agencies, labor organizations, and for-profit businesses.

BACKGROUND INFORMATION

State training and employment program (STEP) created in FY 90

STEP was created to address a finding by the legislature that an inadequate number of jobs existed in Alaska to meet the needs of those seeking employment. Alaskans were having difficulty finding jobs, a situation which was exacerbated by the changing technological needs of employers. Since its initial authorization in 1989 as a two-year pilot program, STEP has been reauthorized several times. Authorization for the program ends June 30, 2002, unless legislation is approved to continue the program. Legislation was introduced during January 2002 to reauthorize STEP and make it a permanent program.

Original legislative intent language specified three main program objectives:

- To help prevent future claims against unemployment benefits
- To foster new jobs by encouraging businesses to locate in the state due to availability of a skilled labor force and by minimizing employers' unemployment costs
- To increase training opportunities to those workers severely affected by the fluctuations in the state economy or technological changes in the workplace in the state

Not all residents of Alaska are eligible to participate in STEP. Exhibit 1 shows the statutory definition of people to be served by STEP. Eligibility is limited to three main groups:

- unemployed individuals eligible to receive unemployment insurance benefits or who have exhausted the right to receive benefits within the past three years,

Exhibit 1

Eligibility Criteria

AS 23.15.635 limits STEP services to residents who

- (1) *are unemployed and*
 - (a) *are receiving unemployment insurance benefits; or*
 - (b) *have exhausted the right to unemployment insurance benefits within the past three years;*
- (2) *are employed, but liable to be displaced within the next six months because of*
 - (a) *reductions in overall employment within a business;*
 - (b) *elimination of the worker's current job; or*
 - (c) *a change in conditions of employment requiring that, to remain employed, the employee must learn substantially different skills that the employee does not now possess; or*
- (3) *have worked in a position covered by AS 23.20 at any time during the last three years, and are not currently eligible for unemployment insurance benefits because*
 - (a) *their employment has been seasonal, temporary, part-time, 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.*

- people currently employed but liable to be displaced within the next six months for specific reasons, and
- people who have contributed to the employment security program during the past three years but are not eligible to receive benefits for specific reasons.

AS 23.15.640 specifies that an entity receiving STEP funding shall provide at least one of the following six program elements:

- Industry-specific training
- On-the-job training
- Institutional/classroom job-linked training
- Support services (including allowances)
- Relocation assistance
- Tools, work-related clothing, safety gear, or other items necessary to obtain or retain employment

Alaska Human Resource Investment Council (AHRIC) formed in FY 97

AHRIC is the lead state planning and coordinating entity for state human resource programs. Additionally, AHRIC acts as the lead planning agency for several federal programs. The federal program that has occupied most of AHRIC's resources is the Job Training Partnership Act (JTPA) program. In FY 01, JTPA was replaced by the federal Workforce Investment Act (WIA) program. AHRIC played a major role in planning for the transition from JTPA to WIA and continues as the lead planning agency for WIA.

According to AS 23.15.645, DLWD is required to award AHRIC a grant to administer STEP and make subgrants to qualified training entities. AHRIC works with DLWD's Alaska Workforce Investment Office (AWIO) to determine the amount of STEP funding to allocate for training. AWIO assists AHRIC with issuing the STEP grant awards and monitoring use of the funds.

Administration of STEP tied closely to administration of JTPA/WIA

Since its creation in FY 90, STEP administration has mirrored the procedures already in place to administer the federal JTPA program. As was customary for the JTPA program, the training portion of STEP funding was transferred to the state's Job Training Partnership Office (AWIO's predecessor). Using information prepared by DLWD's research and analysis office¹, JTPO would award grants for providing services in the three service delivery areas (SDAs): Fairbanks, Statewide, and the Anchorage/Mat-Su area.

In each SDA, private industry councils (PICs) had been formed under JTPA to serve as its policy/program arm. Their purview was extended to encompass STEP. These entities

¹ Information included a non-resident hire report, unemployment statistics, unemployment insurance claims, occupational and industrial projections and other relevant data. The information was used to prepare a prioritized list of targeted projects or services.

solicited and awarded grants to other entities to provide STEP services, provided services themselves or contributed funds for individualized training. The City of Fairbanks served as the Fairbanks SDA administrative agency. In Anchorage, the Municipality of Anchorage (MOA) served as the administrative agency. The state employed a statewide SDA coordinator and also served as the administrative agency for the statewide SDA.

When JTPA was replaced by WIA, the SDAs were restructured into two main areas; the Anchorage Mat-SU area and the Balance of State (BOS) area. PICs were replaced by local workforce investment boards and the JTPO was renamed the Alaska Workforce Investment Office (AWIO). The change in SDA names can be seen by comparing FY 99 to FY 00 summary STEP expenditure tables in appendix A of this report.

STEP funding reaches clients in one of two ways. One is the referral process in which the state or municipal employment coordinators work directly with clients to assess their need for training or support services. This process determines which vendor or training institution would best meet a client's needs. The other is through the SDA grant award process. Grantees are often required to recruit STEP eligible individuals and assist with the placement of trainees.

The unemployment compensation fund and the unemployment insurance (UI) tax rates

Unemployment compensation is a self-supporting insurance program. Over the long run, employer and employee UI tax contributions must be enough to pay benefits to claimants. All states have an unemployment insurance program. However, Alaska is one of only two states that tax employees. In other states, employers bear the full cost of the UI program.

Employers make payments to the UI system in two different ways. Employers are either taxable or reimbursable. In order to become reimbursable, an employer must apply to DLWD. Taxable employers make quarterly tax payments, determined by their assigned tax rate and the amount of taxable payroll. Reimbursable employers repay the UI trust fund for the amount of UI benefits paid to their former employees. Reimbursable employers are generally large organizations with stable workforces, such as state and municipal governments, but also include private, non-profit organizations. Employees working for reimbursable employers do not contribute to the UI program but are eligible for STEP services.

DLWD's article in the July 2001 Alaska Economic Trends publication entitled *Financing UI Benefits*, gives a thorough explanation of the UI tax structure. According to this article, Alaska's tax structure is self adjusting. The tax base automatically adjusts to changes in average earnings, and the tax rate automatically adjusts to changes in benefit costs, payroll, and the trust fund reserve ratio.

The article further states that tax rates have three essential components: the average benefit cost rate, individual employer experience factors, and the trust fund solvency adjustment. Exhibit 2 (page 8) summarizes the formulas for calculating the employer and employee tax rates. The employee tax rate is simpler, involving only the average benefit cost rate. The

employer tax rate incorporates all three components. Exhibit 3 on page 9 shows DLWD's calculation of the 2002 tax rate.

The average benefit cost rate is defined as the cost of benefits over the most recent three-year period ending June 30, divided by the total taxable payroll of contributing employers over the first three of the last four years ending June 30. According to DLWD, basing the calculation on three-year periods makes the system "counter-cyclical." This means that contribution rates increase slowly or even decrease during recessions as the trust fund is drawn down, then increase more rapidly during periods of economic stability or growth to replenish the fund.

Exhibit 2

Tax Rate Formulas

Employer tax rate = the trust solvency adjustment plus eighty percent of the average benefit cost rate adjusted for experience

Employee tax rate = twenty percent of the average benefit cost rate

Prior to January 1, 1997, employers paid 82 percent of the average benefit cost rate and employees paid 18 percent. Beginning in 1997, employees began paying 20 percent and employers' contribution declined to 80 percent.

The experience factor also impacts employer rates. Experience factors are designed to require employers that have a high rate of layoffs to contribute more to cover the extra costs of benefits. Experience factors are assigned by DLWD and are based on employers' wage history and the timeliness of reports and payments.

The trust fund solvency adjustment is the final component of employer tax rates. Its purpose is to ensure that the unemployment compensation fund balance is sufficient to provide benefits during recessions. According to DLWD, the benefit cost rates are not always adequate to do this. Therefore, a surcharge is added to employers' tax rates if the trust fund reserve rate falls below 3 percent. A credit is provided to reduce employers' tax rates if the reserve rate equals or exceeds 3.3 percent. The trust fund solvency adjustment is applied uniformly to all employers at a rate between negative .4 percent to positive 1.1 percent, depending on the trust fund reserve rate, in accordance with schedule in AS 23.20.290(f). The solvency adjustment may be increased or decreased by only a maximum of .3 percent from one year to the next. Exhibit 3 (page 9) shows the tax rate calculation for 2002. After the employer rates are calculated, they are adjusted for each employer based on their experience rating.

Establishment of Alaska Technical and Vocational Education (ATVE) program

In FY 01, AS 23.15.820 through AS 23.15.850 created the ATVE program to award grants to technical and vocational entities. ATVE grants must be used for industry-specific training, on-the-job training, or institutional or classroom job-linked training. AHRIC is charged with administering the program and developing regulations to carry out its purpose.

During the first year of the program, ATVE proceeds were not awarded through the grant award process. Proceeds of approximately \$4 million were directly appropriated to the following entities for programs consistent with the ATVE program and capital improvements: University of Alaska (\$2,215,386), Kotzebue Technical Center (\$681,657) and the Alaska Vocational Technical Center (\$1,363,315). According to the sponsor statement for the initial legislation, funds were appropriated directly to these entities because AHRIC would not have the opportunity to develop regulations and solicit grant applications. Our review found that almost all of the FY 01 ATVE appropriation was used for capital projects.

Exhibit 3			
Tax Rate Calculations for 2002 (\$ in millions)			
	(A) Benefit Cost	(B) Total Payroll	(C) Taxable Payroll ²
FY 1998		\$6,125	
FY 1999	\$107	\$6,310	
FY 2000	\$101	\$6,631	
FY 2001	\$99	\$6,998	\$4,528
(D) Benefit Cost for 3 Previous FY			\$307
(E) Total Payroll, First 3 of Last 4 FY			\$19,066
(F) 3-Yr Benefit Cost/Total Payroll (D)/(E)			0.016
(G) Taxable/Total Payroll, Last FY (C)/(B)			0.647
(H) Average Benefit Cost Rate (F)/(G)			0.025
(I) UI Trust Fund Balance, Sept. 30			\$223
(J) Total Payroll, Last FY			\$6,998
(K) UI Trust Fund Reserve Rate (I)/(J)			0.032
(L) Solvency Adjustment (per table in AS 23.20.290(f))			0.000
(M) Average Employer Tax Rate as a Percent of Taxable Payroll (Eighty percent of (H) plus (L))			1.99%
(N) Average Employee Tax Rate (Twenty percent of (H))			0.50%
<i>Provided by DLWD, Division of Employment Security</i>			

² State taxes are assessed on wages up to a set taxable wage base. The tax base is defined in AS 23.20.175(c) as 75% of the average annual earnings in covered employment for the immediately preceding year ending June 30. The state taxable wage base in 2001 was \$25,500.

Funding for the STEP and ATVE programs

Both STEP and ATVE are funded through employee UI contributions. Per statute, employee UI contributions to the unemployment compensation fund (referred to in this report as the UI trust fund) are transferred into the STEP and ATVE accounts within the General Fund. The amount of the transfer for each program is equal to one tenth of one percent of wages subject to the UI tax. Based on the tax rate calculations for 2002 (Exhibit 3, page 9), a total of 40% of employee contributions will be diverted for the STEP and ATVE programs.

UI trust fund balance statistics

During our review, we compiled UI trust fund statistics: average fund balance, total benefits paid, total STEP diversions, total ATVE diversions and the amount transferred from the STEP account to the UI trust fund. The information in Exhibit 4 is provided from FY 90 through FY 01.

Exhibit 4

Fiscal Year	Average UI trust fund balance	Total UI Claims Paid	STEP Diversions	ATVE Diversions	Transfers from STEP to UI
90	\$177,134,283	\$101,860,000	\$2,162,860	\$ 0	\$ 0
91	218,703,292	120,518,789	3,103,325	0	1,743,618
92	226,616,664	166,375,690	3,800,144	0	1,271,061
93	220,606,153	187,717,936	3,860,988	0	1,807,305
94	211,899,005	184,655,582	3,477,874	0	512,538
95	197,568,757	137,395,057	3,550,270	0	577,698
96	186,785,877	141,281,857	3,727,263	0	836,022
97	182,195,243	132,590,356	3,695,470	0	793,470
98	191,341,143	128,184,905	3,880,418	0	306,428
99	198,438,373	133,504,579	4,317,506	0	0
00	195,979,350	126,574,515	3,852,417	0	0
01	208,201,423	122,342,638	4,262,856	4,260,358	0

Special status as a dedicated revenue source

Employer and employee UI tax contributions are dedicated sources of revenue under the "grandfather clause" contained in Art. IX, Sec. 7 of the Alaska Constitution. This means that the taxes can be collected and used for a specific purpose rather than deposited into the State's General Fund and made subject to the legislative appropriation process. Our review of STEP raised concerns that diverting a portion of employee contributions may compromise its special status as a dedicated revenue source.

An attorney general's opinion dated August 19, 1983 states:

Consequently, the intent of the drafters of the Constitution of the State of Alaska was to permit the continuance of existing dedications at the then existing rates until the legislature saw fit to exercise the only power retained in relation to them: that is, the power to repeal.

It goes on to state:

A dedication must be continued, if at all, in exactly the same form. Any attempted alteration short of repeal is a nullity. A dedication encompasses (1) proceeds or part of the proceeds of a tax or license (2) set aside at a certain rate (3) for a particular purpose. The legislature has no power to raise or lower the dedication by increasing or decreasing the tax or license fee or the rate thereof which is set aside. Also there is no power to broaden or reduce the purposes for which an existing dedication is made, for to do so is to alter the dedication itself.

We contacted the Legislative Legal and Research Services office regarding this issue. They provided, in part, the following guidance:

The funding mechanism of the STEP and ATVE programs do not violate the constitution in and of themselves but they could readily be seen as modifications to the dedicated fund of employee contributions to the UI fund. This could in turn threaten the continued existence of the employee contributions as a dedicated fund. The court might find that the two diversions were in reality a change in the purpose of the original dedicated fund and thus cause the entire dedication to be ended. Alternately the court might find that the dedication rate was lowered by these diversions to the STEP and ATVE programs, and that the dedication continues in its diminished state, but that it cannot be increased again to its former level without destroying the grandfathered dedication. This interpretation would be difficult to explain in light of the constant fluctuation in the rate of employee contributions as required by the UI fund to sustain itself.

In summary, it is difficult to determine how courts would rule on the diversions of employee contributions. As such, attorneys can only guess as to the impact of the STEP and ATVE diversions on UI's special status as a dedicated revenue source. If employee contributions have lost their dedicated funding status, then it would be necessary for the legislature to appropriate the employee contributions to the UI fund. Regardless of the employee contribution dedication status, the revenues being diverted for STEP and ATVE programs should be appropriated to those accounts within the State's General Fund.

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REPORT CONCLUSIONS

In recent years, AHRIC has taken more of a leadership role for the STEP program

AHRIC played a minimal role in guiding the STEP program during FYs 97 through 99. Review of committee minutes and other AHRIC documentation showed that the council focused its efforts on gathering information from stakeholders regarding the training and employment needs of Alaskans. However, until FY 00 this important information was not translated into formal guidance for DLWD regarding target areas for the use of STEP funding.

In May 1999, AHRIC created and approved a STEP plan. Exhibit 5 summarizes its main action steps. A more comprehensive STEP plan was also created by AHRIC for inclusion in the WIA unified plan in April 2000.

AHRIC has generally complied with statutes

We reviewed actions taken by AHRIC to comply with its enabling statutes. Alaska statutes list numerous duties and functions that AHRIC must perform. Many of the statutory requirements were effective in FY 99.

In general, our review concluded that AHRIC had taken action to comply with its statutory requirements. The council created a statewide policy for a coordinated and effective employment training and education system in the state (also referred to as its strategic plan). It participated in forming business learning consortia in Alaska for the health care; oil, gas and mineral processing; information technology; and transportation industries. AHRIC reviewed the provision of services and the use of money and resources by human resource programs. Additionally, it developed performance standards to be used to evaluate results of workforce training programs and recommend areas for improvement. Further, statutes require that AHRIC review specific programs administered by various state departments to determine whether the programs fall within its oversight. AHRIC accomplished this review and concluded none of the programs were within its oversight authority.

However, AHRIC has not taken timely action to comply with AS 23.15.580(b)(11). This statute required AHRIC adopt regulations to carry out its duties. AHRIC finished the draft regulations in FY 01. At the time of this review, the regulations were still being reviewed by the Attorney General's office.

Exhibit 5

STEP Plan Action Steps May 21, 1999

- Market STEP to employers
- Support Job Center employment assistance activities
- Create a Governor's Discretionary Fund for statewide activities (15% of total)
- Reduce administrative reporting by eliminating certain unnecessary reports
- Develop a uniform STEP grant and grant process
- Develop a full STEP plan for inclusion in the WIA Unified Plan.

Improvement needed in the administration of STEP in order to comply with statutes

We were asked to evaluate whether STEP was being administered in accordance with statutes and regulations. Generally, we found that STEP was being administered in accordance with statutes, with five main exceptions.

Only a portion of people eligible for STEP are served by the program

Statutes have made STEP services available to many Alaskan residents. (See Background Information for the statutory eligibility guidelines for STEP.) However, only a portion of the people eligible for STEP know about the program's services. This is due to the way STEP has been administered.

Under its current administration, there is no systematic marketing effort to make eligible people aware of the STEP program. People may learn about the availability of services while working with state or municipal employment coordinators. According to MOA employment coordinators, word-of-mouth is the most common way people learn about the availability of STEP. STEP grantees may recruit through the media for individuals to attend specific training. However, recruitment is generally limited to individuals interested in a specific industry.

The scope of services in MOA's STEP grants limits eligibility to the unemployed. Since approximately 80 percent of MOA's STEP expenditures are incurred by its grantees, we conclude that most of MOA's STEP funds are serving unemployed individuals. MOA stated that its one-stop centers adequately serve other STEP eligible individuals (such as individuals expecting to be laid off or displaced and those that are underemployed). We disagree with that statement based on a general lack of outreach for the STEP program to currently employed Alaskans.

In summary, SDAs and DLWD are failing to reach all those eligible for STEP. This is further discussed under Recommendation No. 1 in the Findings and Recommendations section of this report.

STEP is displacing federal and possibly private training funds

STEP was created to assist those individuals who failed to meet JTPA's strict eligibility requirements, and to provide training services for people who needed training but weren't being served through other federal, private or public training programs. STEP was intended to augment existing services, and to be used only after federal, private or public training funds have been exhausted. See Exhibit 6 (page 15) for the statutory prohibition against displacing other training programs/funds.

As part of our review of client files, we found SDAs were not consistently requiring federal JTPA/WIA programs be utilized before STEP funds were authorized. As discussed in Recommendation No. 7, we tested 50 client files at MOA. We found that in 11 of the 50

cases (22%), MOA employment coordinators used STEP funds when clients were potentially eligible for JTPA/WIA.

Of the ten FY 00 HRC client files tested (MOA's contractor that serves the Mat-Su area), we found that three clients should have been eligible for JTPA. July 2000 was the first time HRC staff were made aware of the requirement to use STEP only after other funding sources were exhausted. We did not find similar errors when testing HRC's FY 01 client files.

Our review of BOS³ client files found no such errors. However, we did detect that both BOS and MOA grantees were funded with STEP funds even though WIA

funding had not been exhausted. Per the BOS state coordinator, STEP grantees are not required to ascertain each person's eligibility for WIA when recruiting. This type of determination would require a thorough knowledge of WIA federal regulations which STEP grantees often do not have. Both MOA and BOS carried forward federal WIA funding into FY 02. MOA carried forward over \$676,000 of adult and dislocated worker funding, and BOS carried forward approximately \$2 million in adult and dislocated worker funding. Using STEP funds before exhausting federal funds violates AS 23.15.651.

STEP also potentially displaced private funding through union training programs. STEP funding of union-sponsored training programs has increased dramatically. In FY 97, unions received approximately \$277,000 of STEP funds. In FY 01, unions received approximately \$759,000. Both AHRIC's executive director and AWIO's program coordinator praise the partnership between STEP and unions, stating that STEP money is leveraged with union funding which allows for more people to be trained with less STEP funding. Further, unions are credited with placing trainees in good paying jobs.

We acknowledge that unions are a valuable partner in training Alaskans. However, given that unions have a funding source for training through their dues collection process, we question how DLWD and AHRIC ensure that STEP funding is not being used by unions to supplant rather than to leverage.

Exhibit 6

Prohibition against displacing other training programs/funds

AS 23.15.651. Duties of Alaska human resource investment council; grant; eligible entities.

Section (a)(2) states

Its activities do not replace or compete in any way with a federally approved, jointly administered apprenticeship program or any other existing training programs.

Section (a)(2)(b) states

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

³ BOS refers to Balance of State, the service delivery area not covered by MOA.

Requirement to reimburse department not actively enforced

Effective in FY 01, AS 23.15.640(c) required that STEP clients, to the extent it is economically feasible, reimburse the state for the receipt of tools, work-related clothing, safety gear or other items necessary to obtain or retain employment. It also required DLWD implement this requirement by regulation.

In response, AWIO created a promissory note that STEP clients are required to sign prior to the receipt of such items. It also codified reimbursement requirements in draft regulation 8 AAC 87.135. Under this regulation, only people who meet *all* of the following conditions are required to repay the cost of provisions.

- The participant has exited STEP.
- The participant has been continuously employed for a minimum of six months.
- The participant, following exit of the program, has earned an income which is at least twice the federal lower income level during the six month period (approximately \$20,500 for a single person and \$45,000 for a family of four).
- The participant has no financial circumstances that prevent repayment.

We question the effectiveness of this regulation. In our view, limiting application of the reimbursement statute to those STEP graduates who enter continuous employment and receive a minimum of \$20,500 in wages within six months is unduly restrictive. At the time of our review, no repayments had been received by DLWD or its grantees.

We also found that DLWD has no procedures in place to enforce the promissory notes signed by STEP participants. Staff working with STEP clients did not know which agency was responsible for collecting the repayments. The database is not collecting the detailed financial information necessary to identify STEP clients that meet the conditions specified in regulation.⁴ Further, no procedures are in place to notify clients when reimbursement is expected.

Statutory program elements do not include employment assistance

As discussed in the STEP Expenditure Analysis section of this report, one of the activities funded by STEP is employment assistance. Employment assistance includes assessment, counseling, resume preparation, and similar activities to help a person obtain employment without providing specific training. Much of employment assistance expenditures go toward paying wages and benefits for state and municipal employment coordinators. These costs are a significant category of STEP expenditures.

AS 23.15.640 specifies that an entity receiving STEP funding shall provide at least one of six program elements: industry-specific training, on-the-job training, institutional/classroom job-linked training, support services (including allowances), relocation assistance, or tools, work-

⁴ The shortcomings of STEP's database and format for financial reporting are discussed in Recommendation No. 6 in the Findings and Recommendations section of this report.

related clothing, safety gear, or other item necessary to obtain or retain employment. Employment assistance is not covered under any of the six program elements. Therefore, it is questionable whether these costs are considered allowable under STEP.

DLWD contends that employment assistance is a type of support service, which is an allowable program element. We disagree. STEP was created to fill the training gap left by JTPA and was intended to be used as a last resort. DLWD employment assistance activities funded, in part, by the federal Wagner Peyser program were available to clients prior to the creation of STEP. If STEP was intended to be used for such activities, we believe it would have been a specifically allowable program element in statute. However, we do agree with DLWD that assessment and counseling activities are essential to the determination of training needs, and that resume preparation and similar activities are often the most cost effective means of moving a client into employment. As such, DLWD should consider pursuing legislation to specifically identify employment assistance as an allowable STEP program element.

Administrative costs exceed maximums defined in statute

Alaska statutes provide two separate methods of calculating allowable STEP administrative expenditures. AHRIC and DLWD must comply with both. The first, AS 23.15.645(e), became effective in FY 97. It defined maximum administrative costs as 20 percent of STEP proceeds (revenue). AS 23.15.645 (e) states:

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

The second, AS 23.15.580(b)(8), became effective in FY 99. It defined maximum administrative expenses as 15 percent of STEP expenditures. AS 23.15.580(b)(8) states:

[the council shall] adopt regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be included in administrative costs and those that may not be included in administrative costs; the percentage allowed for administrative costs may not exceed the lesser of 15% or the amount permitted under the requirements of a federal program, if applicable.

In order to comply with the administrative maximum in statute, DLWD began budgeting for administrative costs by multiplying the STEP authorization by 20 percent. Our review found that STEP administrative expenditures were 14 percent of STEP proceeds in FY 97 and 13 percent in FY 98, well within the 20 percent maximum defined in statute.

When AS 23.15.580(b)(8) became effective in FY 99, DLWD failed to recognize that compliance now limited administrative costs as a percentage of STEP expenditures rather than STEP proceeds. DLWD lapsed significant amounts of training funds, yet spent most of its budget for STEP administration. Consequently, administrative costs were 24 percent of STEP expenditures in FY 99, 23 percent in FY 00 and 21 percent in FY 01. These percentages are far in excess of the 15 percent statutory maximum. See Recommendation No. 4 in the Findings and Recommendations section of this report for further discussion.

Testing found no indication of favoritism in awarding grants or referring clients to vendors

We reviewed the procedures used by SDA administrative agencies when awarding STEP funds to grantees. Both MOA and BOS used a request for proposal (RFP) process whereby a notice is published soliciting grant proposals. Proposals are then reviewed and scored by a committee using standard criteria. Proposals with the highest scores are awarded grants within the limits of available funding.

We conclude that membership on the proposal review committee represented various interests (such as private industry, state agencies, unions, Native organizations, and training organizations) with no interest having more than one vote. Proposals were evaluated using objective criteria and scoring instruments. Further, the RFP and/or grant notification letters informed respondents of the appeal process.

We also tested over 70 client case files and found no indication of favoritism in referring clients to specific vendors. According to employment coordinators, STEP is following in the path of WIA and moving toward client selection. Making the choice the client's responsibility will help reduce the potential for fraudulent dealings between employment coordinators and vendors.

Need and purpose of STEP should be reevaluated in light of changing federal law

The need for STEP was generated by the failure of the federal JTPA program to meet the training needs of Alaskans. Our review found that STEP mainly provided employment assistance and training for individuals determined ineligible for the federal JTPA program. Many people were found ineligible for JTPA because of its restrictive eligibility requirements. For example, in order for an individual with no spouse or dependents to be found eligible for JTPA, he/she could not have earned more than \$5,000 in the past six months and had to possess a barrier to employment. Additionally, JTPA would not pay for industry-specific training. STEP was needed to fill the training void created by JTPA's restrictive eligibility requirements and its prohibition against funding industry-specific training.

In FY 01, WIA replaced JTPA. WIA has much more inclusive eligibility requirements than JTPA and allows funding for industry-specific training. Under WIA, an individual with no spouse or dependents could earn up to \$12,000 and still be eligible. This is over twice

JTPA's income threshold. Further, WIA eliminated the eligibility requirement that an individual also possess a barrier to employment.

Exhibit 7 summarizes the impact of WIA on STEP caseloads. As expected, employment coordinators enrolled fewer clients in STEP due to the availability of WIA. However, clients served by grantees increased. SDAs were not requiring STEP grantees to determine whether clients are eligible for WIA prior to providing STEP funded services. See Recommendation No. 7 in the Findings and Recommendations section of this report for additional discussion regarding STEP displacing federal training funds.

In summary, WIA has addressed many of the reasons STEP was created. In our view, the purpose of STEP should be reevaluated and the program restructured in order to more fully serve to the state's current training and employment needs.

Exhibit 7

STEP Caseloads Decrease in FY 01

We compared STEP caseloads in FY 00 (under JTPA) to FY 01 (under WIA) for BOS and HRC which administers STEP in the Mat-Su area. The comparison shows a dramatic decrease in STEP clients served by employment coordinators.

MOA activity is not included because they did not keep client data that identified whether the client was served by an employment coordinator or a grantee/vendor. MOA's total STEP caseload remained stable (387 in FY 00 and 388 in FY 01). HRC does not pass through STEP funding to grantees, therefore, its entire caseload is served by employment coordinators.

	BOS			HRC		
	FY 00	FY 01	Percent Change	FY00	FY01	Percent Change
Employment Coordinators	677	323	(52%)	149	45	(70%)
Grantees/Vendors	434	707	63%	0	0	0%

Since WIA's eligibility requirements are more inclusive, we expected employment coordinators to find fewer clients eligible for STEP during FY 01 than in FY 00. We also expected to see a similar decline in STEP clients served by grantees. However, this was not the case in FY 01.

There are two main reasons that STEP clients served by grantees increased rather than decreased. First, BOS administrative staff anticipated a decrease in clients served by its employment coordinators and made more of its STEP funding available to grantees. The additional funding allowed grantees to perform more recruitment and outreach for the program thus, STEP clients increased. Secondly, STEP grantees were not required to determine whether clients were eligible for WIA. New clients were therefore funded through STEP, thus increasing the number of clients served by STEP.

No precise measurement available for STEP and ATVE benefits

The STEP program is based on the premise that training turns UI claimants into UI contributors. Each year DLWD's Research and Analysis (R&A) section produces an annual evaluation of the STEP program as required by statute. One of the report's measures of program success is the extent STEP reduces future claims against unemployment. In order to calculate the reduction of claims, R&A compares the amount of claims paid to STEP clients in the five quarters preceding training to the five quarters post-training.

This methodology may be helpful to DLWD for program management. However, it does not provide a precise measurement of the impact of STEP on the UI trust fund which is needed to ascertain whether STEP savings to the UI trust fund equal or exceed the cost of the program. DLWD's methodology has several shortcomings. It includes all individuals exiting from the STEP program regardless of whether they received training from other training programs. In FY 99, approximately 25 percent of people exiting from STEP also exited other training programs during the year. DLWD's method of calculating the reduction of UI claims does not take other training programs into consideration and attributes all of the savings to the STEP program. This potentially overstates savings.

We also question DLWD's methodology of comparing the five quarters pre-training to the five quarters post-training. This practice produces biased results since people may exhaust their eligibility for UI claims and return to the workforce regardless of training.

Another shortfall to DLWD's methodology is that the reduction in claims is calculated for only one year. However, benefits from training may continue for more than one year. Limiting the review to one year understates the resulting savings.

R&A staff stated that the only way to provide a true measurement of UI trust fund savings would be to have a control group for comparison. However, in order to obtain a control group, eligible Alaskans would have to be assigned to the STEP program randomly while others were denied services. R&A staff also stated that the reduction of UI claims is not the only impact to the fund that could be attributed to STEP. Another of STEP's objectives is to attract Alaskan employers through the availability of a skilled workforce. If successful, this would increase the taxable wage base and increase both employee and employer contributions into the fund.

In summary, it is not possible to precisely measure the impact of STEP on the UI trust fund balance. DLWD's method for calculation does not demonstrate that savings equal or exceed the STEP related diversions from the UI trust fund. As discussed below, unless diversions from the fund are recouped through savings, employers' tax rates will eventually increase.

The purpose of ATVE is similar to STEP, yet the magnitude of the financial impact on UI trust fund balance is much different. ATVE is funded in the same manner as STEP, a portion of employee UI contributions are diverted from the UI trust fund and deposited in to an ATVE account. In FY 01, activities funded by ATVE did not result in any direct or measurable benefit to the UI trust fund's balance. This is in contrast to STEP, where at least a

portion of activities result in a reduction of unemployment claims or an increase in the taxable wage base. As a result, the full cost of ATVE is borne by Alaskan employers through increases in the trust solvency factor of employer UI tax rates. The relationship between diverting UI contributions and increases in the trust solvency factor is further discussed below.

STEP and ATVE programs adversely affect the trust solvency factor

STEP is funded by diverting a portion of employee UI contributions. The employee contribution rate is established in statute and does not vary with the changing balance of the UI trust fund. In contrast, the UI tax rate paid by employers is affected by the changing balance of the UI trust fund.

Employer tax rates are adjusted, in part, according to the balance of the UI trust fund. If the UI trust fund balance is below a certain threshold, employer rates are increased by adding a solvency factor to the tax rate in accordance with a statutorily determined scale. Alternatively, if the UI trust fund balance exceeds a set level, rates are reduced through a credit to the employer's tax rates. Ultimately, to the extent that the financial benefits from the STEP and ATVE programs do not equal the amount of the employee diversion, employers will pay the difference through higher UI taxes.

As difficult as it is to measure the financial benefits from the STEP and ATVE programs, it is equally difficult to determine when, and to what degree, employer UI tax rates have been affected. Relying on information from DLWD's R&A section, we estimate that employer UI tax rates were first affected by STEP in 1996.⁵ It appears that employer UI tax rates did not decrease by as much as they would have if there were no STEP program.

It is important to note that only taxable employers, as opposed to reimbursable employers, bear the financial burden of the STEP and ATVE programs. Reimbursable employers pay the actual cost of unemployment benefits paid to their former employees. Changes in the UI trust solvency factor do not affect the amounts paid by a reimbursable employer. Some of the employers who pay UI benefits on a reimbursable basis are large employers, such as the State of Alaska. While the financial burden of the STEP and ATVE programs are borne by taxable employers, participation in the STEP program is available to current and former employees of both taxable and reimbursable employers.

From the federal government's perspective, the funding mechanism for STEP and the ATVE program is of no consequence. The federal government only requires that employers contribute to the state's UI trust fund and that the state's tax structure assures that the fund remains solvent. The trust fund solvency factor insures that the fund maintains an adequate balance to pay benefit costs. Hence, diverting employee contributions does not violate federal law and does not jeopardize federal funding.

⁵ STEP began in 1990.

STEP expenditures from FY 97 through FY 01

Expenditures for STEP are summarized in the STEP Expenditure Analysis section and Appendices A through E of this report. The STEP Expenditure Analysis section discusses the costs to administer STEP, the types of vendor/grantee that received STEP funding and the vendor/grantee activities funded by STEP. Appendix A summarizes STEP expenditures for FY 97 through FY 01 STEP authorizations. Appendices B through E present summary and detail vendor/grantee expenditures for the STEP program elements.

The existing state training and employment program should be reauthorized for four years

Authorization for STEP will expire on June 30, 2002 unless the program is reauthorized. Our review found that the new federal WIA program, effective in FY 01, addressed many of the reasons STEP was created. WIA has more inclusive eligibility requirements causing a decrease in the need for STEP. Our review also found there were many people eligible for STEP who were unaware of the program.

We believe that the purpose of STEP needs to be realigned with the State's current training and employment needs. Because the STEP program needs restructuring, we are recommending that the program not become permanent at this time. Instead, we recommend that STEP be authorized for four years and that DLWD report to the legislature on its progress in addressing this report's findings, recommendations, and conclusions within two years. At that time, DLWD and AHRIC should make recommendations for programmatic modifications to realign the STEP program to fill the State's current training gaps.

At a minimum those recommendations should include:

- Statutory clarification of the allowability of employment assistance as a program element.
- Eliminate AS 23.15.645(e) regarding the administrative cost limitation in favor of AS 23.15.580(b)(8), the more recent statute governing the same cost limitation.
- An action plan, including timelines, for implementing the recommendations made in this report.
- Other statutory or regulatory changes necessary to ensure STEP is the training program of last resort.

A four-year reauthorization time period will give DLWD an opportunity to address the issues identified in this report and restructure the STEP program to meet the current training needs of Alaskan employers and employees.

STEP EXPENDITURE ANALYSIS

As part of the audit request, we were asked to provide annual and cumulative STEP expenditures by grant recipient and program participant from FY 90 through FY 01. State record retention schedules limit retention to the previous three fiscal years, in addition to the current fiscal year. Consequently, we were unable to provide expenditure information prior to FY 97. Further, we were unable to report expenditures summarized by program participant. The participant database was not designed to accumulate detail financial data.⁶ Appendix A of this report summarizes expenditure information for FY 97 through FY 01 STEP authorizations.

Administrative agencies for each SDA were required to provide detail vendor/grantee schedules as part of their STEP annual reports. These reports allowed us to summarize and report detail vendor/grantee expenditure information. Several different sorts of this information are provided in this report to help ascertain whether any abuses, such as favoritism or discrimination, were occurring. The vendor schedules are found in Appendices B through E of this report.

Cost of Administering STEP

The cost of providing STEP training in the SDAs has both program and administration components. Likewise, the cost incurred at the state level has both administrative and program components. Appendix A categorizes FY 97 through FY 01 STEP costs into administration and program categories. STEP expenditures at the state level were mainly incurred by AHRIC, DLWD's Research and Analysis (R&A) section, UI tax revenue collection section, and DLWD's AWIO office. The costs associated with accounting, determining policy, and awarding/monitoring grants were categorized in Appendix A as administrative. The costs associated with analysis performed by R&A were categorized as program because data provided by R&A is required by statute to implement STEP.

Fiscal Year	Administrative	Program
1997	23%	77%
1998	21%	79%
1999	24%	76%
2000	23%	77%
2001	21%	79%

Appendix A also reports administrative costs and program costs and as a percentage of total costs. The table at left summarizes these percentages. Administrative costs as a percentage of total STEP costs remain fairly stable, ranging from 21 percent to 24 percent.

Vendor/Grantee activities funded with STEP

Alaska Statute 23.15.640 requires entities receiving STEP funds to provide one or more program elements. The program elements include industry-specific training, on-the-job

⁶ DLWD's STEP regulations set a maximum training cost of \$10,000 per participant. To comply with this regulation, it would be necessary for DLWD to compile individual participant cost information. However, due to database constraints, this information is not available and DLWD is not capable of monitoring compliance with the regulation.

training, institutional or classroom job-linked training, support services (including allowances), relocation assistance and provision of necessary tools, work-related clothing, safety gear, and other items necessary to obtain or retain employment. DLWD created an additional element, employment assistance, which has been reported as a separate category within each SDA. A brief description of each program element and related activities is provided below. The percentage of costs by program element is based on the combined expenditures for the FY 97 – FY 01 STEP authorizations, for all vendor/grantees (see Appendices B through E of this report). It should be noted that any expenditures incurred directly by administrative agencies within each SDA are not included in this vendor/grantee expenditure analysis. Exhibit 8 (page 25) pictorially summarizes STEP vendor/grantee expenditures by program element.

Employment assistance – is defined by DLWD as worker assessment and counseling services, instruction in resume preparation, job search, work ethic, interviewing and other job readiness skills. Entities providing employment assistance may also refer clients to support services, training and education providers, and jobs or job placement services. In practice, the regulation has been interpreted to mean that grant recipients may provide employment assistance as an alternative to one of the six program elements listed in statute. Employment assistance was used primarily to pay wages of state and municipal employment coordinators and costs of job workshops. These costs were 13% of STEP vendor/grantee expenditures.

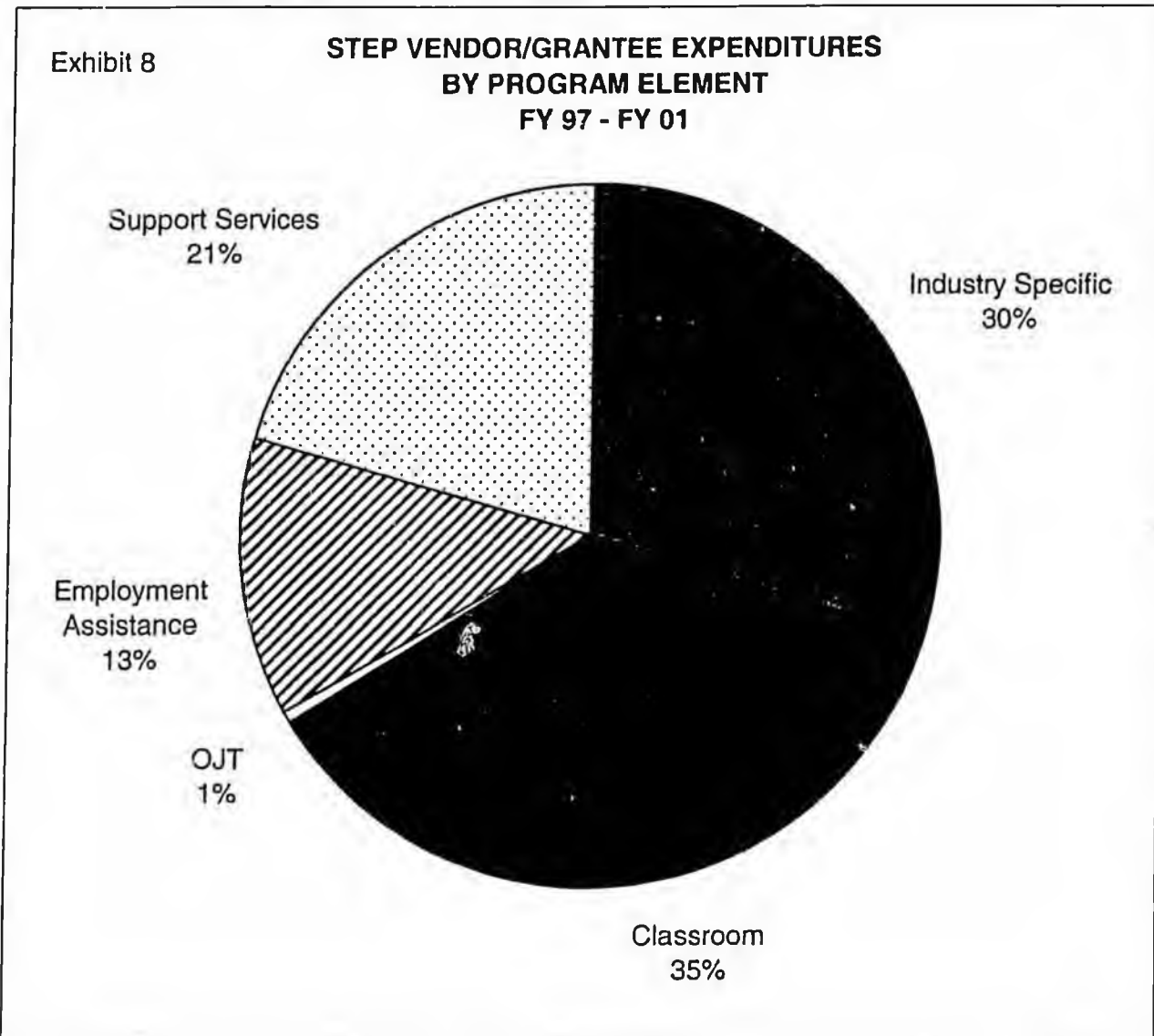
Industry-specific training – is tailored to the needs of specific occupations, industries, employers or groups of employers. This type of training often results in the participant obtaining industry-recognized certifications and acceptance into union apprenticeship programs. Thirty percent of STEP vendor/grantee expenditures provided industry-specific training. Entities providing this type of training consisted of unions, health-care organizations, computing technology and vocational technical education centers.

On-the-job training (OJT) – provides reimbursement to employers or pays wages directly to a participant who is receiving on-the-job training. This category represents only 1 % of STEP vendor/grantee expenditures. Small employers, Native organizations, and individual participants were the major recipients of OJT.

Institutional or classroom job-linked training – is the most popular program element. Thirty-five percent of STEP funding provided institutional or classroom job-linked training. The majority of this type of training was provided by public and private training institutions. Classroom occupational training consisted of nursing, welding, flight and travel school, hair styling, massage therapy, jewelry arts, taxidermy, computing technology, administrative services, and the wide range of occupational training offered by the University of Alaska system.

Support services – is an element that has been combined with two other program elements due to availability of funding. Support services consist of support services, relocation assistance, and the provision of tools, work-related clothing, safety gear, or other items necessary to obtain or retain employment. Current statutes require that support services be provided only to individuals who participate in industry-specific, on-the-job, or institutional

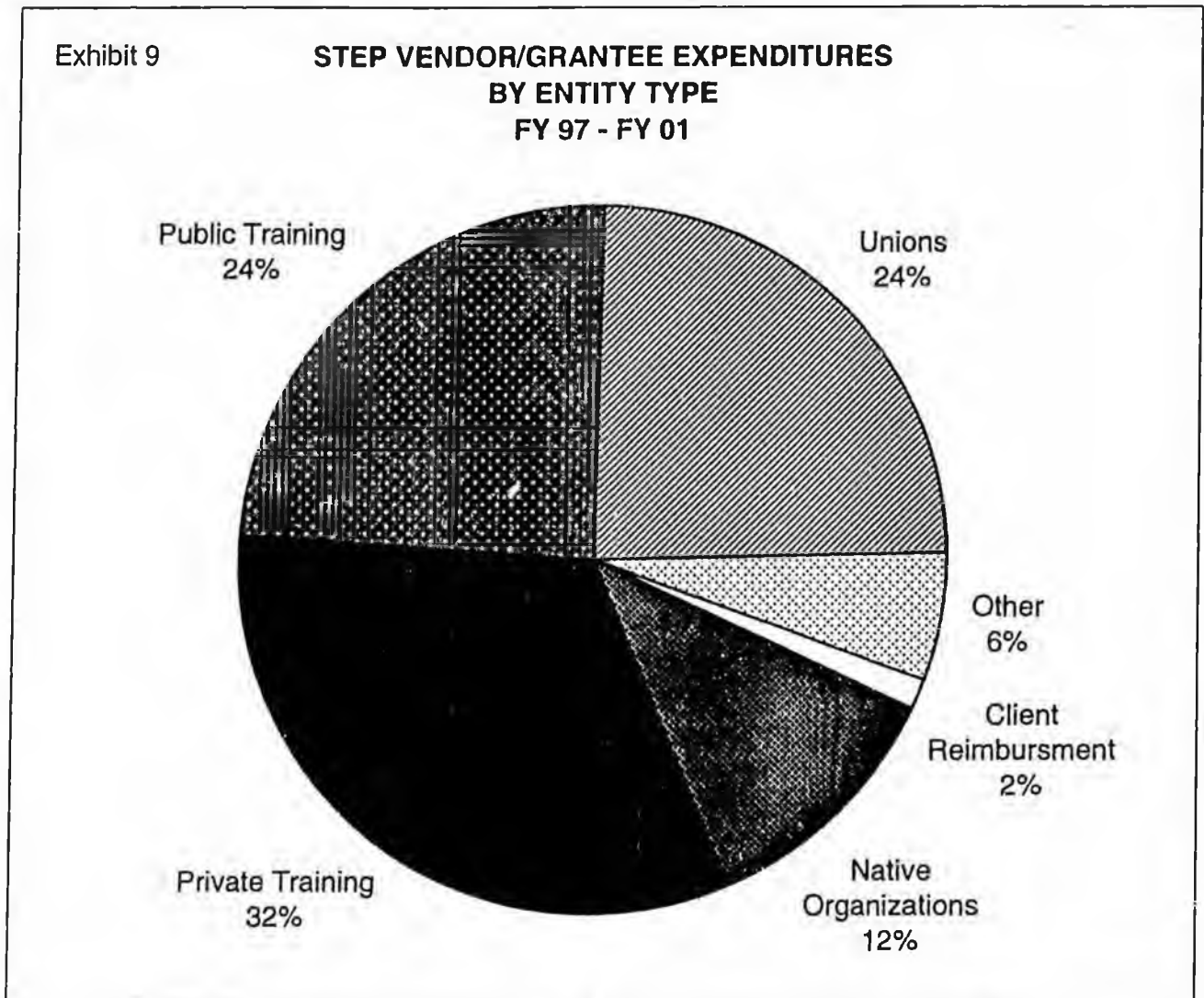
or classroom job-linked training. Prior to FY01 a STEP participant could receive support services without participating in one of the training elements. Vendors receiving payment for support services are local clothing and hardware retailers, hotels, travel agencies, and health-care providers. Reimbursement was also made to training entities for any support services they may have provided in conjunction with training programs. Support services represent 21 % of STEP vendor/grantee costs.



Types of vendors/grantees that received STEP funding

For our period of review, we were able to identify six distinct vendor/grantee groups: private training institutions, unions, public training institutions, Native organizations, client reimbursements and other. In most cases, participants were allowed to choose the vendor/grantee to provide the training services for their occupational education requirements. The percentage of costs by type of entity is based on the combined expenditures for the FY 97 – FY 01 STEP authorizations, for all vendor/grantees. It should be noted that any expenditures incurred directly by SDA administrative agencies or by the State’s AWIO office are not included in this vendor/grantee analysis. Appendices B through E provide detailed

reports containing vendor and grantee names, number of clients served, program elements provided and amount of disbursements to each vendor/grantee. Exhibit 9 summarizes the STEP vendor/grantee expenditures by entity type.



Private training institutions – are privately owned business offering professional training services as a part of their business activities. This is the largest vendor/grantee group incurring approximately 32% of STEP vendor/grantee expenditures. MILA, Inc. of Anchorage was the largest private training recipient of STEP funding. MILA provides administration and computer training and employment assistance services.

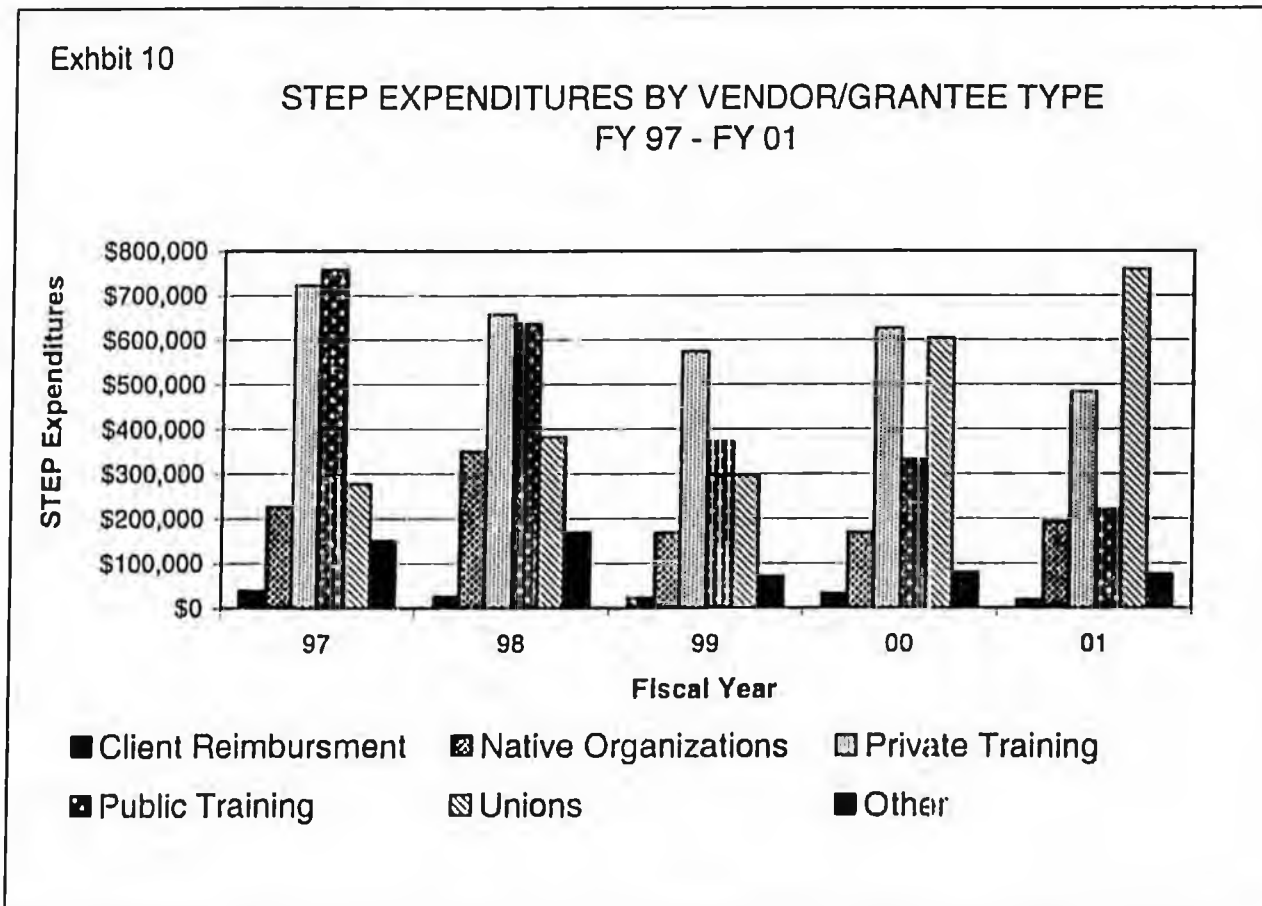
Public training institutions – incurred 24% of STEP vendor/grantee expenditures. Exhibit 10 (page 27) shows that public training institutions share of vendor/grantee expenditures has been steadily decreasing. The University of Alaska is the largest recipient of STEP funding in the public training institution category. As demonstrated in Exhibit 10, STEP expenditures by public training institutions have steadily decreased during FY 97 through FY 01.

Unions – incurred 24% of STEP vendor/grantee expenditures. Exhibit 10 shows a steady increase in STEP participants in union training programs. Alaska Laborers Training Trust Fund received the largest share of funds within the union vendor/grantees group. Alaska Laborers provides industry-specific training and assists participants’ entry into union apprenticeship programs. As noted in Exhibit 10, STEP expenditures by unions have steadily increased from FY 97 through FY 01.

Native organizations – are the fourth largest group incurring 12% of STEP vendor/grantee expenditures. This category consists of Native owned and operated organizations which include subsidiaries of the Native corporations; non-profit health services providers and local tribal groups.

Other – represents retailers and private employers. The group incurred 6% of STEP vendor/grantee expenditures. Retailers provided tools, work gear, travel and lodging to STEP participants. Private employers are enterprises whose employees required additional job training. Participants were able to improve their job skills to keep up with the demands of new technology and emerging industries.

Client reimbursements – are payments provided to individuals who bore the initial cost of STEP training and support services from personal resources, and were then reimbursed by the program.



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FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The program coordinator for the Alaska Workforce Investment Office should take steps to ensure that Alaska residents and employers are aware of the services available through STEP.

AS 23.15.635 gives many Alaskans the right to receive training assistance through STEP. However, there is a large gap between the number of people eligible for STEP services and number of people aware of the program. This gap has been created by the inclusive nature of STEP eligibility requirements and DLWD's lack of outreach about the program. In our view, there are ample opportunities to expand the STEP client base by simply informing people about the program.

Since STEP was created, it has mainly served the unemployed. However, there are no procedures in place to ensure all unemployed individuals are informed of the availability of STEP services. STEP assistance to dislocated workers mainly focused on large employers. There are no procedures in place to inform small and medium sized employers of the availability of the program.

Very few individuals are aware that a portion of their UI contribution goes to help fund STEP. Consequently, people don't know that STEP will pay for training if they expect to be laid off within six months. Additionally, the program is failing to successfully reach residents not eligible for UI benefits because of limited job opportunities or seasonal, temporary, part-time, or marginal employment. Further, the program is not reaching the "underemployed" who need employment assistance and training to obtain full employment.

DLWD is developing a division-wide marketing plan to increase consumer awareness of the services it provides through its employment services, unemployment insurance, job training and STEP programs. We recommend that the AWIO's program coordinator and AHRIC's executive director continue their efforts, taking steps to ensure that outreach and education efforts are adequate to inform and educate all eligible Alaskan residents and employers of the availability of STEP services.

Recommendation No. 2

AWIO's program coordinator should improve monitoring of its STEP grantees.

Our review found several areas of noncompliance by STEP grantees that could have been detected through monitoring procedures. Areas of noncompliance include Alaska Commission on Post Secondary Education (ACPE) certification, unallowable costs, use of STEP funds before utilization of federal funds, and dual enrollment of STEP clients.

AS 23.15.580(d)(2) states that training programs funded by STEP must be operated by an institution that holds a valid authorization to operate issued under AS 14.48 by ACPE, if the program is a postsecondary education program operated by a postsecondary education

institution subject to regulation under AS 147.48. According to ACPE, it is illegal to operate a postsecondary educational institution, advertise, or deliver postsecondary education, or recruit postsecondary students without either authorization or exemption from ACPE. When reviewing BOS grantees, we found five grantees in FY 00 and three grantees in FY 01 did not have the required ACPE certification.

In order to be an allowable non-administrative cost under STEP it must be for one of six program elements. We found that inappropriate allocation methods were used by MOA when charging costs to STEP for its Human Resource Corporation grantee. MOA charged costs to STEP based on budgetary estimates rather than actual costs incurred by its grantee. Our preliminary review found that STEP was overcharged by approximately \$25,000 in FY 01 and WIA was undercharged by the same amount. Initial review of FY 00 grant expenditure support indicates that STEP was also overcharged in FY 00.

Our review also found that STEP was used to pay \$50 placement incentive fees for seven of the seventy clients tested (ten percent) in the MOA SDA. These incentives were paid to clients when they entered into unsubsidized employment and again once they had been employed for 90 days. According to MOA staff, the fees were considered an allowable expense because they were allowable under the JTPA program. In our view, these expenses fail to fall into any of the six STEP program elements and are unallowable under STEP.

AS 23.15.651 (2)(b) mandates that STEP funding not displace money available through federal, public or private training programs. As discussed under Recommendation No. 7, MOA and BOS were not consistently seeking federal funding prior to enrolling clients in STEP. This practice violates statute and could result in the state not fully utilizing federal funds.

We also found that it had been standard practice in Juneau's BOS office to dual-enroll clients into both JTPA and STEP. If JTPA funding became unavailable during the year, dual-enrollment made the process of using STEP funding much quicker and easier. Consequently, we found that four of the ten (or 40 percent) FY 00 STEP clients we tested had no charges to STEP yet were included in the STEP database. Because these individuals were enrolled in STEP according to the database, they would have been included in the annual evaluation of STEP. The practice of dual-enrolling clients was stopped in FY 01 and was limited to the Juneau office.

The AWIO has a policy to annually conduct both financial and program monitoring reviews of its SDAs. However, due to a lack of resources in FY 00 and FY 01, only the programmatic review was conducted. All of the areas of non-compliance noted above could have been detected through on-site monitoring of SDAs. We recommend AWIO's program coordinator improve monitoring of its STEP grantees.

Recommendation No. 3

DLWD's commissioner should pursue legislation so that unexpended, unobligated STEP funds lapse into the UI trust fund.

From FY 91 through FY 98, unexpended, unobligated STEP funds were routinely transferred to the UI trust fund. Exhibit 4 on page 10 summarizes the amounts transferred back to the UI trust fund. Beginning in FY 99, unexpended, unobligated funds remain in the STEP account and are included in the next STEP authorization.

Because DLWD can not demonstrate conclusively that savings to the UI trust fund cover the cost of program, we believe that any unexpended, unobligated STEP funds should be transferred to the UI trust fund. Transferring the excess funds back to the UI trust fund would help mitigate the impact of diverting employee UI contributions from the UI trust fund. As discussed under the Report Conclusions section of the report, if diversions of employee contributions are not replaced by savings to the UI trust fund, employer UI tax rates increase.

It would be prudent to minimize the cost of STEP to employers by making the transfer requirement part of STEP statutes. We recommend DLWD's commissioner pursue legislation that requires the unexpended, unobligated STEP authorization lapse into the UI trust fund.

Recommendation No. 4

We recommend DLWD's director of administrative services, director of employment security and AWIO's program coordinator actively monitor STEP expenditures to ensure administrative costs do not exceed 15 percent of total STEP expenditures.

Currently, statutes provide two separate methods of calculating allowable STEP administrative expenditures. The first, AS 23.15.645(e), became effective in FY 97. It defined maximum administrative costs as 20 percent of STEP proceeds (revenue). The second, AS 23.15.580(b)(8), became effective in FY 99. It defined maximum administrative expenses as 15 percent of STEP expenditures. See page 17.

When AS 23.15.645 (e) became effective in FY 97, DLWD began multiplying its STEP authorization by 20 percent when developing its budget for STEP administrative costs to ensure the department complied with the statute. Our review found that DLWD's administrative expenditures were 14 percent of STEP proceeds in FY 97 and 13 percent in FY 98, well within the 20 percent maximum defined in statute.

However, when AS 23.15.580(b)(8) became effective in FY 99, DLWD simply reduced the percentage applied to their STEP authorization from 20 percent to 15 percent. It failed to recognize that compliance required administrative costs be 15 percent of STEP expenditures rather than STEP proceeds. Administrative costs were 24 percent of STEP expenditures in FY 99, 23 percent in FY 00 and 21 percent in FY 01. These percentages far exceed the 15 percent statutory maximum.

We recommend that DLWD's director of administrative services, director of employment security and AWIO's program coordinator actively monitor STEP expenditures to ensure administrative costs do not exceed 15 percent of total STEP expenditures.

Recommendation No. 5

We recommend the director of administrative services improve procedures so that UI accounting costs are charged to STEP and ATVE in an equitable and supported manner.

Part of the cost of administering the STEP program is the cost of collecting and distributing a portion of employee tax contributions. Based on a federal review of DLWD's UI accounting section in 1994, 19 percent of the cost of collecting and distributing employee tax contributions was allocated to STEP. When ATVE became effective in FY 01, the fiscal note specified that the 19 percent (estimated at \$300,000) of UI accounting costs be split equally between the STEP and ATVE programs. It also stated that the ATVE costs were to be allocated to the University of Alaska (UofA), AVTEC, and Kotzebue in the amounts of \$78,000, \$48,000 and \$24,000, respectively. In FY 01, 19 percent of UI accounting costs totaled \$220,000. Exhibit 11 summarizes how UI accounting costs were charged to the entities in FY 01.

Exhibit 11

	Percent to be charged per fiscal note	Actual Expenditures charged entities	\$220,000 allocated by proper %	Difference <overcharge> undercharge
STEP Program	50%	\$98,000	\$110,000	\$12,000
UofA – ATVE Program	26%	78,000	57,000	<21,000>
Kotzebue – ATVE Program	8%	24,000	18,000	<6,000>
AVTEC – ATVE Program	16%	48,000	35,000	<13,000>
Total		\$248,000	\$220,000	<\$28,000>

DLWD did have a procedure in place to ensure that expenditures were allocated to the entities in accordance with the fiscal note. However, when reviewing expenditures we detected that DLWD staff did not follow their procedures. Consequently, UI costs were not equitably allocated to STEP and ATVE. Further, we found that STEP was undercharged by \$12,000 and ATVE was overcharged by \$40,000.

We recommend that director of administrative services improve procedures so that UI accounting costs are charged to STEP and ATVE in an equitable and supported manner.

Recommendation No. 6

AWIO's program coordinator should take steps to ensure STEP program data is collected and reported in a manner that demonstrates compliance with statutes.

Our ability to evaluate whether the STEP program was being administered in compliance with statutes and regulations was hindered by a lack of comparable, readily available program data. Problems with the STEP database and inconsistent reporting requirements contributed to a general lack of comparable information.

As discussed in the Background Information section of this report, the method of delivering STEP services mirrored the procedures already in place for JTPA. The database that was in place to collect and report JTPA data was utilized for STEP data collection. By the late 1990s, the database needed to be replaced. A new system was purchased in FY 99 but never became operational. Another new data system was purchased in FY 00 to be used for the new WIA program and STEP. Implementation was delayed awaiting the federal WIA reporting guidelines. Reporting guidelines were not released until March 2001.

During the same period, AWIO waived the requirement that SDA administrative agencies report STEP financial information by program element. No vendor/grantee detail financial reports were required for FY 00 and FY 01.⁷ Previously, SDA administrative agencies had been required to report STEP expenditure information quarterly, including expenditures by account and program element including detail vendor/grantee information. We reviewed the FY 97 through FY 99 reports and found that SDAs were not reporting expenditures in a consistent format. Some SDAs reported tools, safety gear and other necessities separately while others grouped the costs with other types of support services. Further, we found that some SDAs categorized tools and safety gear as industry-specific training on financial reports rather than reporting the costs separately.

Without program data, AWIO's ability to monitor the STEP program is severely limited. Waiving the reporting requirement, without introducing compensating internal controls, increases the risk that STEP funds are being used inappropriately. Further, inconsistent reporting formats limit the usefulness of the financial reports.

We recommend AWIO's program coordinator take steps to ensure STEP program data is collected and reported in a manner that demonstrates compliance with statutes. At a minimum, this includes ensuring that STEP reporting formats include the six program elements defined in statute.

⁷ During the course of the audit, AWIO was able to request and obtain the FY 00 and FY 01 detail financial reports from their SDA administrative agencies.

Recommendation No. 7

We recommend AWIO's program director and AHRIC's executive director work together to ensure STEP does not displace other federal, private, or public training funds.

As part of our review of client files, we found several indications that SDAs were not consistently requiring federal JTPA/WIA programs be pursued before STEP funds were authorized. AS 23.15.651 requires that STEP not replace or compete in any way with a federally approved, jointly administered apprenticeship program or any other existing training programs. It further states that AHRIC may not award a grant if the grant would displace money available through existing public or private training programs.

We tested 50 client files at MOA and found that in eleven of the 50 cases (22 percent), MOA employment coordinators used STEP funds when clients were potentially eligible for JTPA/WIA. In two instances, employment coordinators noticed that a client was receiving UI and automatically enrolled the client in STEP without considering eligibility for other programs. In one instance, an employment coordinator enrolled a client in STEP because it is quicker than going through WIA. One case was simple oversight. Seven of the eleven were automatically enrolled in STEP rather than WIA because MOA mistakenly believed industry-specific training was disallowed under WIA.

We tested twenty client files at the Human Resources Corporation, MOA's contractor that services the Mat-Su area, and found three clients (15 percent) should have been eligible for JTPA. HRC staff stated up until July 2000, they were unaware of the requirement to use other funding first. Our review of client files at BOS found no such errors.

We also found that both SDAs funded grants for industry-specific training with STEP even though WIA funding had not been exhausted. Both MOA and BOS carried forward federal WIA funding from FY 01 into FY 02 (MOA carried forward \$676,000 of adult and dislocated worker funding and BOS carried forward \$2 million in adult and dislocated worker funding). Using STEP funds before exhausting federal funds violates AS 23.15.651.

We recommend AWIO's program coordinator and AHRIC's executive director work together to ensure STEP does not displace other federal, private, or public training funds.

APPENDICES

Appendices A through E report expenditures for the state training and employment program (STEP) in a variety of ways. STEP expenditure information is presented to demonstrate the cost of administering the STEP program versus the cost of providing training. Additionally, detail vendor/grantee expenditure information is reported to help identify if favoritism is occurring. A description of each appendix is provided below.

Appendix A – Summary STEP expenditures

This schedule summarizes expenditures for the FYs 97 through 01 STEP appropriations. Costs are reported by the entity that incurred the expenditure. Expenditures are further classified into two cost categories, administration and program. Expenditures for each service delivery are split between those incurred directly by the SDA's administrative agency and those incurred by vendors or grantees. Appendices B through E provide additional detail for the vendor/grantee costs.

Appendix B – Summary vendor/grantee expenditures by entity type

This appendix includes five summary schedules, one for each of the FYs 97 through 01. Detail expenditures that support this schedule are found in Appendix C. Entity type indicators are discussed in detail on the following page.

Appendix C – Detail vendor/grantee expenditures by entity type

This appendix includes five detail expenditure schedules, one for each of the FYs 97 through 01. Expenditures are reported by STEP program element. A description of each of the program element indicators is found on the following page.

Appendix D – Detail vendor/grantee expenditures by service delivery area (SDA)

This appendix includes 13 detail expenditure schedules, one for each SDA, for each of the FYs 97 through 01. For FYs 97 through 99, the state was broken into three service areas for the purposes of delivering job training; Fairbanks area, Anchorage area, and the statewide area. Beginning in FY 00, SDAs were reorganized into two areas; Anchorage/Mat-Su area and Balance of State area.

Appendix E – Detail vendor/grantee expenditures by amount

This appendix includes five detail expenditure schedules, one for each of the FYs 97 through 01. Each schedule reports vendor/grantee expenditures by amount in descending order.

Entity Type Indicators

Private training institutions: Privately owned businesses offering professional training services as part of their business activities.

Unions: Organizations of wage earners formed for the purpose of serving the members' interests with respect to wages and working conditions. Many labor unions have training/apprenticeship programs.

Public training institutions: Mainly composed of state agencies and the University of Alaska.

Native organizations: Native owned and operated organizations which include subsidiaries of Native corporations; non-profit health services providers and local tribal groups.

Other: Includes retailers and private employers.

Client reimbursements: Payments provided to individuals who bore the initial cost of STEP training and support services from personal resources, and were then reimbursed by the program.

Program Element Cost Indicators

Employment Assistance: Worker assessment and counseling services, instruction in resume preparation, job search, work ethics, interviewing and other job readiness skills.

Industry-specific training: Training tailored to the needs of specific occupations, industries, employers or groups of employers.

On-the-job training: Provides reimbursement to employers or pays wages directly to a participant who is receiving on-the-job training.

Institutional or classroom job-linked training: Mostly offered by public or private training institutions and encompassed both occupational and general job skills.

Support services: Support services, relocation assistance, and the provision of tools, work-related clothing, safety gear, or other items necessary to obtain or retain employment.

APPENDIX A – SCHEDULE 1
 FY 97 STEP EXPENDITURES
 (Unaudited)

<u>ENTITY TYPES</u>	<u>ADMINISTRATION</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Service Delivery Direct Costs			
Statewide Direct Costs	\$ 139,171	\$ 26,791	\$ 165,962
MOA Direct Costs	110,502	208,571	319,073
Fairbanks Direct Costs	47,007	95,887	142,894
Subtotal	<u>296,680</u>	<u>331,249</u>	<u>627,929</u>
Service Delivery Area Vendor Grantee Costs			
Statewide Vendors/Grants	8,870	1,118,909	1,127,779
MOA Vendors/Grants	22,149	837,073	859,222
Fairbanks Vendors/Grants	-	188,803	188,803
Subtotal	<u>31,019</u>	<u>2,144,785</u>	<u>2,175,804</u>
Other			
AHHC	107,069		107,069
Research & Analysis		175,000	175,000
Revenue Collection	264,152		264,152
JTPO/AWIO	94,398		94,398
Subtotal	<u>465,619</u>	<u>175,000</u>	<u>640,619</u>
TOTAL FY 97	<u>\$ 793,318</u>	<u>\$2,651,034</u>	<u>\$3,444,352</u>
Percent of Total	23%	77%	

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APPENDIX A – SCHEDULE 2
 FY 98 STEP EXPENDITURES
 (Unaudited)

<u>ENTITY TYPES</u>	<u>ADMINISTRATION</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Service Delivery Direct Costs			
Statewide Direct Costs	\$ 154,290	\$ 17,179	\$ 171,469
MOA Direct Costs	105,459	320,912	426,371
Fairbanks Direct Costs	42,379	75,349	117,728
Subtotal	<u>302,128</u>	<u>413,440</u>	<u>715,568</u>
Service Delivery Area Vendor Grantee Costs			
Statewide Vendors/Grants		1,115,973	1,115,973
MOA Vendors/Grants	22,805	724,412	747,217
Fairbanks Vendors/Grants		356,119	356,119
Subtotal	<u>22,805</u>	<u>2,196,504</u>	<u>2,219,309</u>
Other			
AHRIC	105,901		105,901
Research & Analysis		228,692	228,692
Revenue Collection	260,278		260,278
JTPO/AWIO	77,496		77,496
Ketchikan Career Training Center	8,445	48,443	56,888
Subtotal	<u>452,120</u>	<u>277,135</u>	<u>729,255</u>
TOTAL FY 98	<u>\$ 777,053</u>	<u>\$2,887,079</u>	<u>\$3,664,132</u>
Percent of Total	21%	79%	

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APPENDIX A – SCHEDULE 3
 FY 99 STEP EXPENDITURES
 (Unaudited)

<u>ENTITY TYPES</u>	<u>ADMINISTRATION</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Service Delivery Direct Costs			
BOS - Statewide Direct Costs	\$ 126,634	\$ 239,096	\$ 365,730
MOA Direct Costs	159,220	317,425	476,645
Fairbanks Direct Costs	12,863	20,153	33,016
BOS - Fairbanks Direct Costs	25,684	131,304	156,988
Subtotal	<u>324,401</u>	<u>707,978</u>	<u>1,032,379</u>
Service Delivery Area Vendor Grantee Costs			
BOS - Statewide Vendors/Grants		810,111	810,111
MOA Vendors/Grants		603,045	603,045
Fairbanks Vendors/Grants		54,583	54,583
BOS - Fairbanks Vendors/Grants		37,876	37,876
Subtotal		<u>1,505,615</u>	<u>1,505,615</u>
Other			
AHRIC	106,659		106,659
Research & Analysis		283,798	283,798
Revenue Collection	294,666		294,666
JTPO/AWIO	85,872		85,872
Ketchikan Career Training Center	10,192	46,052	56,244
Subtotal	<u>497,389</u>	<u>329,850</u>	<u>827,239</u>
TOTAL FY 99	<u>\$ 821,790</u>	<u>\$2,543,443</u>	<u>\$3,365,233</u>
Percent of Total	24%	76%	

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APPENDIX A – SCHEDULE 4
 FY 00 STEP EXPENDITURES
 (Unaudited)

<u>ENTITY TYPES</u>	<u>ADMINISTRATION</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Service Delivery Direct Costs			
BOS - Statewide Direct Costs	\$ 191,454	\$ 267,255	\$ 458,709
MOA Direct Costs	126,724	152,973	279,697
Subtotal	<u>318,178</u>	<u>420,228</u>	<u>738,406</u>
Service Delivery Area Vendor Grantee Costs			
BOS - Statewide Vendors/Grants		1,241,477	1,241,477
MOA Vendors/Grants	14,838	587,108	601,946
Subtotal	<u>14,838</u>	<u>1,828,585</u>	<u>1,843,423</u>
Other			
AHRIC	106,794		106,794
Research & Analysis		314,807	314,807
Revenue Collection	249,901		249,901
Fish Disaster Special Grant	6,318	43,682	50,000
JTPO/AWIO	69,524		69,524
Subtotal	<u>432,537</u>	<u>358,489</u>	<u>791,026</u>
TOTAL FY 00	<u>\$ 765,553</u>	<u>\$2,607,302</u>	<u>\$3,372,855</u>
Percent of Total	23%	77%	

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APPENDIX A -- SCHEDULE 5
 FY 01 STEP EXPENDITURES
 (Unaudited)

<u>ENTITY TYPES</u>	<u>ADMINISTRATION</u>	<u>PROGRAM</u>	<u>TOTAL</u>
Service Delivery Direct Costs			
BOS - Statewide Direct Costs	\$ 263,051	\$ 441,712	\$ 704,763
MOA Direct Costs	150,981	230,158	381,139
Subtotal	<u>414,032</u>	<u>671,870</u>	<u>1,085,902</u>
Service Delivery Area Vendor Grantee Costs			
BOS - Statewide Vendors/Grants		1,135,131	1,135,131
MOA Vendors/Grants	13,544	598,264	611,808
Subtotal	<u>13,544</u>	<u>1,733,395</u>	<u>1,746,939</u>
Other			
AHRIC	68,275		68,275
Research & Analysis		325,947	325,947
Revenue Collection	97,831		97,831
JTPO/AWIO	132,229		132,229
Subtotal	<u>298,335</u>	<u>325,947</u>	<u>624,282</u>
TOTAL FY 01	<u>\$ 725,911</u>	<u>\$2,731,212</u>	<u>\$3,457,123</u>
Percent of Total	21%	79%	

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APPENDIX B - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Summary Report by Type
 (Unaudited)

<u>Vendor/Grantee Type</u>	<u>Clients Served</u>	<u>Total Grants</u>
Private Training Institutions	698	\$ 722,802
Unions	269	276,967
Public Training Institutions	445	758,505
Native Organizations	137	226,974
Other	213	150,543
Client Reimbursements	68	40,013
Total	<u>1,830</u>	<u>\$ 2,175,804</u>

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APPENDIX B - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Summary Report by Type
 (Unaudited)

<u>Vendor/Grantee Type</u>	<u>Clients Served</u>	<u>Total Grants</u>
Private Training Institutions	651	\$ 656,667
Unions	265	381,151
Public Training Institutions	312	636,409
Native Organizations	129	350,291
Other	185	168,114
Client Reimbursements	55	26,677
Total	<u>1,597</u>	<u>\$ 2,219,309</u>

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APPENDIX B - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Summary Report by Type
 (Unaudited)

Vendor/Grantee Type	Clients Served	Total Grants
Private Training Institutions	409	\$ 574,271
Unions	286	297,329
Public Training Institutions	297	371,228
Native Organizations	210	167,869
Other	154	71,335
Client Reimbursement	26	23,583
Total	<u>1,382</u>	<u>\$ 1,505,615</u>

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APPENDIX B - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Summary Report by Type
 (Unaudited)

<u>Vendor/Grantee Type</u>	<u>Clients Served</u>	<u>Total Grants</u>
Private Training Institutions	304	\$ 625,683
Unions	377	603,938
Public Training Institutions	236	331,369
Native Organizations	130	169,157
Other	86	79,937
Client Reimbursements	33	33,339
Total	<u>1,166</u>	<u>\$ 1,843,423</u>

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APPENDIX B - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Summary Report by Type
 (Unaudited)

<u>Vendor/Grantee Type</u>	<u>Clients Served</u>	<u>Total Grants</u>
Private Training Institutions	272	\$ 482,738
Unions	716	758,684
Public Training Institutions	121	218,989
Native Organizations	115	192,266
Other	88	75,429
Client Reimbursements	48	18,833
Total	<u><u>1,360</u></u>	<u><u>\$ 1,746,939</u></u>

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APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Adult Learning Programs Of Alaska	Private Training	6	\$ -	\$ 451	\$ -	\$ -	\$ -	\$ 451
Airman Flight School	Private Training	1	2,870	-	-	-	-	2,870
Alaska Air Academy	Private Training	1	-	258	-	-	-	258
Alaska Center For Children & Adults	Private Training	1	-	185	-	-	-	185
Alaska Computer Institute	Private Training	6	-	18,230	-	-	-	18,230
Alaska Technical Training	Private Training	4	-	19,612	-	-	-	19,612
American Traffic Safety	Private Training	1	75	-	-	-	-	75
American Welding	Private Training	1	1,330	-	-	-	-	1,330
Asbeslos Removal Specialists Of Alaska	Private Training	1	600	-	-	-	-	600
Brigham Young	Private Training	1	-	832	-	-	-	832
CAE, Inc.	Private Training	1	-	3,780	-	-	-	3,780
Career Academy	Private Training	11	-	32,636	-	-	-	32,636
Career Comm	Private Training	12	-	-	-	-	159	159
Charter College	Private Training	39	-	37,366	-	-	-	37,366
Commercial Training	Private Training	1	-	2,595	-	-	-	2,595
Computer Express	Private Training	10	-	-	-	2,246	-	2,246
Computerland	Private Training	1	-	31	-	-	-	31
Data Bank Computer	Private Training	1	144	288	-	-	-	432
Elite Employment Services	Private Training	10	-	15,121	-	-	-	15,121
Embry Riddle Aeronautical	Private Training	1	-	2,479	-	-	-	2,479
Environmental Management, Inc.	Private Training	52	-	27,730	-	-	-	27,730
Fairnet, Inc.	Private Training	38	-	17,339	-	-	-	17,339
Floral Design Institute	Private Training	1	-	225	-	-	-	225
HDS, Inc.	Private Training	1	-	3,000	-	-	-	3,000
HMC, Inc.	Private Training	1	720	-	-	-	-	720
Hospice & Homecare	Private Training	16	9,460	-	-	-	464	9,924
Human Resources Center, Inc.	Private Training	157	-	-	-	114,142	-	114,142
ITT Technical Institute	Private Training	1	-	2,981	-	-	-	2,981
Linn-Benton Community College	Private Training	1	-	1,545	-	-	-	1,545
Literacy Council Of Alaska	Private Training	30	-	14,718	-	-	-	14,718
Metro Oasis Salon And School	Private Training	1	-	5,295	-	-	-	5,295
MILA, Inc.	Private Training	185	-	129,119	-	65,621	-	194,740
Network Business Systems	Private Training	5	-	5,459	-	-	-	5,459
New World Teachers	Private Training	1	-	2,000	-	-	-	2,000

APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
OPAG, Inc.	Private Training	45	\$ 6,506	\$ 38,045	\$ -	\$ -	\$ 4,833	\$ 49,384
People Count	Private Training	25	-	42,679	-	-	-	42,679
Pima Community College	Private Training	1	-	5,800	-	-	-	5,800
Red Cross Of America	Private Training	3	-	90	-	-	-	90
Revere Academy Of Jewelry Arts	Private Training	1	1,638	-	-	-	-	1,638
Rolf Institute	Private Training	1	-	4,900	-	-	-	4,900
Safely Quality Environment	Private Training	1	-	450	-	-	-	450
School Of Integrated Shiatsu	Private Training	1	6,001	-	-	-	-	6,001
Southern Methodist University	Private Training	1	-	7,500	-	-	-	7,500
SST Travel Schools	Private Training	1	3,845	-	-	-	-	3,845
Testing Institute Of Alaska	Private Training	2	1,901	5,500	-	-	-	7,401
Travel School	Private Training	1	-	2,850	-	-	-	2,850
Trophy Tan & Taxidermy	Private Training	1	-	-	3,838	-	-	3,838
University Of Washington	Private Training	1	-	681	-	-	-	681
Valley Academy Of Nursing	Private Training	3	-	6,000	-	-	-	6,000
Wayland University	Private Training	2	-	3,248	-	-	-	3,248
West Coast Training, Inc.	Private Training	2	-	8,830	-	-	-	8,830
Yukon Delta Fisheries Development Association	Private Training	6	26,561	-	-	-	-	26,561
Total Private Training Institutions		698	61,651	469,848	3,838	182,009	5,456	722,802
Alaska Joint Electrical Apprenticeship	Union	74	6,101	-	-	-	71,623	77,724
Alaska Laborers Training Trust Fund	Union	111	95,752	-	-	-	11,577	107,329
Alaska Operating Engineers	Union	9	-	-	-	-	1,695	1,695
Alaska Roofers Joint Apprenticeship	Union	21	45,910	-	-	-	812	46,722
Carpenters	Union	21	17,672	-	-	-	-	17,672
Center For Employment Education	Union	5	-	8,237	-	-	-	8,237
International Longshore And Warehouse Union	Union	28	12,277	-	-	-	5,311	17,588
Total Unions		269	177,712	8,237	-	-	91,018	276,967
Alaska Vocational Technical Education Center	Public Training	22	41,621	27,257	-	-	27,974	96,852

APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
City Of Wrangell	Public Training	2	\$ -	\$ -	\$ -	\$ 721	\$ 1,600	\$ 2,321
Copper Valley Education	Public Training	27	20,454	-	-	-	63,440	83,894
Dept. of Labor & Workforce Development	Public Training	29	4,551	89,000	-	-	308	93,859
New Frontier Vocational Technical Center	Public Training	1	-	1,975	-	-	-	1,975
Norton Sound Education	Public Training	20	20,180	-	-	-	14,076	34,256
Rural Assessment - Case Management	Public Training	162	-	-	-	90,125	-	90,125
Step Power Plant Rsa	Public Training	30	565	26,540	-	-	27,126	54,231
University Of Alaska	Public Training	13	-	12,355	-	-	4,050	16,405
University Of Alaska - Anchorage	Public Training	75	-	66,756	-	70,388	-	137,144
University Of Alaska - Anchorage/Matsu	Public Training	29	-	21,216	-	-	-	21,216
University Of Alaska - Chukchi	Public Training	1	-	159	-	-	-	159
University Of Alaska - Fairbanks	Public Training	22	-	63,012	-	-	14,307	77,319
University Of Alaska - Kenai	Public Training	1	-	1,129	-	-	-	1,129
University Of Alaska - Kuskokwim	Public Training	1	-	13,831	-	-	-	13,831
University Of Alaska Law Rsa	Public Training	10	33,789	-	-	-	-	33,789
Total Public Training Institution		445	121,160	323,230	-	161,234	152,881	758,505
Association Of Village Council Presidents	Native Entity	40	2,900	-	-	-	19,569	22,469
BBC Human Resource	Native Entity	30	10,268	-	-	93,416	-	103,684
Bristol Bay Native Association	Native Entity	10	22,105	-	-	-	4,995	27,100
Fairbanks Native Association	Native Entity	1	-	-	1,666	-	-	1,666
Gana A Yoo Ltd	Native Entity	4	-	5,389	-	-	949	6,338
Ilisagvik College	Native Entity	2	-	-	-	-	2,425	2,425
Ilisquik College	Native Entity	1	-	-	-	-	2,531	2,531
Kake Tribal Corp.	Native Entity	30	-	-	-	3,125	-	3,125
Maniilaq Association	Native Entity	1	-	-	-	-	280	280
Naabia Niign, Ltd.	Native Entity	2	-	-	1,691	-	-	1,691
Nulato Tribal Council	Native Entity	2	-	-	-	-	300	300
Southeast Regional Resource Center, Inc.	Native Entity	2	-	7,100	-	-	-	7,100
Yukon-Kuskokwim Health Corporation	Native Entity	12	28,336	-	-	-	19,929	48,265
Total Native Organizations		137	63,609	12,489	3,357	96,541	50,978	226,974
Action Auto Parts & Glass	Other	3	-	-	-	-	625	625
Action See	Other	1	-	-	1,740	-	-	1,740
Air Liquide America Corp.	Other	1	212	-	-	-	-	212

APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Alaska Budget Motel	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 643	\$ 643
Alaska Health Project	Other	2	-	4,473	525	-	-	4,998
Alaska Industrial X-Ray	Other	1	200	-	-	-	-	200
Alaska Marine Highway System	Other	3	-	-	-	-	1,285	1,285
Alaska Textiles	Other	2	-	-	-	-	292	292
American Express	Other	8	-	-	-	-	9,805	9,805
Ansonia Hotel	Other	1	-	-	-	-	625	625
Araserve, Inc.	Other	1	-	-	-	-	100	100
Arc N' Sparc	Other	1	-	-	-	-	375	375
Aurora	Other	1	-	4,400	-	-	-	4,400
Bering Air	Other	1	-	-	-	-	105	105
Big Rays, Inc.	Other	2	-	-	-	-	366	366
Brown & Sons Auto Parts	Other	1	-	-	-	-	450	450
Builders Bargain	Other	1	-	-	743	-	-	743
C & B Of Juneau	Other	5	-	-	-	-	300	300
Cellular Connection	Other	1	-	-	1,312	-	-	1,312
Coastal Village Fisheries	Other	5	-	-	-	-	6,942	6,942
Code West	Other	1	\$ -	\$ 900	\$ -	\$ -	\$ -	\$ 900
Compass North	Other	1	-	840	-	-	-	840
Concorde Hotel	Other	1	-	-	-	-	392	392
Copier Care	Other	3	-	232	-	-	-	232
Cusack Development Co.	Other	1	-	-	-	-	577	577
Denali Industrial Supplies, Inc.	Other	1	-	156	-	-	-	156
Easy Travel	Other	2	-	-	-	-	554	554
Fairbanks North Star Borough	Other	5	-	-	-	-	1,231	1,231
Fat Freddies	Other	2	-	-	-	-	178	178
Fred Meyer, Inc.	Other	1	-	-	-	-	70	70
GCI	Other	3	-	139	-	-	-	139
Goldpanners Chevron	Other	4	-	-	-	-	76	76
Hageland Aviation	Other	1	-	-	-	-	210	210
Haircuts Are Us	Other	1	-	-	-	-	13	13
Hartec Management	Other	1	-	595	-	-	-	595
Helmbrecht Dental	Other	1	-	-	-	-	228	228
Holland American Line	Other	2	-	-	-	-	725	725
Home First National	Other	1	-	-	2,750	-	-	2,750

APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Ikes Fuel	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 181	\$ 181
Interior Graphics	Other	2	-	-	-	-	166	166
J & B North, Inc.	Other	1	-	-	-	-	850	850
J.C. Penney, Inc.	Other	1	-	-	-	-	70	70
Ketchikan General Hospital	Other	1	-	-	-	-	98	98
Ketchikan Travel	Other	2	-	-	-	-	581	581
Kinkos	Other	2	-	-	-	-	102	102
Klondike Inn	Other	1	-	-	-	-	108	108
K-Mart	Other	2	-	121	-	-	597	718
Lamonts	Other	7	198	-	-	-	733	931
Lewis Motors	Other	1	-	-	-	-	725	725
Light House Service	Other	1	-	-	-	-	202	202
Lynden Transport	Other	1	-	-	-	-	1,071	1,071
Manilaq Medical Center	Other	1	-	-	-	-	140	140
Michael & Carol Morrison	Other	1	-	-	-	-	450	450
Mikes Chevron	Other	6	78	-	-	-	1,681	1,759
Municipal Utility Services	Other	15	200	356	-	-	-	556
N.W. Arctic Borough	Other	6	-	11,718	-	-	6,090	17,808
National Bank Of Alaska	Other	1	-	-	-	-	2,700	2,700
Neighborhood Health	Other	3	41	-	-	-	123	164
Northern Keta Caviar	Other	2	1,275	-	-	-	-	1,275
Northland Books & Charts	Other	2	-	200	-	-	-	200
Nugget Alaska Outfitter	Other	2	-	-	-	-	246	246
Omni Computer	Other	1	-	-	1,015	-	-	1,015
Paulson, Eric DDS	Other	1	-	-	-	-	145	145
Peninsula Motel	Other	1	-	-	-	-	147	147
Rapid Tool & Supply	Other	1	-	-	-	-	785	785
Sears	Other	2	-	-	-	-	536	536
Seward Life Action Co.	Other	2	-	-	-	-	220	220
Ship Creek Hotel	Other	1	-	-	-	-	106	106
Soldotna Kiddie Kare	Other	1	-	-	-	-	200	200
Southeast Executavel	Other	4	-	-	-	-	1,556	1,556
Southern Alaska Forwarding	Other	1	-	-	-	-	1,025	1,025
Stylistix Team Salon	Other	1	-	500	-	-	-	500
Sundial Resorts, Inc.	Other	1	-	-	-	-	3,494	3,494

APPENDIX C - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Super 8 Motel	Other	2	\$ -	\$ -	\$ -	\$ -	\$ 73	\$ 73
Taiga Sales Co.	Other	1	-	-	-	-	98	98
Taquan Travel	Other	1	-	-	-	-	347	347
Travelltime Inc.	Other	1	-	-	-	-	309	309
Tucson Electric Power	Other	1	-	-	-	-	185	185
U.S. Passport Services	Other	1	-	-	-	-	65	65
U.S. Postmaster	Other	35	-	-	-	-	120	120
Uniglobe Travel	Other	4	-	-	-	-	995	995
Vista Travel	Other	7	-	-	-	-	6,137	6,137
Wards Cove Packing	Other	7	26,808	-	-	-	29,192	56,000
Total Other		213	29,012	24,630	8,085	-	88,816	150,543
Individual Training	Client Reimbursement	68	-	11,963	5,411	-	22,639	40,013
Total Client Reimbursement		68	-	11,963	5,411	-	22,639	40,013
Total		1,830	\$ 453,144	\$ 850,397	\$ 20,691	\$ 439,784	\$ 411,788	\$ 2,175,804

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Alaska Technical Center	Private Training	7	\$ -	\$ 30,552	\$ -	\$ -	\$ 2,072	\$ 32,624
Asbestos Removal Specialists Of Alaska	Private Training	1	600	-	-	-	-	600
Aurora North Emergency Services	Private Training	1	-	450	-	-	-	450
Biz Works Computer Training	Private Training	13	-	20,960	-	-	-	20,960
Boise State University	Private Training	1	-	1,294	-	-	-	1,294
Browns School Of Phlebotomy	Private Training	1	-	2,460	-	-	-	2,460
CAE, Inc.	Private Training	1	8,970	-	-	-	-	8,970
Career Academy	Private Training	4	-	21,664	-	-	-	21,664
Central Texas College	Private Training	1	-	560	-	-	-	560
Charter College	Private Training	2	-	7,786	-	-	-	7,786
Continuing Education Center	Private Training	1	-	2,387	-	-	-	2,387
Deaf Community	Private Training	1	1,701	-	-	-	75	1,776
Embry Riddle Aeronautical	Private Training	1	-	1,237	-	-	-	1,237
Environmental Management, Inc.	Private Training	25	22,688	9,758	-	-	-	32,446
Fairbanks Memorial Hospital	Private Training	2	1,660	-	-	-	-	1,660
Government Computer Sales, Inc.	Private Training	118	-	-	-	2,122	-	2,122
Graceland College	Private Training	1	895	-	-	-	-	895
Ground Zero Tech-Works	Private Training	1	-	4,000	-	-	-	4,000
Human Resource Center, Inc.	Private Training	227	-	-	-	114,614	-	114,614
Infotech Commercial Systems	Private Training	2	1,794	-	-	-	-	1,794
International Institute For Surface Transportation	Private Training	1	-	3,000	-	-	-	3,000
Lindberg Maryland Seamanship Schools	Private Training	2	835	-	-	-	625	1,460
Microage	Private Training	1	-	5,500	-	-	-	5,500
MILA, Inc.	Private Training	177	-	135,624	-	98,794	-	234,418
National Public Radio	Private Training	1	2,387	-	-	-	-	2,387
Network Business System	Private Training	1	-	5,500	-	-	-	5,500
New Concepts Beauty School	Private Training	1	-	-	-	50	-	50
Refrigeration Schools	Private Training	1	-	2,810	-	-	-	2,810
Regional Drug & Alcohol Counselor	Private Training	7	8,638	-	-	-	12,627	21,265
Renew U Design Academy	Private Training	1	-	7,240	-	-	-	7,240
Sheldon Jackson College	Private Training	1	-	2,672	-	-	-	2,672

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
South Peninsula Hospital	Private Training	1	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 800
S.E. Alaska Marine Services	Private Training	1	-	375	-	-	-	375
SST Travel Schools	Private Training	2	-	5,567	-	-	-	5,567
Testing Institute Of Alaska	Private Training	4	-	22,205	-	-	-	22,205
Trendsetters	Private Training	1	-	2,482	-	-	-	2,482
Valley Academy Of Nursing	Private Training	9	-	22,500	-	-	-	22,500
Wayland Baptist University	Private Training	2	-	1,651	-	-	-	1,651
Weber State University	Private Training	3	-	14,509	-	-	-	14,509
West Coast Training, Inc.	Private Training	2	-	13,800	-	-	-	13,800
Wilson & Wilson, CPA	Private Training	20	24,910	-	-	-	-	24,910
Wolfe Management	Private Training	1	-	1,267	-	-	-	1,267
Total to Private Training Institutions		651	75,078	350,610	-	215,580	15,399	656,667
Alaska Joint Electrical Apprenticeship	Union	40	-	-	-	-	70,824	70,824
Alaska Laborers Training Trust Fund	Union	139	59,116	22,300	-	-	9,514	90,930
Alaska Operating Engineers	Union	3	-	4,950	-	-	-	4,950
Alaska Roofers Joint Apprenticeship	Union	18	43,424	-	-	-	-	43,424
Center For Employment Education	Union	25	64,798	29,290	-	-	20,729	114,817
Fairbanks Alaska Carpenter Training	Union	10	-	21,696	-	-	-	21,696
Fairbanks Area Painters-Decorators	Union	10	-	18,481	-	-	-	18,481
International Longshore And Warehouse Union	Union	20	16,029	-	-	-	-	16,029
Total Unions		265	183,367	96,717	-	-	101,067	381,151
98 Rural Assessment	Public Training	-	-	-	-	58,097	-	58,097
Alaska Vocational Technical Education	Public Training	15	-	16,372	-	-	17,338	33,710
Copper Valley Education	Public Training	41	32,744	1,047	-	-	44,665	78,456
Dept. Of Community & Economic	Public Training	1	-	185	-	-	-	185
New Frontier Vocational Technical	Public Training	30	39,500	7,900	3,270	14,256	935	65,861
Rsa 2180048	Public Training	20	-	1	-	17,417	2,786	20,204
Step Power Plant Operator	Public Training	20	-	21,341	-	-	9,023	30,364
University Of Alaska	Public Training	11	-	8,381	-	-	125	8,506

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Err.ployment Assistance	Support Services	Total Grants
University Of Alaska - Anchorage	Public Training	95	\$ -	\$ 57,459	\$ -	\$ 59,552	\$ -	\$ 117,011
University Of Alaska - Anchorage/Matsu	Public Training	1	-	33,862	-	-	-	33,862
University Of Alaska - Chukchi	Public Training	1	-	724	-	-	-	724
University Of Alaska - Fairbanks	Public Training	73	-	155,634	-	-	32,347	187,981
University Of Alaska - Southeast	Public Training	4	-	1,448	-	-	-	1,448
Total Public Training Institutions		312	72,244	304,354	3,270	149,322	107,219	636,409
Allakaket Village Council	Native Entity	2	-	-	-	-	252	252
Bristol Bay Native Association	Native Entity	19	21,293	21,224	-	28,236	22,851	93,604
Kake Tribal Corp.	Native Entity	15	49,159	-	-	-	15,138	64,297
Rural Cap Child Development	Native Entity	1	-	-	-	-	844	844
Southeast Alaska Regional Health	Native Entity	36	16,921	-	-	-	29,532	46,453
Southeast Regional Resource Center Inc.	Native Entity	7	-	23,700	-	-	-	23,700
Tanana Chiefs Conference	Native Entity	36	16,205	2,110	-	6,718	45,582	70,615
Totem Travel	Native Entity	1	-	-	-	-	190	190
Yukon-Kuskokwim Health Corporation	Native Entity	12	33,265	-	-	-	17,071	50,336
Total Native Organizations		129	136,843	47,034	-	34,954	131,460	350,291
A & W Wholesale	Other	1	-	-	-	-	46	46
Action Auto Parts	Other	1	-	-	-	-	420	420
Advantage Rent A Car	Other	1	-	-	-	-	160	160
AEL&P	Other	4	-	-	-	-	1,570	1,570
Air Liquide America Corp.	Other	4	-	-	-	889	38	927
Alaska Forest Creations	Other	10	37,525	-	-	-	19,021	56,546
Alaska Industrial Hardware	Other	1	-	-	-	-	165	165
Alaska Marine Highway System	Other	1	-	-	-	-	41	41
Ambassador Apartments	Other	1	-	-	-	-	700	700
American Express	Other	3	-	-	-	-	2,184	2,184
Anchorage Lakefront	Other	1	-	-	-	-	75	75
Anchorage Suite Lodge	Other	1	-	-	-	-	454	454
Anita Finch DbA	Other	1	-	-	-	-	704	704
Appliance Service	Other	1	-	-	-	-	361	361

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Aramark Corp.	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 1,020	\$ 1,020
Arctic Travel	Other	2	-	-	-	-	420	420
Army Navy Surplus	Other	1	-	-	-	-	250	250
Barrow Airport Inn	Other	1	-	-	-	-	135	135
Behrends Mechanical Inc.	Other	1	-	-	-	-	356	356
Bellevue Travel Lodge	Other	1	-	-	-	-	508	508
Bering Air	Other	1	-	-	-	-	96	96
Best Western Country	Other	1	-	-	-	-	65	65
Big Rays, Inc.	Other	4	-	-	-	434	519	953
Big Sky Fire Protection, Inc.	Other	1	-	-	4,176	-	-	4,176
Brown & Sons Auto Parts	Other	3	-	-	-	-	974	974
C & B Of Juneau	Other	6	-	-	-	-	405	405
Capital Cab	Other	1	-	-	-	-	612	612
Cellular Connection	Other	1	-	-	2,048	-	-	2,048
Chugach Children Services	Other	1	-	95	-	-	-	95
Comfort Inn	Other	1	-	-	-	-	467	467
Conkles Automotive Repair	Other	1	-	-	-	-	400	400
Creative Play & Preschool	Other	1	-	-	-	-	435	435
Deeter, Randy DDS	Other	1	-	-	-	-	1,128	1,128
Division Of Occupational Licensing	Other	1	-	-	-	-	100	100
Driftwood Lodge	Other	1	-	-	-	-	1,364	1,364
Econolodge	Other	1	-	-	-	-	1,400	1,400
Fairbanks Daily News Miner	Other	1	-	-	-	99	-	99
Fairbanks North Star Borough	Other	7	-	-	-	-	2,699	2,699
Fred Meyer	Other	2	-	-	-	-	400	400
Genuine Part Co.	Other	1	-	-	-	-	323	323
Glacier Muffler & Towing	Other	1	-	-	-	-	500	500
Goldpanners Chevron	Other	2	-	-	-	-	275	275
Happy Hooker Towing	Other	1	-	-	1,200	-	-	1,200
Hogan, Meecham, Hogan	Other	3	-	2,623	1,100	-	-	3,723
Hospitality Unlimited	Other	1	-	-	-	-	969	969
Interior Graphics	Other	2	-	-	-	-	175	175
J. C. Penney, Inc.	Other	1	-	-	-	-	196	196

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Johnstone Supply	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 1,339	\$ 1,339
Kinkos	Other	3	-	-	-	-	85	85
K-Mart	Other	3	-	-	-	-	225	225
Lab Flying Service	Other	1	-	-	-	-	122	122
Lamonts	Other	7	-	-	-	-	824	824
Laskey, John DDS	Other	1	-	-	-	-	750	750
Marbil Services	Other	1	-	-	-	-	2,216	2,216
Mendenhall Valley Tesoro	Other	1	-	-	-	-	80	80
Mikes University Chevron	Other	11	-	-	-	-	3,695	3,695
Mortgage	Other	1	-	-	3,992	-	-	3,992
N.W. Arctic Borough	Other	3	-	3,310	-	-	4,303	7,613
Naabia Niign Ltd.	Other	1	-	-	56	-	-	56
Northern Keta Caviar	Other	2	10,500	-	-	-	5,177	15,677
Northern Lights Heating & Cooling	Other	1	3,360	-	-	-	-	3,360
Northland Books & Charts	Other	5	-	380	-	-	397	777
Nugget Alaskan	Other	2	-	-	-	-	482	482
Payless Drugs	Other	1	-	-	-	-	88	88
Peninsula Motel Association	Other	1	-	-	-	-	265	265
Price Costco	Other	1	-	-	-	-	1,015	1,015
Rapid Tool & Supply	Other	1	-	-	-	-	1,289	1,289
Rental Management Services	Other	1	-	2,800	-	-	-	2,800
Riederer, Mark DDS	Other	1	-	-	-	-	320	320
Seafarers Welfare Plan	Other	1	-	210	-	-	-	210
Sears	Other	8	-	-	-	-	5,124	5,124
Sears Optical	Other	12	-	-	-	2,657	-	2,657
Security Aviation, Inc.	Other	1	-	5,500	-	-	-	5,500
Sego Consultants	Other	1	-	695	-	-	-	695
Silver Eagle Transport	Other	1	-	-	-	-	84	84
Sitka Council On Alcohol And Drug Abuse	Other	1	-	-	-	-	160	160
Soldotna Kiddie Kare	Other	1	-	-	-	-	391	391
Sourdough Lodging	Other	1	-	-	-	-	2,395	2,395
Southeast Executavel	Other	7	-	-	-	-	4,390	4,390

APPENDIX C - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Sunshine Travel	Other	2	\$ -	\$ -	\$ -	\$ -	\$ 3,069	\$ 3,069
Sweetwater Travel	Other	1	-	-	-	-	268	268
Switzer Village Mobile	Other	1	-	-	-	-	235	235
Taku Oil Sales	Other	1	-	-	-	-	423	423
Tanana Valley Clinic	Other	4	-	-	-	-	145	145
Taquan Travel	Other	2	-	-	-	-	1,336	1,336
Technology Connection	Other	1	-	-	-	-	309	309
Tonys Int., Inc.	Other	1	-	-	333	-	-	333
U. S. Postmaster	Other	-	-	-	-	-	115	115
U-Haul	Other	1	-	-	-	-	808	808
United Insurance	Other	1	-	-	-	-	78	78
Total Other		185	51,385	15,613	12,905	4,079	84,132	168,114
Client Reimbursements	Individual Training	55	-	1,700	1,320	-	23,357	26,677
Total Client Reimbursements		55	-	1,700	1,620	-	23,357	26,677
	Total	1,597	\$ 518,917	\$ 816,028	\$ 17,795	\$ 403,935	\$ 462,634	\$ 2,219,309

APPENDIX C - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OTJ	Employment Assistance	Support Services	Total Grants
AAI Engineering Support	Private Training	1	\$ -	\$ 3,020	\$ -	\$ -	\$ -	\$ 3,020
Academy Of Myofascial	Private Training	1	-	5,500	-	-	-	5,500
Airplane Training Professionals	Private Training	1	-	1,895	-	-	-	1,895
American Airlines Travel Academy	Private Training	1	-	3,695	-	-	1,292	4,987
Boise State University	Private Training	1	-	1,236	-	-	-	1,236
Browns School Of Phlebotomy	Private Training	1	-	3,660	-	-	-	3,660
Career Academy	Private Training	3	-	14,495	-	-	-	14,495
Charter College	Private Training	5	-	8,443	-	-	-	8,443
Cornerstone Home Health Care	Private Training	40	67,393	-	-	-	19,739	87,132
Data Bank Computer Services	Private Training	1	-	4,855	-	-	-	4,855
Embry Riddle Aeronautical	Private Training	1	-	1,793	-	-	-	1,793
Environmental Management, Inc.	Private Training	3	1,645	1,220	-	-	-	2,865
Flight Safety Alaska	Private Training	1	-	5,500	-	-	-	5,500
Flight Safety International	Private Training	1	-	4,675	-	-	-	4,675
Galvin Flight Training	Private Training	1	-	5,500	-	-	-	5,500
Human Resource Center, Inc., Inc.	Private Training	174	-	-	-	68,382	-	68,382
Juneau Urgent Care	Private Training	1	-	88	-	-	-	88
Kasilof Medical	Private Training	1	-	2,500	-	-	-	2,500
MILA, Inc.	Private Training	121	-	139,112	-	30,600	-	169,712
Network Business Systems	Private Training	7	-	30,652	-	-	-	30,652
New Concepts Beauty School	Private Training	2	-	1,255	-	-	46	1,301
NRI School McGraw-Hill	Private Training	1	2,890	-	-	-	-	2,890
Red Cross Of America	Private Training	1	-	40	-	-	-	40
Regional Alcohol & Drug Abuse	Private Training	7	12,465	-	-	-	15,765	28,230
Sincom International	Private Training	1	-	5,400	-	-	-	5,400
SST Travel School	Private Training	2	-	7,890	-	-	-	7,890
Testing Institute Of Alaska	Private Training	10	-	39,625	-	-	-	39,625
Trophy Tan & Taxidermy	Private Training	1	-	-	2,999	-	-	2,999
University of California - Los Angeles	Private Training	1	-	3,000	-	-	-	3,000

APPENDIX C - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OTJ	Employment Assistance	Support Services	Total Grants
Valley Academy Of Nursing	Private Training	11	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ 36,000
West Coast Training	Private Training	5	-	17,500	-	-	-	17,500
Western Oregon University	Private Training	1	-	2,506	-	-	-	2,506
Tota Private Training Institutions		409	84,393	351,055	2,999	98,982	36,842	574,271
Alaska Joint Electrical Apprenticeship	Union	31	-	-	-	-	63,591	63,591
Alaska Laborers Training Trust Fund	Union	146	84,301	-	-	-	17,860	102,161
Alaska Operating Engineers	Union	82	5,656	-	-	-	29,578	35,234
Alaska Roofers Joint Apprenticeship	Union	17	41,630	-	-	-	-	41,630
Center For Employment Education	Union	10	100	54,613	-	-	-	54,713
Total Unions		286	131,687	54,613	-	-	111,029	297,329
Alaska Technical Center	Public Training	1	-	2,045	-	-	7,165	9,210
Alaska Vocational Technical Education Center	Public Training	21	-	9,465	-	-	22,242	31,707
Board Of Cooperative Education Services	Public Training	1	-	3,000	-	-	-	3,000
Copper Valley Education	Public Training	10	9,759	-	-	-	1,189	10,948
Dept. of Community & Economic Development	Public Training	3	-	330	-	-	105	435
Development	Public Training	11	-	5,380	-	13,994	686	20,060
New Frontier Vocational Technical Education Center	Public Training	1	-	9,900	-	-	-	9,900
Rural Assessment, Case Management	Public Training		-			21,170	-	21,170
University Of Alaska - Anchorage	Public Training	65	-	45,857	-	-	2,429	48,286
University Of Alaska - Anchorage/Matsu	Public Training	31	-	20,387	-	-	-	20,387
University Of Alaska - Fairbanks	Public Training	77	-	77,723	-	-	9,085	86,808
University Of Alaska - Kenai	Public Training	64	-	105,467	-	425	-	105,892

APPENDIX C - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OTJ	Employment Assistance	Support Services	Total Grants
University Of Alaska - Southeast	Public Training	12	\$ -	\$ 3,425	\$ -	\$ -	\$ -	\$ 3,425
Total Public Training Institutions		297	9,759	282,979	-	35,589	42,901	371,228
Bristol Bay Native Association	Native Entity	6	-	3,550	-	-	7,731	11,281
Chiulista Camp Service	Native Entity	6	10,584	-	-	-	4,691	15,275
Cook Inlet Council On Alcohol	Native Entity	66	-	-	-	-	1,980	1,980
Ilisagvik College	Native Entity	7	-	4,213	-	-	9,200	13,413
Kake Foods Inc.	Native Entity	1	-	17	-	-	-	17
Kake Tribal Corp.	Native Entity	3	5,837	-	-	-	440	6,277
Naabia Niign Inc.	Native Entity	10	-	-	2,824	-	-	2,824
Southeast Alaska Regional Health Consortium	Native Entity	36	11,035	-	-	-	2,666	13,701
Inc.	Native Entity	31	42,578	3,850	-	-	635	47,063
Sitka Tribe Of Alaska	Native Entity	1	-	600	-	-	-	600
Tlingit & Haida Central Council	Native Entity	43	3,307	-	-	-	4,685	7,992
Tlingit & Haida Head Start	Native Entity	-	27,768	-	-	-	19,678	47,446
Total Native Organizations		210	101,109	12,230	2,824	-	51,706	167,869
A & W Wholesale	Other	1	-	-	-	-	233	233
AEL&P	Other	1	-	-	-	-	115	115
Alaska Coastal Homes Inc.	Other	1	-	498	-	-	-	498
Alaska Dried Foods	Other	10	-	1,660	-	-	100	1,760
Alaska Industrial X-Ray	Other	2	-	400	-	-	-	400
Anchorage Corporate Suites	Other	1	-	-	-	-	810	810
Arctic Travel	Other	1	-	-	-	-	352	352
Bens Super Store	Other	1	-	-	-	-	499	499
Big Rays	Other	1	-	-	-	-	298	298
Bovey Trophies	Other	1	-	-	386	-	-	386
C & B Of Juneau	Other	7	-	-	-	-	450	450
City Of Nenana	Other	1	-	-	268	-	-	268
Compass North	Other	1	-	637	-	-	-	637
Crown Plaza	Other	1	-	-	-	-	559	559
Double R Property Mgmt	Other	1	-	-	-	-	3,180	3,180

APPENDIX C - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OTJ	Employment Assistance	Support Services	Total Grants
Easy Travel	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 488	\$ 488
Eye Clinic Of Fairbanks	Other	1	-	-	-	-	155	155
Fairbanks North Star Borough	Other	18	-	-	-	-	782	782
Fairbanks Radiator	Other	2	-	-	-	-	520	520
Fred Meyer	Other	2	-	-	-	-	318	318
Goldpanners Chevron	Other	2	-	-	-	-	120	120
Hillside On Gambell	Other	1	-	-	-	-	374	374
His & Hers	Other	1	-	2,800	-	-	-	2,800
Hogan, Meecham, Hogan	Other	1	-	1,626	-	-	-	1,626
Howard Johnson Plaza Hotel	Other	1	-	533	-	-	-	533
IHH Industries	Other	3	-	-	7,119	-	-	7,119
Indian Valley Meats Inc.	Other	5	7,250	-	-	-	7,250	14,500
Ketchikan Gateway Borough	Other	1	-	-	-	-	25	25
K-Mart	Other	3	-	-	-	-	298	298
La Quinta	Other	1	-	-	-	-	809	809
Lamonts	Other	2	-	-	-	-	300	300
McGinnis & Associates	Other	1	-	-	-	-	35	35
Mikes University Chevron	Other	16	-	-	-	-	1,278	1,278
N.W. Arctic Borough	Other	1	-	-	-	-	1,781	1,781
Brown & Sons Auto Parts	Other	2	-	-	-	-	566	566
Northland Books & Charts	Other	7	-	935	-	-	-	935
Nugget Alaska Outfitters	Other	2	-	-	-	-	389	389
Office Max	Other	3	-	-	-	-	303	303
PTI Communications	Other	1	-	-	-	-	82	82
Reliable Transfer	Other	1	-	-	-	-	2,500	2,500
Sears Industrial	Other	1	-	-	-	-	1,193	1,193
Sears Optical	Other	1	-	-	-	-	228	228
Seward Bus Line	Other	1	-	-	-	-	30	30
Seward Ship Chandlery	Other	3	-	-	-	-	162	162
Shaub-Ellison Co.	Other	1	-	-	-	-	300	300
Silicon Valley	Other	1	-	-	-	-	1,068	1,068
Sitka Community Hospital	Other	2	-	-	-	-	288	288
Southeast Executtravel	Other	2	-	-	-	-	525	525

APPENDIX C - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OTJ	Employment Assistance	Support Services	Total Grants
Sprucewood Park	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ 300
Stans Appliance	Other	1	-	-	5,160	-	-	5,160
Sweetwater Travel	Other	14	-	-	-	-	5,466	5,466
Switzer Village Mobile Park	Other	1	-	-	-	-	235	235
Tanana Valley Clinic	Other	1	-	-	-	-	145	145
Taquan Travel	Other	1	-	-	-	-	729	729
Tongass Regional Eye Clinic	Other	1	-	-	-	-	400	400
Tool Crib Of The North	Other	1	-	-	-	-	610	610
Totem Chevron	Other	3	-	-	-	-	145	145
Transportation Systems	Other	1	-	980	-	-	-	980
Trimbel Navigation Ltd	Other	1	-	1,800	-	-	-	1,800
Twilight Travel	Other	1	-	-	-	-	394	394
Underwater Sports Inc.	Other	1	-	1,150	-	-	-	1,150
Urbachs	Other	2	-	-	-	-	408	408
Virginia Mason Medical	Other	1	-	-	-	-	49	49
Wrangell Medical Clinic	Other	1	-	-	-	-	489	489
Total Other		154	7,250	13,019	12,933	-	38,133	71,335
Client Reimbursement	Individual Training	26	-	1,604	-	-	21,979	23,583
Total Client Reimbursement		26	-	1,604	-	-	21,979	23,583
	Total	1,382	\$ 334,138	\$ 715,500	\$ 18,756	\$ 134,571	\$ 302,590	\$ 1,505,615

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APPENDIX C - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
A Head of Time Hair	Private Training	2	\$ -	\$ 9,400	\$ -	\$ -	\$ -	\$ 9,400
Alaska Flying Network, Inc.	Private Training	1	-	7,400	-	-	-	7,400
Alaska Technical Center	Private Training	1	-	700	-	-	5,047	5,747
Alaska West Training Center	Private Training	1	-	770	-	-	-	770
American Red Cross	Private Training	1	-	25	-	-	-	25
Aurora North Emergency Services	Private Training	3	-	5,880	-	-	40	5,920
AVI Computer Skills	Private Training	2	-	6,700	-	-	-	6,700
Browns School of Phlebotomy	Private Training	1	-	1,620	-	-	-	1,620
Career Academy	Private Training	8	-	41,817	-	-	-	41,817
Charter College	Private Training	4	-	20,359	-	-	-	20,359
CompUSA	Private Training	2	-	1,445	-	-	-	1,445
Cornerstone Home Health Care	Private Training	10	-	10,000	-	-	-	10,000
Crestone Healing Center	Private Training	1	-	4,950	-	-	-	4,950
Environmental Management Inc.	Private Training	16	-	13,004	-	-	-	13,004
Health Education Center	Private Training	3	-	4,300	-	-	-	4,300
HRC, Inc.	Private Training	70	-	-	-	102,067	-	102,067
ICS Business Industrial Training	Private Training	1	-	689	-	-	-	689
Literacy Council Of Alaska	Private Training	26	15,366	-	-	-	-	15,366
Lundberg Maryland Seamanship Schools Inc.	Private Training	1	-	475	-	-	-	475
MILA, Inc.	Private Training	71	-	135,603	-	57,530	-	193,133
Network Business Systems	Private Training	4	-	19,151	-	-	-	19,151
New Frontier Vo-Tech Center	Private Training	4	-	16,100	-	-	-	16,100
North American Technical College	Private Training	1	-	5,500	-	-	-	5,500
North Star Computing	Private Training	21	22,000	350	-	-	-	22,350
Nova University/Florida	Private Training	1	-	910	-	-	-	910
Pacific Rim Inst. Of Safety & Mngmt.	Private Training	1	-	2,520	-	-	-	2,520
Physicians Review & Consulting	Private Training	1	-	1,440	-	-	-	1,440
Regional Alcohol & Drug Abuse	Private Training	8	10,765	-	-	-	12,577	23,342
Renew U Hair Salon & School	Private Training	2	-	392	-	-	770	1,162
Revere Academy Of Jewelry Arts	Private Training	1	-	1,100	-	-	-	1,100

APPENDIX C - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Shear Allusions	Private Training	1	\$ -	\$ 5,225	\$ -	\$ -	\$ 198	\$ 5,423
Sitka Community Hospital	Private Training	1	-	165	-	-	-	165
Team Cutters	Private Training	12	3,432	-	-	-	-	3,432
Testing Institute of Alaska	Private Training	2	-	10,725	-	-	-	10,725
The Academy of Myofascial	Private Training	1	-	7,914	-	-	-	7,914
Trendsetters	Private Training	1	-	4,900	-	-	-	4,900
Trophy Tan & Taxidermy	Private Training	1	-	-	3,620	-	-	3,620
University of California - Los Angeles	Private Training	1	-	3,000	-	-	-	3,000
Valley Academy of Nursing Assistants	Private Training	4	-	14,000	-	-	-	14,000
Vidal Sassoon/Canada	Private Training	1	-	886	-	-	-	886
Wayland Baptist University	Private Training	1	-	1,080	-	-	-	1,080
West Coast Training Inc.	Private Training	3	-	13,772	-	-	-	13,772
Wizworks	Private Training	4	-	11,604	-	-	-	11,604
Worldwide Language Resources/Maine	Private Training	1	-	5,000	-	-	-	5,000
Wyatt Enterprises	Private Training	1	-	1,400	-	-	-	1,400
Total Private Training Institutions		304	51,563	392,271	3,620	159,597	18,632	625,683
Alaska Joint Electrical Apprenticeship	Union	26	7,320	-	-	-	55,457	62,777
Alaska Laborers Training Trust Fund	Union	208	136,777	13,002	-	-	23,423	173,202
Alaska Operating Engineers	Union	77	57,033	-	-	-	33,900	90,933
Alaska Roofers Joint Apprenticeship	Union	12	36,164	-	-	-	-	36,164
Anchorage Plumbers & Pipefitters Apprenticeship	Union	1	-	906	-	-	-	906
Center For Employment Education	Union	32	132,142	26,133	-	-	13,200	171,475
Fairbanks Alaska Carpenter Training Center	Union	1	-	600	-	-	-	600
Fairbanks Area Painters & Allied Trades	Union	12	25,272	-	-	-	-	25,272

APPENDIX C - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
International Union Of Painters & Allied Trades	Union	1	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 250
Piledrivers Local 2520	Union	6	32,254	-	-	-	9,866	42,120
Plumber & Pipefitter Union Local 262	Union	1	-	-	-	-	239	239
Total Unions		377	426,962	40,891	-	-	136,085	603,938
Alaska Energy Authority	Public Training	32	28,551	-	-	-	24,405	52,956
Alaska Vocational Technical Education Center	Public Training	60	74,257	12,851	-	-	14,092	101,200
Dept. of Labor & Workforce Development	Public Training	2	-	210	-	-	210	420
University of Anchorage - Kenai	Public Training	1	-	500	-	-	-	500
University of Alaska - Anchorage	Public Training	25	-	39,373	-	-	-	39,373
University of Alaska - Anchorage/Matsu	Public Training	5	-	7,004	-	-	-	7,004
University Of Alaska - Fairbanks	Public Training	99	40,072	73,656	-	-	-	113,728
University Of Alaska - Southeast	Public Training	12	-	13,569	-	-	2,619	16,188
Total to Public Training Institutions		236	142,880	147,163	-	-	41,326	331,369
Bristol Bay Native Association	Native Entity	25	18,694	-	-	-	26,318	45,012
Ilisagvik College	Native Entity	1	-	1,274	-	-	9,473	10,747
Knik Tribal Council	Native Entity	1	-	-	3,836	-	-	3,836
Norton Sound Health Corp.	Native Entity	9	1,049	-	-	-	1,900	2,949
Rural Cap	Native Entity	71	44,645	-	-	-	33,543	78,188
Southeast Alaska Regional Health Consortium	Native Entity	23	21,332	-	-	-	7,093	28,425
Total Native Organizations		130	85,720	1,274	3,836	-	78,327	169,157
Air Liquide America Corp.	Other	1	-	219	-	-	-	219
Alaska Aero Maintenance Services	Other	1	-	146	-	-	60	206
Alaska Airlines	Other	1	-	-	-	-	236	236
Alaska Coastal Homes	Other	1	-	280	-	-	-	280

APPENDIX C - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Dept. of Community & Economic Development	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 165	\$ 165
Alaska Industrial Hardware	Other	1	-	-	-	-	1,254	1,254
Alaska Trademark Shellfish	Other	3	10,035	-	-	-	25,280	35,315
Alaska Travel Concepts	Other	1	-	1,090	-	-	-	1,090
Anderson Apartments	Other	1	-	-	-	-	2,126	2,126
Best Western Golden Lion	Other	1	-	-	-	-	441	441
Big Ray's	Other	5	-	-	-	-	1,098	1,098
Bristol Bay Contractors	Other	1	-	-	-	-	280	280
Brown & Hawkins	Other	1	-	-	-	-	252	252
Brown & Sons Auto Parts	Other	2	-	-	-	-	494	494
City & Borough Of Juneau	Other	1	-	-	-	-	120	120
Coldwell Banker/Race Realty	Other	1	-	-	-	-	105	105
D.J.S Wheelhouse & Motel	Other	1	-	-	-	-	942	942
Dave's Shop	Other	1	-	-	-	-	481	481
Denali Telecom	Other	1	-	-	798	-	-	798
Driftwood Lodge	Other	1	-	-	-	-	648	648
Eye Clinic	Other	1	-	-	-	-	322	322
Fairbanks North Star Borough, Mac Transit	Other	3	-	-	-	-	195	195
Fred Meyer	Other	3	-	-	-	-	597	597
Goldstream Motors	Other	1	-	-	-	-	350	350
Hillside Motel	Other	1	-	-	-	-	606	606
Image Optical	Other	1	-	-	-	-	144	144
Interior Medical Supply	Other	3	-	-	-	-	132	132
Interior Welding & Tool Supply	Other	2	-	-	-	-	340	340
Intra-Sea Inc.	Other	6	-	8,628	-	-	-	8,628
Juneau Urgent Care	Other	1	-	-	-	-	99	99
Kade Mendelowitz, Multimakers	Other	1	-	330	-	-	-	330
Kalama River Inn	Other	1	-	-	-	-	659	659
Lake & Peninsula Airlines Inc.	Other	1	-	-	-	-	120	120
Lamonts	Other	3	-	-	-	-	356	356
Napa Auto Parts	Other	1	-	-	-	-	379	379

APPENDIX C - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
North Coast Electric Co.	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 969	\$ 969
Northern Lights Inn	Other	1	-	-	-	-	562	562
Northland Books & Charts	Other	1	-	-	-	-	85	85
Penske Auto Center/K-Mart	Other	1	-	-	-	-	292	292
People Mover	Other	1	-	-	-	-	120	120
Property Professionals/New Mexico	Other	1	-	-	-	-	3,300	3,300
Real Systems	Other	1	-	535	-	-	-	535
Residence Inn	Other	1	-	-	-	-	888	888
Southeast Board of Realtors	Other	1	-	295	-	-	358	653
Sea Marine Services	Other	1	-	564	-	-	-	564
Sears	Other	2	-	-	-	-	1,453	1,453
Seward Ship Chandlery	Other	2	-	145	-	-	48	193
Snap-On Tools	Other	2	-	-	-	-	1,998	1,998
Sunshine Travel	Other	5	-	-	-	-	2,697	2,697
Sweetwater Travel	Other	5	-	-	-	-	2,661	2,661
Tanana Childcare	Other	1	-	-	-	-	1,539	1,539
Twilight Travel	Other	1	-	-	-	-	459	459
Tyee Travel	Other	1	-	-	-	-	286	286
Via Vita Health Project	Other	1	-	-	-	-	875	875
Total Other		86	10,035	12,232	798	-	56,871	79,936
Client Reimbursement	Individual Training	33	-	9,545	-	-	23,795	33,340
Total Client Reimbursement		33	-	9,545	-	-	23,795	33,340
Total		1,166	\$ 717,160	\$ 603,376	\$ 8,254	\$ 159,597	\$ 355,036	\$ 1,843,423

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APPENDIX C - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Adult Learning Programs of Alaska	Private Training	3	\$ -	\$ 1,342	\$ -	\$ -	\$ -	\$ 1,342
Alaska Computer Essentials	Private Training	1	-	2,400	-	-	-	2,400
Alaska Institute Of Professional Nail Technicians	Private Training	1	-	4,650	-	-	-	4,650
Alaska School of Taxidermy	Private Training	1	-	5,500	-	-	-	5,500
Bar Stars Professional Bartending	Private Training	1	-	300	-	-	-	300
Browns School of Phlebotomy	Private Training	1	-	3,385	-	-	-	3,385
Career Academy	Private Training	2	-	9,054	-	-	-	9,054
Charter College	Private Training	1	-	5,500	-	-	-	5,500
Cornerstone Home Health Care	Private Training	60	58,892	-	-	-	9,229	68,121
Delta Mine Training	Private Training	4	-	1,300	-	-	-	1,300
Environmental Management Inc.	Private Training	4	-	1,770	-	-	-	1,770
F & F Safety Specialists Inc.	Private Training	3	-	1,250	-	-	-	1,250
Health Education Center	Private Training	2	-	5,600	-	-	-	5,600
HRC, Inc.	Private Training	45	-	41,026	-	68,810	-	109,836
MicroAge	Private Training	1	-	384	-	-	-	384
MILA, Inc.	Private Training	100	-	117,976	-	-	-	117,976
Network Business Systems	Private Training	5	-	20,513	-	-	-	20,513
North Star Computing Inc.	Private Training	3	-	2,556	-	-	-	2,556
Providence Health Systems	Private Training	2	-	3,600	-	-	-	3,600
Regional Alcohol & Drug Abuse	Private Training	20	25,149	-	-	-	37,231	62,380
Revere Academy Of Jewelry Arts	Private Training	1	-	5,500	-	-	-	5,500
TCBC Compueaze, Inc.	Private Training	1	-	5,040	-	-	-	5,040
Testing Institute Of Alaska Inc.	Private Training	4	-	18,220	-	-	-	18,220
Trend Setters	Private Training	1	-	4,900	-	-	-	4,900
Via Vita Health Project	Private Training	1	-	4,424	-	-	-	4,424
Wyatt Enterprises Inc.	Private Training	4	-	17,237	-	-	-	17,237
Total Private Training Institutions		272	84,041	283,427	-	68,810	46,460	482,738
Alaska Laborers Training Trust Fund	Union	300	139,868	-	-	-	51,978	191,846
Alaska Operating Engineers	Union	230	40,751	-	-	-	35,325	76,076

APPENDIX C - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Piledrivers Local 2520/JATP	Union	20	\$ 65,839	\$ -	\$ -	\$ -	\$ 24,381	\$ 90,220
Alaska Roofers Joint Apprenticeship	Union	12	44,452	-	-	-	-	44,452
Center For Employment Education	Union	35	160,899	15,240	-	-	100	176,239
Fairbanks Area Plumbers & Pipefitters	Union	1	-	237	-	-	-	237
Inland Boatmens Union of the Pacific	Union	118	133,191	-	-	-	46,423	179,614
Total Unions		716	585,000	15,477	-	-	158,207	758,684
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Alaska Vocational Technical Education	Public Training	5	-	6,627	-	-	2,600	9,227
Alaska Industrial Development & Export Authority	Public Training	59	32,615	-	-	-	72,445	105,060
Division Of Occupational Licensing	Public Training	9	-	1,680	-	-	210	1,890
N.W. Arctic Borough School District	Public Training	1	-	2,995	-	-	-	2,995
University Of Alaska - Anchorage	Public Training	13	-	33,992	-	-	-	33,992
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University of Alaska - Anchorage/Matsu	Public Training	1	-	3,525	-	-	-	3,525
University Of Alaska - Fairbanks	Public Training	26	-	52,383	-	-	-	52,383
University Of Alaska - Kenai	Public Training	6	-	9,560	-	-	-	9,560
University Of Alaska - Southeast	Public Training	1	-	357	-	-	-	357
Total Public Training Institutions		121	32,615	111,119	-	-	75,255	218,989
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Bering Straits Native Corp.	Native Entity	3	-	-	-	-	4,751	4,751
Bristol Bay Native Association	Native Entity	23	18,751	-	-	-	26,592	45,343
Igiugig Village Council	Native Entity	1	-	2,660	-	-	-	2,660
Iliamna Lake Contractors	Native Entity	1	-	-	3,259	-	-	3,259
Ilisaqvik College	Native Entity	1	-	936	-	-	815	1,751
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Inerior Athabaskan Tribal College	Native Entity	2	-	966	-	-	-	966
Nana Management Services, LLC.	Native Entity	1	-	190	-	-	-	190
Norton Sound Health Corp.	Native Entity	8	4,648	-	-	-	6,790	11,438

APPENDIX C - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Rural Cap	Native Entity	43	\$ 36,170	\$ -	\$ -	\$ -	\$ 30,136	\$ 66,306
Southeast Alaska Regional Health Corp.	Native Entity	9	13,189	-	-	-	8,275	21,464
Yukon Kuskokwim Health Corporation	Native Entity	23	11,963	-	-	-	22,175	34,138
Total Native Organizations		115	84,721	4,752	3,259	-	99,534	192,266
Air Liquide America Corp.	Other	2	-	425	-	-	151	576
Alaska Airlines	Other	1	-	-	-	-	300	300
Alaska Commercial	Other	6	-	-	-	-	2,854	2,854
Alaska Industrial Hardware	Other	1	-	261	-	-	-	261
American Tire Warehouse	Other	1	-	-	960	-	-	960
Anchor Arms Motel	Other	1	-	-	-	-	1,680	1,680
Angel Investments	Other	1	-	-	-	-	714	714
Big Rays Inc.	Other	3	-	1,048	-	-	-	1,048
Cole Vision Corporation	Other	1	-	-	-	-	225	225
Corporate Express Office Products Inc.	Other	1	-	59	-	-	-	59
Crescent Electric Supply Co.	Other	5	-	3,330	371	-	-	3,701
Fairbanks Urgent Care Center Inc.	Other	5	-	-	-	-	300	300
Fred Meyer Inc.	Other	5	-	379	-	-	333	712
Heritage Place	Other	1	-	550	-	-	-	550
Hyder Community Association Inc.	Other	7	22,498	-	-	-	-	22,498
Indian Valley International Inc.	Other	6	-	18,000	-	-	-	18,000
Interior Medical Supply, James	Other	2	-	116	-	-	192	308
Kenai Vision Center	Other	1	-	-	-	-	310	310
Kinkos	Other	1	-	-	-	-	47	47
Louisiana Hospitality Inc.	Other	1	-	-	-	-	69	69
Marshall, Peter Md	Other	1	-	-	-	-	85	85
Merrill Field Inn	Other	6	-	-	-	-	2,469	2,469
Mush Inn	Other	5	-	-	-	-	3,159	3,159
Northern Lights Hotel	Other	1	-	-	-	-	562	562
Northland Services Inc.	Other	1	-	-	-	2,200	-	2,200

APPENDIX C - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Outbound Travel Inc.	Other	3	\$ -	\$ 783	\$ -	\$ -	\$ 1,605	\$ 2,388
Pacific Guest House	Other	1	-	-	-	-	180	180
Peninsula Airways Inc.	Other	2	-	-	-	-	1,160	1,160
Pleiates, Inc.	Other	1	-	-	-	-	500	500
Sanders, Dr. Jim C.	Other	1	-	-	-	-	90	90
Seacorp Operations SW&C Inc.	Other	4	-	985	-	-	-	985
Seafarers Welfare Plan	Other	2	-	775	-	-	210	985
Sweetwater Travel	Other	2	-	-	-	-	432	432
Third Sector Technologies	Other	1	-	229	-	-	-	229
Twilight Travel	Other	4	-	-	-	-	2,962	2,962
US Travel Alaska	Other	1	-	-	-	-	1,871	1,871
Total Other		88	22,498	26,940	1,331	2,200	22,460	75,429
Client Reimbursement	Individual Training	48	-	6,516	-	-	12,317	18,833
Total Client Reimbursement		48	-	6,516	-	-	12,317	18,833
Total		1,360	\$ 808,875	\$ 448,231	\$ 4,590	\$ 71,010	\$ 414,233	\$ 1,746,939

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Statewide Area								
Airman Flight School	Private Training	1	\$ 2,870	\$ -	\$ -	\$ -	\$ -	\$ 2,870
Alaska Air Academy	Private Training	1	-	258	-	-	-	258
Alaska Budget Motel	Other	1	-	-	-	-	643	643
Alaska Health Project	Other	1	-	4,473	-	-	-	4,473
Alaska Industrial X-Ray	Other	1	200	-	-	-	-	200
Alaska Joint Electrical Apprenticeship	Union	74	6,101	-	-	-	71,623	77,724
Alaska Laborers Training Trust Fund	Union	50	29,915	-	-	-	11,577	41,492
Alaska Marine Highway System	Other	3	-	-	-	-	1,285	1,285
Alaska Operating Engineers	Union	9	-	-	-	-	1,695	1,695
Alaska Roofers Joint Apprenticeship	Union	1	1,703	-	-	-	812	2,520
Alaska Textiles	Other	2	-	-	-	-	292	292
Alaska Vocational Technical Education Center	Public Training	19	41,621	19,558	-	-	27,974	89,153
American Express	Other	8	-	-	-	-	9,805	9,805
American Traffic Safety	Private Training	1	75	-	-	-	-	75
Ansonia Hotel	Other	1	-	-	-	-	625	625
Arc N' Sparc	Other	1	-	-	-	-	375	375
Association Of Village Council Presidents	Native Entity	40	2,900	-	-	-	19,569	22,469
BBC Human Resource	Native Entity	30	10,268	-	-	93,416	-	103,684
Bering Air	Other	1	-	-	-	-	105	105
Bristol Bay Native Association	Native Entity	10	22,105	-	-	-	4,995	27,100
Brown & Sons Auto Parts	Other	1	-	-	-	-	450	450
C & B Juneau	Other	5	-	-	-	-	300	300
CAE, Inc.	Private Training	1	-	3,780	-	-	-	3,780
Center For Employment Education	Union	5	-	8,237	-	-	-	8,237
Charter College	Private Training	1	-	2,968	-	-	-	2,968
City Of Wrangell	Public Training	2	-	-	-	721	1,600	2,321
Client Reimbursement	Individual Training	56	-	10,959	-	-	22,197	33,156
Coastal Village Fisheries	Other	5	-	-	-	-	6,942	6,942
Commercial Training	Private Training	1	-	2,595	-	-	-	2,595
Concorde Hotel	Other	1	-	-	-	-	392	392

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Copper Valley Education	Public Training	27	\$ 20,454	\$ -	\$ -	\$ -	\$ 63,440	\$ 83,894
Cusack Development Co.	Other	1	-	-	-	-	577	577
Data Bank Computer Services Dept. Of Labor & Workforce Development	Private Training	1	144	288	-	-	-	432
	Public Training	1	-	-	-	-	100	100
Easy Travel	Other	2	-	-	-	-	554	554
Environmental Management, Inc.	Private Training	51	-	27,010	-	-	-	27,010
Fat Freddie's	Other	2	-	-	-	-	178	178
Floral Design Institute	Private Training	1	-	225	-	-	-	225
Fred Meyer	Other	1	-	-	-	-	70	70
Gana A Yoo Ltd	Native Entity	4	-	5,389	-	-	949	6,338
Hageland Aviation	Other	1	-	-	-	-	210	210
HDS, Inc.	Private Training	1	-	3,000	-	-	-	3,000
Holland American Line	Other	2	-	-	-	-	725	725
Hospice & Homecare	Private Training	16	9,460	-	-	-	464	9,924
Ikes Fuel	Other	1	-	-	-	-	181	181
Ilisagvik College	Native Entity	2	-	-	-	-	2,425	2,425
Ilisquik College	Native Entity	1	-	-	-	-	2,531	2,531
International Longshore And Warehouse Union	Union	28	12,277	-	-	-	5,311	17,588
ITT Technical Institute	Private Training	1	-	2,981	-	-	-	2,981
J & B North, Inc.	Other	1	-	-	-	-	850	850
Kake Tribal Corp.	Native Entity	30	-	-	-	3,125	-	3,125
Ketchikan General Hospital	Other	1	-	-	-	-	98	98
Ketchikan Travel	Other	2	-	-	-	-	581	581
Klondike Inn	Other	1	-	-	-	-	108	108
Lamonts	Other	1	-	-	-	-	250	250
Lewis Motors	Other	1	-	-	-	-	725	725
Light House Service	Other	1	-	-	-	-	202	202
Linn-Benton Community College	Private Training	1	-	1,545	-	-	-	1,545
Lynden Transport	Other	1	-	-	-	-	1,071	1,071
Maniilaq Association	Native Entity	1	-	-	-	-	280	280
Maniilaq Medical Center	Other	1	-	-	-	-	140	140

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Michael & Carol Morrison	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 450	\$ 450
N.W. Arctic Borough	Other	6	-	11,718	-	-	6,090	17,808
Naabia Niign, Ltd.	Native Entity	2	-	-	1,691	-	-	1,691
National Bank Of Alaska	Other	1	-	-	-	-	2,700	2,700
New Frontier Vocational Technical Center	Public Training	1	-	1,975	-	-	-	1,975
New World Teachers	Private Training	1	-	2,000	-	-	-	2,000
Northern Keta Caviar	Other	2	1,275	-	-	-	-	1,275
Northland Books & Charts	Other	2	-	200	-	-	-	200
Norton Sound Education	Public Training	20	20,180	-	-	-	14,076	34,256
Nugget Alaska Outfitter	Other	2	-	-	-	-	246	246
Nulato Tribal Council	Native Entity	2	-	-	-	-	300	300
OPAG, Inc.	Private Training	25	6,506	-	-	-	4,833	11,339
Paulson, Eric Dds	Other	1	-	-	-	-	145	145
Peninsula Motel	Other	1	-	-	-	-	147	147
People Count	Private Training	25	-	42,679	-	-	-	42,679
Pima Community College	Private Training	1	-	5,800	-	-	-	5,800
Rapid Tool & Supply	Other	1	-	-	-	-	785	785
Red Cross Of America	Private Training	1	-	30	-	-	-	30
Rolf Institute	Private Training	1	-	4,900	-	-	-	4,900
Rural Asmt/Case Mgmt	Public Training	162	-	-	-	90,125	-	90,125
Safety Quality Environment	Private Training	1	-	450	-	-	-	450
Seward Life Action Co.	Other	2	-	-	-	-	220	220
Ship Creek Hotel	Other	1	-	-	-	-	106	106
Soldotna Kiddie Kare	Other	1	-	-	-	-	200	200
Southeast Executavel	Other	4	-	-	-	-	1,556	1,556
Southeast Regional Resource Center Inc.	Native Entity	2	-	7,100	-	-	-	7,100
Southern Alaska Forwarding	Other	1	-	-	-	-	1,025	1,025
Southern Methodist University	Private Training	1	-	7,500	-	-	-	7,500
SST Travel Schools	Private Training	1	3,845	-	-	-	-	3,845
Step Power Plant Rsa	Public Training	30	565	26,540	-	-	27,126	54,231
Stylistix Team Salon	Other	1	-	500	-	-	-	500

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Sundial Resorts, Inc.	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 3,494	\$ 3,494
Super 8 Motel	Other	2	-	-	-	-	73	73
Taiga Sales Co.	Other	1	-	-	-	-	98	98
Taquan Travel	Other	1	-	-	-	-	347	347
Traveltime Inc.	Other	1	-	-	-	-	309	309
Tucson Electric Power	Other	1	-	-	-	-	185	185
University Of Alaska	Public Training	13	-	12,355	-	-	4,050	16,405
University Of Alaska - Chukchi	Public Training	1	-	159	-	-	-	159
University Of Alaska - Kenai	Public Training	1	-	1,129	-	-	-	1,129
University Of Alaska - Kuskokwim	Public Training	1	-	13,831	-	-	-	13,831
University Of Alaska Law Rsa	Public Training	10	33,789	-	-	-	-	33,789
University Of Washington	Private Training	1	-	681	-	-	-	681
Vista Travel	Other	7	-	-	-	-	6,137	6,137
Wards Cove Packing	Other	7	26,808	-	-	-	29,192	56,000
West Coast Training, Inc.	Private Training	2	-	8,830	-	-	-	8,830
Yukon Delta Fisheries Development Association	Private Training	6	26,561	-	-	-	-	26,561
Yukon Kuskokwim Health Corporation	Native Entity	12	28,336	-	-	-	19,929	48,265
Statewide Area Subtotal		890	307,963	241,643	1,691	187,387	389,095	1,127,779
MOA Area								
Action See	Other	1	-	-	1,740	-	-	1,740
Alaska Computer Institute	Private Training	5	-	10,880	-	-	-	10,880
Alaska Health Project	Other	1	-	-	525	-	-	525
Alaska Laborers Training Trust Fund	Union	40	47,954	-	-	-	-	47,954
Alaska Roofers Joint Apprenticeship	Union	20	44,202	-	-	-	-	44,202
Alaska Technical Training	Private Training	4	-	19,612	-	-	-	19,612
Alaska Vocational Technical Education Center	Public Training	3	-	7,699	-	-	-	7,699
Aurora	Other	1	-	4,400	-	-	-	4,400
Brigham Young University	Private Training	1	-	832	-	-	-	832
Builders Bargain	Other	1	-	-	743	-	-	743
Career Academy	Private Training	11	-	32,636	-	-	-	32,636

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Cellular Connection	Other	1	\$ -		\$ 1,312	\$ -	\$ -	\$ 1,312
Charter College	Private Training	38	-	34,398	-	-	-	34,398
Client Reimbursement	Individual Training	1	-		2,160	-	-	2,160
Compass North	Other	1	-	840	-	-	-	840
Dept. of Labor & Workforce								
Development	Public Training	20	-	89,000	-	-	-	89,000
Elite Employment Services	Private Training	10	-	15,121	-	-	-	15,121
Embry Riddle Aeronautical	Private Training	1	-	2,479	-	-	-	2,479
Environmental Management, Inc.	Private Training	1	-	720	-	-	-	720
Hartec Management	Other	1	-	595	-	-	-	595
Home First National	Other	1	-		2,750	-	-	2,750
Human Resources Center, Inc.	Private Training	157	-		-	114,142	-	114,142
Metro Oasis Salon And School	Private Training	1	-	5,295	-	-	-	5,295
MILA, Inc.	Private Training	185	-	129,119	-	65,621	-	194,740
Network Business Systems	Private Training	5	-	5,459	-	-	-	5,459
Omni Computer	Other	1	-		1,015	-	-	1,015
OPAG, inc.	Private Training	20	-	38,045	-	-	-	38,045
Testing Institute Of Alaska	Private Training	1	-	5,500	-	-	-	5,500
Travel School	Private Training	1	-	2,850	-	-	-	2,850
Trophy Tan & Taxidermy	Private Training	1	-	-	3,838	-	-	3,838
University Of Alaska - Anchorage	Public Training	75	-	66,756	-	70,388	-	137,144
University Of Alaska - Anchorage/Matsu	Public Training	29	-	21,216	-	-	-	21,216
University Of Alaska - Fairbanks	Public Training	1	-	132	-	-	-	132
Valley Academy Of Nursing	Private Training	3	-	6,000	-	-	-	6,000
Wayland University	Private Training	2	-	3,248	-	-	-	3,248
MOA Area Subtotal		645	92,156	502,832	14,083	250,151	-	859,222
Fairbanks Area								
Action Auto Parts & Glass	Other	3	-	-	-	-	625	625
Adult Learning Programs Of Alaska	Private Training	6	-	451	-	-	-	451
Air Liquide America Corp.	Other	1	212	-	-	-	-	212
Alaska Center for Children & Adults	Private Training	1	-	185	-	-	-	185

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Alaska Computer Institute	Private Training	1	\$ -	\$ 7,350	\$ -	\$ -	\$ -	\$ 7,350
Alaska Laborers Training Trust Fund	Union	21	17,883	-	-	-	-	17,883
American Welding	Private Training	1	1,330	-	-	-	-	1,330
Araserve, Inc.	Other	1	-	-	-	-	100	100
Asbestos Removal Specialists Of								
Alaska	Private Training	1	600	-	-	-	-	600
Big Rays, Inc.	Other	2	-	-	-	-	366	366
Career Comm	Other	12	-	-	-	-	159	159
Carpenters	Union	21	17,672	-	-	-	-	17,672
Client Reimbursement	Individual Training	11	-	1,004	3,251	-	442	4,697
Code West	Other	1	-	900	-	-	-	900
Computer Express	Private Training	10	-	-	-	2,246	-	2,246
Computerland	Private Training	1	-	31	-	-	-	31
Copier Care	Other	3	-	232	-	-	-	232
Denali Industrial Supplies, Inc.	Other	1	-	156	-	-	-	156
Dept. Of Labor & Workforce								
Development	Public Training	8	4,551	-	-	-	208	4,759
Fairbanks Native Association	Native Entity	1	-	-	1,666	-	-	1,666
Fairbanks North Star Borough	Other	5	-	-	-	-	1,231	1,231
Fairnet, Inc.	Private Training	38	-	17,339	-	-	-	17,339
GCI	Other	3	-	139	-	-	-	139
Goldpanners Chevron	Other	4	-	-	-	-	76	76
Haircuts Are Us	Other	1	-	-	-	-	13	13
Helmbrecht Dental	Other	1	-	-	-	-	228	228
HMC, Inc.	Private Training	1	720	-	-	-	-	720
Interior Graphics	Other	2	-	-	-	-	166	166
J.C. Penney, Inc.	Other	1	-	-	-	-	70	70
Kinkos	Other	2	-	-	-	-	102	102
K-Mart	Other	2	-	121	-	-	597	718
Lamonts	Other	6	198	-	-	-	483	681
Literacy Council Of Alaska	Private Training	30	-	14,718	-	-	-	14,718
Mikes University Chevron	Other	6	78	-	-	-	1,681	1,759
Municipal Utilities Services	Other	15	200	356	-	-	-	556

APPENDIX D - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Neighborhood Health	Other	3	\$ 41	\$ -	\$ -	\$ -	\$ 123	\$ 164
Red Cross Of America	Private Training	2	-	60	-	-	-	60
Revere Academy Of Jewelry Arts	Private Training	1	1,638	-	-	-	-	1,638
School Of Integrated Shiatsu	Private Training	1	6,001	-	-	-	-	6,001
Sears	Other	2	-	-	-	-	536	536
Testing Institute Of Alaska	Private Training	1	1,901	-	-	-	-	1,901
U.S. Passport Services	Other	1	-	-	-	-	65	65
U.S. Postage	Other	35	-	-	-	-	120	120
Uniglobe Travel	Other	4	-	-	-	-	995	995
University Of Alaska - Fairbanks	Public Training	21	-	62,880	-	-	14,307	77,187
Fairbanks Area Subtotal		295	53,025	105,922	4,917	2,246	22,693	188,803
FY 97 STEP Vendor/Grantee Total		1,830	\$ 453,144	\$ 850,397	\$ 20,691	\$ 439,784	\$ 411,788	\$ 2,175,804

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APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Statewide Area								
98 Rural Assessment	Public Training		\$ -	\$ -	\$ -	\$ 58,097	\$ -	\$ 58,097
Advantage Rent A Car	Other	1	-	-	-	-	160	160
AEL&P	Other	4	-	-	-	-	1,570	1,570
Alaska Forest Creations	Other	10	37,525	-	-	-	19,021	56,546
Alaska Joint Electrical Apprenticeship	Union	40	-	-	-	-	70,824	70,824
Alaska Laborers Training Trust Fund	Union	75	22,260	-	-	-	9,514	31,774
Alaska Marine Highway System	Other	1	-	-	-	-	41	41
Alaska Operating Engineers	Union	3	-	4,950	-	-	-	4,950
Alaska Technical Center	Private Training	1	-	1,524	-	-	2,072	3,596
Alaska Vocational Technical Education Center	Public Training	14	-	13,592	-	-	17,338	30,930
Allakaket Village Council	Native Entity	2	-	-	-	-	252	252
Ambassador Apartments	Other	1	-	-	-	-	700	700
American Express	Other	3	-	-	-	-	2,184	2,184
Anchorage Lakefront	Other	1	-	-	-	-	75	75
Anchorage Suite Lodge	Other	1	-	-	-	-	454	454
Anita Finch DBA	Other	1	-	-	-	-	704	704
Aramark Corp.	Other	1	-	-	-	-	1,020	1,020
Arctic Travel	Other	2	-	-	-	-	420	420
Army Navy Surplus	Other	1	-	-	-	-	250	250
Barrow Airport Inn	Other	1	-	-	-	-	135	135
Behrends Mechanical Inc.	Other	1	-	-	-	-	356	356
Bellevue Travel Lodge	Other	1	-	-	-	-	508	508
Bering Air	Other	1	-	-	-	-	96	96
Best Western Country	Other	1	-	-	-	-	65	65
Boise State University	Private Training	1	-	1,294	-	-	-	1,294
Bristol Bay Native Association	Native Entity	19	21,293	21,224	-	28,236	22,851	93,604
Brown & Sons Auto Parts	Other	2	-	-	-	-	596	596
C & B Of Juneau	Other	6	-	-	-	-	405	405
CAE, Inc.	Private Training	1	8,970	-	-	-	-	8,970
Capital Cab	Other	1	-	-	-	-	612	612
Center For Employment Education	Union	16	64,798	5,745	-	-	20,729	91,272

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Central Texas College	Private Training	1	\$ -	\$ 560	\$ -	\$ -	\$ -	\$ 560
Charter College	Private Training	1	-	3,112	-	-	-	3,112
Client Reimbursement	Individual Training	38	-	1,700	-	-	21,548	23,248
Comfort Inn	Other	1	-	-	-	-	467	467
Copper Valley Education	Public Training	40	32,744	-	-	-	44,665	77,409
Creative Play & Preschool	Other	1	-	-	-	-	435	435
Dept. Of Community & Economic Development	Public Training	1	-	185	-	-	-	185
Driftwood Lodge	Other	1	-	-	-	-	1,364	1,364
Econolodge	Other	1	-	-	-	-	1,400	1,400
Environmental Management, Inc.	Private Training	24	22,688	8,238	-	-	-	30,926
Fred Meyer	Other	2	-	-	-	-	400	400
Genuine Part Co.	Other	1	-	-	-	-	323	323
Glacier Muffler & Towing	Other	1	-	-	-	-	500	500
Graceland College	Private Training	1	895	-	-	-	-	895
Hogan, Meecham, Hogan	Other	3	-	2,623	1,100	-	-	3,723
Hospitality Unlimited	Other	1	-	-	-	-	969	969
Infotech Commercial Systems	Private Training	2	1,794	-	-	-	-	1,794
International Institute For Surface Transportation	Private Training	1	-	3,000	-	-	-	3,000
International Longshore And Warehouse Union	Union	20	16,029	-	-	-	-	16,029
J. C. Penney, Inc.	Other	1	-	-	-	-	196	196
Laskey, John DDS	Other	1	-	-	-	-	750	750
Johnstone Supply	Other	1	-	-	-	-	1,339	1,339
Kake Tribal Corp.	Native Entity	15	49,159	-	-	-	15,138	64,297
Lab Flying Service	Other	1	-	-	-	-	122	122
Lundberg Maryland Seamanship Schools Inc.	Private Training	1	-	-	-	-	625	625
Marbil Services	Other	1	-	-	-	-	2,216	2,216
Riederer, Mark DDS	Other	1	-	-	-	-	320	320
Mendenhall Valley Tesoro	Other	1	-	-	-	-	80	80
N.W. Arctic Borough	Other	3	-	3,310	-	-	4,303	7,613

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Naabia Niign Ltd.	Other	1	\$ -	\$ -	\$ 56	\$ -	\$ -	\$ 56
New Frontier Vocational Technical Education Center	Public Training	30	39,500	7,900	3,270	14,256	935	65,861
Northern Keta Caviar	Other	2	10,500	-	-	-	5,177	15,677
Northland Books & Charts	Other	5	-	380	-	-	397	777
Nugget Alaskan	Other	2	-	-	-	-	482	482
Peninsula Motel Association	Other	1	-	-	-	-	265	265
Price Costco	Other	1	-	-	-	-	1,015	1,015
Rapid Tool & Supply	Other	1	-	-	-	-	1,289	1,289
Refrigeration Schools	Private Training	1	-	2,810	-	-	-	2,810
Regional Drug & Alcohol Counselor Training	Private Training	7	8,638	-	-	-	12,627	21,265
Renew U Design Academy	Private Training	1	-	7,240	-	-	-	7,240
Rental Management Services	Other	1	-	2,800	-	-	-	2,800
Rsa 2180048	Public Training	20	-	1	-	17,417	2,786	20,204
Rural Cap Child Development	Native Entity	1	-	-	-	-	844	844
Seafarers Welfare Plan	Other	1	-	210	-	-	-	210
Sears	Other	1	-	-	-	-	1,161	1,161
Sego Consultants	Other	1	-	695	-	-	-	695
Sheldon Jackson College	Private Training	1	-	2,672	-	-	-	2,672
Silver Eagle Transport	Other	1	-	-	-	-	84	84
Sitka Council On Alcohol And Drug Abuse	Other	1	-	-	-	-	160	160
Soldotna Kiddie Kare	Other	1	-	-	-	-	391	391
Sourdough Lodging	Other	1	-	-	-	-	2,395	2,395
South Peninsula Hospital	Private Training	1	-	800	-	-	-	800
Southeast Alaska Marine Training Services	Private Training	1	-	375	-	-	-	375
Southeast Alaska Regional Health Consortium	Native Entity	36	16,921	-	-	-	29,532	46,453
Southeast Executtravel	Other	7	-	-	-	-	4,390	4,390

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Southeast Regional Resource Center Inc.	Native Entity	7	\$ -	\$ 23,700	\$ -	\$ -	\$ -	\$ 23,700
Step Power Plant Operator	Public Training	20	-	21,341	-	-	9,023	30,364
Sweetwater Travel	Other	1	-	-	-	-	268	268
Switzer Village Mobile	Other	1	-	-	-	-	235	235
Taku Oil Sales	Other	1	-	-	-	-	423	423
Tanana Chiefs Conference	Native Entity	36	16,205	2,110	-	6,718	45,582	70,615
Taquan Travel	Other	2	-	-	-	-	1,336	1,336
Testing Institute Of Alaska	Private Training	1	-	1,580	-	-	-	1,580
Totem Travel	Native Entity	1	-	-	-	-	190	190
Trendsetters	Private Training	1	-	2,482	-	-	-	2,482
U-Haul	Other	1	-	-	-	-	808	808
United Insurance	Other	1	-	-	-	-	78	78
University Of Alaska	Public Training	11	-	8,381	-	-	125	8,506
University Of Alaska - Anchorage	Public Training	1	-	1,705	-	-	-	1,705
University Of Alaska - Chukchi	Public Training	1	-	724	-	-	-	724
University Of Alaska - Fairbanks	Public Training	1	-	247	-	-	-	247
University Of Alaska - Southeast	Public Training	4	-	1,448	-	-	-	1,448
West Coast Training, Inc.	Private Training	2	-	13,800	-	-	-	13,800
Yukon-Kuskokwim Health Corporation	Native Entity	12	33,265	-	-	-	17,071	50,336
Statewide Area Total		612	403,184	174,458	4,426	124,724	409,181	1,115,973
MOA Area								
Alaska Laborers Training Trust Fund	Union	54	36,856	-	-	-	-	26,856
Alaska Roofers Joint Apprenticeship	Union	18	43,424	-	-	-	-	43,424
Alaska Technical Center	Private Training	6	-	29,028	-	-	-	29,028
Alaska Vocational Technical Education Center	Public Training	1	-	2,780	-	-	-	2,780
Aurora North Emergency Services	Private Training	1	-	450	-	-	-	450
Big Sky Fire Protection, Inc.	Other	1	-	-	4,176	-	-	4,176
Browns School Of Phlebotomy	Private Training	1	-	2,460	-	-	-	2,460
Career Academy	Private Training	4	-	21,664	-	-	-	21,664
Cellular Connection	Other	1	-	-	2,048	-	-	2,048

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Center For Employment Education	Union	5	\$ -	\$ 22,295	\$ -	\$ -	\$ -	\$ 22,295
Charter College	Private Training	1	-	4,674	-	-	-	4,674
Chugach Children Services	Other	1	-	95	-	-	-	95
Client Reimbursement	Individual Training	1	-	-	1,620	-	-	1,620
Copper Valley Education	Public Training	1	-	1,047	-	-	-	1,047
Embry Riddle Aeronautical	Private Training	1	-	1,237	-	-	-	1,237
Environmental Management Inc.	Private Training	1	-	1,520	-	-	-	1,520
Ground Zero Tech-Works	Private Training	1	-	4,000	-	-	-	4,000
Happy Hooker Towing	Other	1	-	-	1,200	-	-	1,200
Human Resource Center, Inc.	Private Training	227	-	-	-	114,614	-	114,614
Microage	Private Training	1	-	5,500	-	-	-	5,500
MILA, Inc.	Private Training	177	-	135,624	-	98,794	-	234,418
Network Business System	Private Training	1	-	5,500	-	-	-	5,500
Security Aviation, Inc.	Other	1	-	5,500	-	-	-	5,500
SST Travel Schools	Private Training	2	-	5,567	-	-	-	5,567
Testing Institute Of Alaska	Private Training	3	-	20,625	-	-	-	20,625
Tonys Int., Inc.	Other	1	-	-	333	-	-	333
University Of Alaska - Anchorage	Public Training	94	-	55,754	-	59,552	-	115,306
University Of Alaska - Anchorage/Matsu	Public Training	1	-	33,862	-	-	-	33,862
Valley Academy Of Nursing	Private Training	9	-	22,500	-	-	-	22,500
Wayland Baptist University	Private Training	2	-	1,651	-	-	-	1,651
Wolfe Management	Private Training	1	-	1,267	-	-	-	1,267
MOA Area Total		620	80,280	384,600	9,377	272,960	-	747,217
Fairbanks Area								
A & W Wholesale	Other	1	-	-	-	-	46	46
Action Auto Parts	Other	1	-	-	-	-	420	420
Air Liquide America Corp.	Other	4	-	-	-	889	38	927
Alaska Industrial Hardware	Other	1	-	-	-	-	165	165
Alaska Laborers Training Trust Fund	Union	10	-	22,300	-	-	-	22,300
Appliance Service	Other	1	-	-	-	-	361	361

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Asbestos Removal Specialists Of Alaska	Private Training	1	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ 600
Big Rays, Inc.	Other	4	-	-	-	434	519	953
Biz Works Computer Training	Private Training	13	-	20,960	-	-	-	20,960
Brown & Sons Auto Parts	Other	1	-	-	-	-	378	378
Center For Employment Education	Union	4	-	1,250	-	-	-	1,250
Client Reimbursement	Individual Training	16	-	-	-	-	1,809	1,809
Conkles Automotive Repair	Other	1	-	-	-	-	400	400
Continuing Education Center	Private Training	1	-	2,387	-	-	-	2,387
Deaf Community	Private Training	1	1,701	-	-	-	75	1,776
Deeter, Randy DDS	Other	1	-	-	-	-	1,128	1,128
Division Of Occupational Licensing	Other	1	-	-	-	-	100	100
Fairbanks Alaska Carpenter Training Center	Union	10	-	21,696	-	-	-	21,696
Fairbanks Area Painters-Decorators	Union	10	-	18,481	-	-	-	18,481
Fairbanks Daily News Miner	Other	1	-	-	-	99	-	99
Fairbanks Memorial Hospital	Private Training	2	1,660	-	-	-	-	1,660
Fairbanks North Star Borough	Other	7	-	-	-	-	2,699	2,699
Goldpanners Chevron	Other	2	-	-	-	-	275	275
Government Computer Sales, Inc.	Private Training	118	-	-	-	2,122	-	2,122
Interior Graphics	Other	2	-	-	-	-	175	175
Kinkos	Other	3	-	-	-	-	85	85
K-Mart	Other	3	-	-	-	-	225	225
Lamonts	Other	7	-	-	-	-	824	824
Lundberg Maryland Seamanship Schools Inc.	Private Training	1	835	-	-	-	-	835
Milkes University Chevron	Other	11	-	-	-	-	3,695	3,695
Mortgage	Other	1	-	-	3,992	-	-	3,992
National Public Radio	Private Training	1	2,387	-	-	-	-	2,387
New Concepts Beauty School	Private Training	1	-	-	-	50	-	50
Northern Lights Heating & Cooling	Other	1	3,360	-	-	-	-	3,360
Payless Drugs	Other	1	-	-	-	-	88	88
Sears	Other	7	-	-	-	-	3,963	3,963

APPENDIX D - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Sears Optical	Other	12	\$ -	\$ -	\$ -	\$ 2,657	\$ -	\$ 2,657
Sunshine Travel	Other	2	-	-	-	-	3,069	3,069
Tanana Valley Clinic	Other	4	-	-	-	-	145	145
Technology Connection	Other	1	-	-	-	-	309	309
U. S. Postmaster	Other		-	-	-	-	115	115
University Of Alaska - Fairbanks	Public Training	72	-	155,387	-	-	32,347	187,734
Weber State University	Private Training	3	-	14,509	-	-	-	14,509
Wilson & Wilson, CPA	Private Training	20	24,910	-	-	-	-	24,910
Fairbanks Area Total		365	35,453	256,970	3,992	6,251	53,453	356,119
FY 97 STEP Vendor/Grantee Total		1,597	\$ 518,917	\$ 816,028	\$ 17,795	\$ 403,935	\$ 462,634	\$ 2,219,309

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APPENDIX D - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
BOS Statewide Area								
AAI Engineering Support	Private Training	1	\$ -	\$ 3,020	\$ -	\$ -	\$ -	\$ 3,020
AEL&P	Other	1	-	-	-	-	115	115
Airplane Training Professionals	Private Training	1	-	1,895	-	-	-	1,895
Alaska Coastal Homes, Inc.	Other	1	-	498	-	-	-	498
Alaska Dried Foods	Other	10	-	1,660	-	-	100	1,760
Alaska Industrial X-Ray	Other	2	-	400	-	-	-	400
Alaska Joint Electrical Apprenticeship	Union	31	-	-	-	-	63,591	63,591
Alaska Laborers Training Trust Fund	Union	75	31,125	-	-	-	17,860	48,985
Alaska Operating Engineers	Union	82	5,656	-	-	-	29,578	35,234
Alaska Technical Center	Private Training	1	-	2,045	-	-	7,165	9,210
Alaska Vocational Technical Education Center	Public Training	20	-	8,395	-	-	22,242	30,637
American Airlines Travel Academy	Private Training	1	-	3,695	-	-	1,292	4,987
Anchorage Corporate Suites	Other	1	-	-	-	-	810	810
Arctic Travel	Other	1	-	-	-	-	352	352
Big Rays, Inc.	Other	1	-	-	-	-	298	298
Board Of Cooperative Education Services	Public Training	1	-	3,000	-	-	-	3,000
Boise State University	Private Training	1	-	1,236	-	-	-	1,236
Bristol Bay Native Association	Native Entity	6	-	3,550	-	-	7,731	11,281
Brown And Sons Auto Parts	Other	2	-	-	-	-	566	566
Browns School Of Phlebotomy	Private Training	1	-	3,660	-	-	-	3,660
C & B Of Juneau	Other	7	-	-	-	-	450	450
Center For Employment Education	Union	1	-	16,347	-	-	-	16,347
Charter College	Private Training	1	-	1,264	-	-	-	1,264
Chuilista Camp Service	Native Entity	6	10,584	-	-	-	4,691	15,275
City Of Nenana	Other	1	-	-	268	-	-	268
Client Reimbursement	Individual Training	27	-	1,604	-	-	21,979	23,583
Cook Inlet Council On Alcohol	Native Entity	66	-	-	-	-	1,980	1,980
Copper Valley Education	Public Training	10	9,759	-	-	-	1,189	10,948
Cornerstone Home Health Care	Private Training	40	67,393	-	-	-	19,739	87,132
Crown Plaza	Other	1	-	-	-	-	559	559

APPENDIX D - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Data Bank Computer Services Dept. Of Community & Economic Development	Private Training	1	\$ -	\$ 4,855	\$ -	\$ -	\$ -	\$ 4,855
Dept. Of Labor & Workforce Development	Public Training	2	-	330	-	-	-	330
Double R Property Management	Public Training	9	-	-	-	13,994	686	14,680
Easy Travel	Other	1	-	-	-	-	3,180	3,180
Embry Riddle Aeronautical	Other	1	-	-	-	-	488	488
Environmental Management, Inc.	Private Training	1	-	1,793	-	-	-	1,793
Eye Clinic Of Fairbanks	Private Training	2	1,645	-	-	-	-	1,645
Flight Safety International	Other	1	-	-	-	-	155	155
Fred Meyer	Private Training	1	-	4,675	-	-	-	4,675
Hillside On Gambell	Other	2	-	-	-	-	318	318
Hogan, Mescham, Hogan	Other	1	-	-	-	-	374	374
Howard Johnson Plaza Hotel	Other	1	-	1,626	-	-	-	1,626
IHH Industries	Other	1	-	533	-	-	-	533
Ilisagvik College	Other	3	-	-	7,119	-	-	7,119
Indian Valley Meats Inc.	Native Entity	7	-	4,213	-	-	9,200	13,413
Juneau Urgent Care	Other	5	7,250	-	-	-	7,250	14,500
Kake Foods Inc.	Private Training	1	-	88	-	-	-	88
Kake Tribal Corp.	Other	1	-	17	-	-	-	17
Ketchikan Gateway Borough	Native Entity	3	5,837	-	-	-	440	6,277
La Quinta	Other	1	-	-	-	-	25	25
N.W. Arctic Borough	Other	1	-	-	-	-	809	809
Naabia Niign Inc.	Other	1	-	-	-	-	1,781	1,781
Network Business Systems	Native Entity	10	-	-	2,824	-	-	2,824
New Frontier Vocational Technical Education Center	Private Training	1	-	1,925	-	-	-	1,925
Northland Books & Charts	Public Training	1	-	9,900	-	-	-	9,900
Nugget Alaska Outfitters	Other	7	-	935	-	-	-	935
PTI Communications	Other	2	-	-	-	-	389	389
Red Cross Of America	Other	1	-	-	-	-	82	82
	Private Training	1	-	40	-	-	-	40

APPENDIX D - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Regional Alcohol & Drug Abuse								
Counselor Training	Private Training	7	\$ 12,465	\$ -	\$ -	\$ -	\$ 15,765	\$ 28,230
Reliable Transfer	Other	1	-	-	-	-	2,500	2,500
Rural Assessment, Case Mgmt	Public Training		-	-	-	21,170	-	21,170
Sears Industrial	Other	1	-	-	-	-	1,193	1,193
Seward Bus Line	Other	1	-	-	-	-	30	30
Seward Ship Chandlery	Other	3	-	-	-	-	162	162
Shaub-Ellison Cc.	Other	1	-	-	-	-	300	300
Silicon Valley	Other	1	-	-	-	-	1,068	1,068
Simcom International	Private Training	1	-	5,400	-	-	-	5,400
Sitka Community Hospital	Other	2	-	-	-	-	288	288
Sitka Tribe Of Alaska	Native Entity	1	-	600	-	-	-	600
Southeast Alaska Regional Health Consortium	Native Entity	36	11,035	-	-	-	2,666	13,701
Southeast E recuttravel	Other	2	-	-	-	-	525	525
Southeast Regional Resource Center Inc.	Native Entity	31	42,578	3,850	-	-	635	47,063
Sprucewood Park	Other	1	-	-	-	-	300	300
SST Travel Schools	Private Training	1	-	3,845	-	-	-	3,845
Sweetwater Travel	Other	14	-	-	-	-	5,466	5,466
Switzer Village Mobile Park	Other	1	-	-	-	-	235	235
Taquan Travel	Other	1	-	-	-	-	729	729
Testing Institute Of Alaska	Private Training	1	-	900	-	-	-	900
Tlingit & Haida Central Council	Native Entity	43	3,307	-	-	-	4,685	7,992
Tlingit & Haida Headstart	Native Entity	-	27,768	-	-	-	19,678	47,446
Tongass Regional Eye Clinic	Other	1	-	-	-	-	400	400
Tool Crib Of The North	Other	1	-	-	-	-	610	610
Transportation Systems	Other	1	-	980	-	-	-	980
Trimbel Navigation Ltd	Other	1	-	1,800	-	-	-	1,800
Twilight Travel	Other	1	-	-	-	-	394	394
Underwater Sports Inc.	Other	1	-	1,150	-	-	-	1,150
University Of Alaska - Anchorage	Public Training	2	-	5,746	-	-	1,377	7,123
University Of Alaska - Fairbanks	Public Training	5	-	3,631	-	-	-	3,631

APPENDIX D - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
University Of Alaska - Kenai	Public Training	64	\$ -	\$ 105,467	\$ -	\$ 425	\$ -	\$ 105,892
University Of Alaska - Southeast	Public Training	12	-	3,425	-	-	-	3,425
University Of California - Los Angeles	Private Training	1	-	3,000	-	-	-	3,000
Urbachs	Other	2	-	-	-	-	408	408
Virginia Mason Medical	Other	1	-	-	-	-	49	49
West Coast Training, Inc.	Private Training	5	-	17,500	-	-	-	17,500
Wrangell Medical Clinic	Other	1	-	-	-	-	489	489
BOS Statewide Area Total		719	236,402	240,493	10,211	35,589	287,416	810,111
MOA Area								
Academy Of Myofascial	Private Training	1	-	5,500	-	-	-	5,500
Alaska Laborers Training Trust Fund	Union	71	53,176	-	-	-	-	53,176
Alaska Roofers Joint Apprenticeship	Union	17	41,630	-	-	-	-	41,630
Alaska Vocational Technical Education Center	Public Training	1	-	1,070	-	-	-	1,070
Bovey Trophies	Other	1	-	-	386	-	-	386
Career Academy	Private Training	3	-	14,495	-	-	-	14,495
Center For Employment Education	Union	9	-	38,266	-	-	-	38,266
Charter College	Private Training	4	-	7,179	-	-	-	7,179
Compass North	Other	1	-	637	-	-	-	637
Dept. of Labor & Workforce Development								
Development	Private Training	1	-	5,380	-	-	-	5,380
Environmental Management, Inc.	Private Training	1	-	1,220	-	-	-	1,220
Flight Safety Alaska	Private Training	1	-	5,500	-	-	-	5,500
Galvin Flight Training	Private Training	1	-	5,500	-	-	-	5,500
His & Hers	Other	1	-	2,800	-	-	-	2,800
Human Resource Center, Inc.	Private Training	174	-	-	-	68,382	-	68,382
Kasilof Medical Transcription School	Private Training	1	-	2,500	-	-	-	2,500
MILA, Inc.	Private Training	121	-	139,112	-	30,600	-	169,712
Network Business Systems	Private Training	6	-	28,727	-	-	-	28,727
SST Travel Schools	Private Training	1	-	4,045	-	-	-	4,045
Stans Appliance	Other	1	-	-	5,160	-	-	5,160
Testing Institute Of Alaska	Private Training	9	-	38,725	-	-	-	38,725

APPENDIX D - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Trophy Tan & Taxidermy	Private Training	1	\$ -	\$ -	\$ 2,999	\$ -	\$ -	\$ 2,999
University Of Alaska - Anchorage	Public Training	63	-	40,111	-	-	1,052	41,163
University Of Alaska - Anchorage/Matsu	Public Training	31	-	20,387	-	-	-	20,387
Valley Academy Of Nursing	Private Training	11	-	36,000	-	-	-	36,000
Western Oregon University	Private Training	1	-	2,506	-	-	-	2,506
MOA Area Total		533	94,806	399,660	8,545	98,982	1,052	603,045
Fairbanks Area								
A & W Wholesale	Other	1	-	-	-	-	233	233
Bens Super Store	Other	1	-	-	-	-	499	499
Center For Employment Education	Union	1	100	-	-	-	-	100
Dept. Of Community & Economic Development	Other	1	-	-	-	-	105	105
Fairbanks North Star Borough	Other	18	-	-	-	-	782	782
Fairbanks Radiator	Other	2	-	-	-	-	520	520
Goldpanners Chevron	Other	2	-	-	-	-	120	120
K-Mart	Other	2	-	-	-	-	298	298
Lamonts	Other	2	-	-	-	-	300	300
McGinnis & Associates	Other	1	-	-	-	-	35	35
Mikes University Chevron	Other	16	-	-	-	-	1,278	1,278
New Concepts Beauty Salon	Private Training	1	-	-	-	-	46	46
New Concepts Beauty School	Private Training	1	-	1,255	-	-	-	1,255
NRI School - McGraw Hill	Private Training	1	2,890	-	-	-	-	2,890
Office Max	Other	3	-	-	-	-	303	303
Sears Optical	Other	1	-	-	-	-	228	228
Tanana Valley Clinic	Other	1	-	-	-	-	145	145
Totem Chevron	Other	3	-	-	-	-	145	145
University Of Alaska - Fairbanks	Public Training	72	-	74,092	-	-	9,085	83,177
Fairbanks Area Total		130	2,990	75,347	-	-	14,122	92,459
FY 99 STEP Vendor/Grantee Total		1,382	\$ 334,198	\$ 715,500	\$ 18,756	\$ 134,571	\$ 302,590	\$ 1,505,615

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APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
BOS Statewide Area								
Air Liquide America Corp.	Other	1	\$ -	\$ 219	\$ -	\$ -	\$ -	\$ 219
Alaska Aero Maintenance Services	Other	1	-	146	-	-	60	206
Alaska Airlines	Other	1	-	-	-	-	236	236
Alaska Coastal Homes	Other	1	-	280	-	-	-	280
Alaska Energy Authority	Public Training	32	28,551	-	-	-	24,405	52,956
Alaska Flying Network, Inc.	Private Training	1	-	7,400	-	-	-	7,400
Alaska Industrial Hardware	Other	1	-	-	-	-	1,254	1,254
Alaska Joint Electrical Apprenticeship	Union	26	7,320	-	-	-	55,457	62,777
Alaska Laborers Training Trust Fund	Union	168	91,577	13,002	-	-	23,423	128,002
Alaska Operating Engineers	Union	77	57,033	-	-	-	33,900	90,933
Alaska Technical Center	Private Training	1	-	700	-	-	5,047	5,747
Alaska Trademark Shellfish	Other	3	10,035	-	-	-	25,280	35,315
Alaska Vocational Technical Educational Center	Public Training	59	71,725	12,851	-	-	14,092	98,668
Alaska West Training Center	Private Training	1	-	770	-	-	-	770
Anchorage Plumbers & Pipefitters Apprenticeship	Union	1	-	906	-	-	-	906
Anderson Apartments	Other	1	-	-	-	-	2,126	2,126
Aurora North Emergency Services	Private Training	1	-	-	-	-	40	40
AVI Computer Skills	Private Training	2	-	6,700	-	-	-	6,700
Best Western Golden Lion	Other	1	-	-	-	-	441	441
Big Rays, Inc.	Other	5	-	-	-	-	1,098	1,098
Bristol Bay Contractors	Native Entity	1	-	-	-	-	280	280
Bristol Bay Native Association	Native Entity	25	18,694	-	-	-	26,318	45,012
Brown & Hawkins	Other	1	-	-	-	-	252	252
Brown & Sons Auto Parts	Other	3	-	-	-	-	873	873
Browns School Of Phlebotomy	Private Training	1	-	1,620	-	-	-	1,620

APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Career Academy	Private Training	1	\$ -	\$ 4,465	\$ -	\$ -	\$ -	\$ 4,465
Center For Employment Education	Union	24	98,440	26,133	-	-	13,200	137,773
Charter College	Private Training	1	-	4,383	-	-	-	4,383
Client Reimbursement	Individual Training	33	-	9,545	-	-	23,795	33,340
City & Borough Of Juneau	Other	1	-	-	-	-	120	120
Coldwell Banker/Race Realty	Other	1	-	-	-	-	105	105
Cornerstone Home Health Care	Private Training	10	-	10,000	-	-	-	10,000
Crestone Healing Center	Private Training	1	-	4,950	-	-	-	4,950
D.J.S Wheelhouse & Motel	Other	1	-	-	-	-	942	942
Daves Shop	Other	1	-	-	-	-	481	481
Dept. Of Community & Economic Development	Other	1	-	-	-	-	165	165
Dept. Of Labor & Workforce Development	Public Training	2	-	210	-	-	210	420
Driftwood Lodge	Other	1	-	-	-	-	648	648
Environmental Management Inc.	Private Training	11	-	7,439	-	-	-	7,439
Eye Clinic	Other	1	-	-	-	-	322	322
Fairbanks Alaska Carpenter Training Center	Union	1	-	600	-	-	-	600
Fairbanks Area Painters & Allied Trades	Union	12	25,272	-	-	-	-	25,272
Fairbanks North Star Borough	Other	3	-	-	-	-	195	195
Fred Meyer	Other	3	-	-	-	-	597	597
Goldstream Motors	Other	1	-	-	-	-	350	350
Hillside Motel	Other	1	-	-	-	-	606	606
ICS Business Industrial Training	Private Training	1	-	689	-	-	-	689
Illisagvik College	Native Entity	1	-	1,274	-	-	9,473	10,747
Image Optical	Other	1	-	-	-	-	144	144
Interior Medical Supply	Other	3	-	-	-	-	132	132

APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Interior Welding & Tool Supply	Other	2	\$ -	\$ -	\$ -	\$ -	\$ 340	\$ 340
International Union Of Painters & Allied Trades	Union	1	-	250	-	-	-	250
Intra-Sea Inc.	Other	6	-	8,628	-	-	-	8,628
Juneau Urgent Care	Other	1	-	-	-	-	99	99
Kade Mendelowitz, Multimakers	Other	1	-	330	-	-	-	330
Kalama River inn	Other	1	-	-	-	-	659	659
K-Mart	Other	1	-	-	-	-	292	292
Lake & Peninsula Airlines Inc.	Other	1	-	-	-	-	120	120
Lamonts	Other	3	-	-	-	-	356	356
Literacy Council Of Alaska	Private Training	26	15,366	-	-	-	-	15,366
Lundberg Maryland Seamanship Schools Inc.	Private Training	1	-	475	-	-	-	475
Network Business Systems	Private Training	1	-	2,751	-	-	-	2,751
New Frontier Vocational Technical Education Center	Public Training	4	-	16,100	-	-	-	16,100
North Coast Electric Co.	Other	1	-	-	-	-	969	969
North Star Computing	Private Training	21	22,000	350	-	-	-	22,350
Northern Lights Inn	Other	1	-	-	-	-	562	562
Northland Books & Charts	Other	1	-	-	-	-	85	85
Norton Sound Health Corp.	Native Entity	9	1,049	-	-	-	1,900	2,949
Nova University/Florida	Private Training	1	-	910	-	-	-	910
Pacific Rim Institute Of Safety & Management (Prism)	Private Training	1	-	2,520	-	-	-	2,520
People Mover	Other	1	-	-	-	-	120	120
Physicians Review & Consulting	Private Training	1	-	1,440	-	-	-	1,440
Piledrivers Local 2520	Union	6	32,254	-	-	-	9,866	42,120
Plumber & Pipefitter Union Local 262	Union	1	-	-	-	-	239	239
Property Professionals/New Mexico	Other	1	-	-	-	-	3,300	3,300

APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Real Systems	Other	1	\$ -	\$ 535	\$ -	\$ -	\$ -	\$ 535
Red Cross Of America	Private Training	1	-	25	-	-	-	25
Regional Alcohol & Drug Abuse Counselor Training	Private Training	8	10,765	-	-	-	12,577	23,342
Renew U Hair Salon & School	Private Training	2	-	392	-	-	770	1,162
Residence Inn	Other	1	-	-	-	-	888	888
Revere Academy Of Jewelry Arts	Private Training	1	-	1,100	-	-	-	1,100
Rural Cap	Native Entity	71	44,645	-	-	-	33,543	78,188
Sea Marine Services	Other	1	-	564	-	-	-	564
Sears	Other	2	-	-	-	-	1,453	1,453
Seward Ship Chandlery	Other	2	-	145	-	-	48	193
Shear Allusions	Private Training	1	-	5,225	-	-	198	5,423
Sitka Community Hospital	Private Training	1	-	165	-	-	-	165
Snap-On Tools	Other	2	-	-	-	-	1,998	1,998
Southeast Alaska Regional Health Consortium	Native Entity	23	21,332	-	-	-	7,093	28,425
Southeast Board Of Realtors	Other	1	-	295	-	-	358	653
Sunshine Travel	Other	5	-	-	-	-	2,697	2,697
Sweetwater Travel	Other	5	-	-	-	-	2,661	2,661
Tanana Childcare	Other	1	-	-	-	-	1,539	1,539
Team Cutters	Private Training	12	3,432	-	-	-	-	3,432
Twilight Travel	Other	1	-	-	-	-	459	459
Tyee Travel	Other	1	-	-	-	-	286	286
University Of Alaska - Anchorage	Public Training	5	-	7,011	-	-	-	7,011
University Of Alaska - Fairbanks	Public Training	99	40,072	73,656	-	-	-	113,728
University Of Alaska - Kenai	Public Training	1	-	499	-	-	-	499
University Of Alaska - Southeast	Public Training	12	-	13,569	-	-	2,619	16,188
University Of California - Los Angeles	Private Training	1	-	3,000	-	-	-	3,000

APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients	Industry	Classroom	OJT	Employment	Support	Total Grants
Via Vita Health Project	Other	1	\$ -	\$ -	\$ -	\$ -	\$ 875	\$ 875
Vidal Sassoon/Canada	Private Training	1	-	886	-	-	-	886
West Coast Training Inc.	Private Training	3	-	13,772	-	-	-	13,772
Wizworks	Private Training	4	-	11,604	-	-	-	11,604
Worldwide Language Resources	Private Training	1	-	5,000	-	-	-	5,000
Wyatt Enterprises	Private Training	1	-	1,400	-	-	-	1,400
BOS Statewide Area Total		898	599,562	286,879	-	-	355,036	1,241,477
MOA Area								
A Head Of Time Hair	Private Training	2	-	9,400	-	-	-	9,400
Academy Of Myofascial	Private Training	1	-	7,914	-	-	-	7,914
Alaska Laborers Training Trust Fund	Union	40	45,200	-	-	-	-	45,200
Alaska Roofers Joint Apprenticeship	Union	12	36,164	-	-	-	-	36,164
Alaska Travel Concepts	Other	1	-	1,090	-	-	-	1,090
Alaska Vocational Technical	Public Training	1	2,532	-	-	-	-	2,532
Aurora North Emergency Services	Private Training	2	-	5,880	-	-	-	5,880
Career Academy	Private Training	7	-	37,352	-	-	-	37,352
Center For Employment Education	Union	8	33,702	-	-	-	-	33,702
Charter College	Private Training	3	-	15,976	-	-	-	15,976
CompUSA	Private Training	2	-	1,445	-	-	-	1,445
Denali Telecom	Other	1	-	-	798	-	-	798
Environmental Management Inc.	Private Training	5	-	5,565	-	-	-	5,565
Health Education Center	Private Training	3	-	4,300	-	-	-	4,300
Human Resource Center, Inc.	Private Training	70	-	-	-	102,067	-	102,067
Knik Tribal Council	Native Entity	1	-	-	3,836	-	-	3,836
MILA, Inc.	Private Training	71	-	135,603	-	57,530	-	193,133
Network Business Systems	Private Training	3	-	16,400	-	-	-	16,400
North American Technical College	Private Training	1	-	5,500	-	-	-	5,500
Testing Institute Of Alaska	Private Training	2	-	10,725	-	-	-	10,725
Trendsetters	Private Training	1	-	4,900	-	-	-	4,900
Trophy Tan & Taxidermy	Private Training	1	-	-	3,620	-	-	3,620
University Of Alaska - Anchorage	Public Training	20	-	32,363	-	-	-	32,363

APPENDIX D - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

<u>Vendor/Grantee Name</u>	<u>Type</u>	<u>Clients</u>	<u>Industry</u>	<u>Classroom</u>	<u>OJT</u>	<u>Employment</u>	<u>Support</u>	<u>Total Grants</u>
University Of Alaska -								
Anchorage/Matsu	Public Training	5	-	7,004	-	-	-	7,004
Valley Academy Of Nursing Assistants	Private Training	4	-	14,000	-	-	-	14,000
Wayland Baptist University	Private Training	1	-	1,080	-	-	-	1,080
MOA Area Total		268	117,598	316,497	8,254	159,597	-	601,946
FY 00 STEP Vendor/Grantee Total		1166	\$ 717,160	\$ 603,376	\$ 8,254	\$ 159,597	\$ 355,036	\$ 1,843,423

APPENDIX D - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
BOS Statewide Area								
Adult Learning Programs Of Alaska	Private Training	3	\$ -	\$ 1,342	\$ -	\$ -	\$ -	\$ 1,342
Air Liquide America Corp.	Other	2	-	425	-	-	151	576
Alaska Airlines	Other	1	-	-	-	-	300	300
Alaska Commercial Co.	Other	6	-	-	-	-	2,854	2,854
Alaska Industrial Development & Export Authority	Public Training	59	32,615	-	-	-	72,445	105,060
Alaska Industrial Hardware	Other	1	-	261	-	-	-	261
Alaska Laborers Training Trust Fund	Union	234	86,691	-	-	-	51,978	138,669
Alaska Operating Engineers	Union	174	21,376	-	-	-	35,325	56,701
Alaska Vocational Technical Education Center	Public Training	4	-	2,305	-	-	2,600	4,905
Anchor Arms Motel	Other	1	-	-	-	-	1,680	1,680
Angel Investments	Other	1	-	-	-	-	714	714
Bering Straits Native Corp.	Native Entity	3	-	-	-	-	4,751	4,751
Big Rays Inc.	Other	3	-	1,048	-	-	-	1,048
Bristol Bay Native Association	Native Entity	23	18,751	-	-	-	26,592	45,343
Center For Employment Education	Union	25	95,596	15,240	-	-	100	110,936
Client Reimbursement	Individual Training	48	-	6,516	-	-	12,317	18,833
Cole Vision Corporation	Other	1	-	-	-	-	225	225
Cornerstone Home Health Care	Private Training	60	58,892	-	-	-	9,229	68,121
Corporate Express	Other	1	-	59	-	-	-	59
Crescent Electric Supply Co.	Other	5	-	3,330	371	-	-	3,701
Delta Mine Training	Private Training	4	-	1,300	-	-	-	1,300
Division Of Occupational Licensing	Public Training	9	-	1,680	-	-	210	1,890
Environmental Management Inc.	Private Training	3	-	1,645	-	-	-	1,645
F & F Safety Specialists Inc.	Private Training	3	-	1,250	-	-	-	1,250
Fairbanks Area Plumbers & Pipefitters	Union	1	-	237	-	-	-	237
Fairbanks Urgent Care Center Inc.	Other	5	-	-	-	-	300	300
Fred Meyer	Other	5	-	379	-	-	333	712
Heritage Place	Other	1	-	550	-	-	-	550
Hyder Community Association Inc.	Other	7	22,498	-	-	-	-	22,498

APPENDIX D - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Igiugig Village Council	Native Entity	1	\$ -	\$ 2,660	\$ -	\$ -		\$ 2,660
Iliamna Lake Contractors	Native Entity	1	-	-	3,259	-	-	3,259
Ilisagvik College	Native Entity	1	-	936	-	-	815	1,751
Indian Valley International Inc.	Other	6	-	18,000	-	-	-	18,000
Inland Boatmens Union Of The Pacific	Union	90	68,879	-	-	-	46,423	115,302
Interior Athabaskan Tribal College	Native Entity	2	-	966	-	-	-	966
Interic Medical Supply	Other	2	-	116	-	-	192	308
Kenai Vision Center	Other	1	-	-	-	-	310	310
Kinkos	Other	1	-	-	-	-	47	47
Louisiana Hospitality Inc.	Other	1	-	-	-	-	69	69
Marshall, Peter Md	Other	1	-	-	-	-	85	85
Merrill Field Inn	Other	6	-	-	-	-	2,469	2,469
Mush Inn	Other	5	-	-	-	-	3,159	3,159
N.W. Arctic Borough School District	Public Training	1	-	2,995	-	-	-	2,995
Nana Management Services, LLC	Native Entity	1	-	190	-	-	-	190
North Star Computing Inc.	Private Training	3	-	2,556	-	-	-	2,556
Northern Lights Hotel	Other	1	-	-	-	-	562	562
Northland Services Inc.	Other	1	-	-	-	2,200	-	2,200
Norton Sound Health Corp.	Native Entity	8	4,648	-	-	-	6,790	11,438
Outbound Travel Inc.	Other	3	-	783	-	-	1,605	2,388
Pacifica Guest House	Other	1	-	-	-	-	180	180
Peninsula Airways Inc.	Other	2	-	-	-	-	1,160	1,160
Piledrivers Local 2520	Union	12	37,315	-	-	-	24,381	61,696
Pleiates, Inc.	Other	1	-	-	-	-	500	500
Regional Alcohol & Drug Abuse Counselor Training	Private Training	20	25,149	-	-	-	37,231	62,380
Revere Academy Of Jewelry Arts	Private Training	1	-	5,500	-	-	-	5,500
Rural Cap	Native Entity	43	36,170	-	-	-	30,136	66,306
Sanders, Jim C. Md	Other	1	-	-	-	-	90	90
Seacorp Operation SW&C Inc.	Other	4	-	985	-	-	-	985

APPENDIX D - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Seafarers Welfare Plan	Other	2	\$ -	\$ 775	\$ -	\$ -	\$ 210	\$ 985
Southeast Alaska Regional Health Consortium	Native Entity	9	13,189	-	-	-	8,275	21,464
Sweetwater Travel	Other	2	-	-	-	-	432.00	432.00
TCBC Compueaze Inc.	Private Training	1	-	5,040	-	-	-	5,040
Testing Institute Of Alaska	Private Training	1	-	3,329	-	-	-	3,329
Third Sector Technologies	Other	1	-	229	-	-	-	229
Twilight Travel	Other	4	-	-	-	-	2,962	2,962
University Of Alaska - Anchorage	Public Training	12	-	14,748	-	-	-	14,748
University Of Alaska - Fairbanks	Public Training	26	-	52,383	-	-	-	52,383
University Of Alaska - Kenai	Public Training	6	-	9,560	-	-	-	9,560
University Of Alaska - Southeast	Public Training	1	-	357	-	-	-	357
Us Travel Alaska	Other	1	-	-	-	-	1,871	1,871
Via Vita Health Project	Private Training	1	-	4,424	-	-	-	4,424
Wyatt Enterprises .	Private Training	4	-	17,237	-	-	-	17,237
Yukon Kuskokwim Health Corporation	Native Entity	23	11,963	-	-	-	22,175	34,138
BOS Statewide Area Total		1,008	533,732	181,336	3,630	2,200	414,233	1,135,131
MOA Area								
Alaska Computer Essentials	Private Training	1	-	2,400	-	-	-	2,400
Alaska Institute Of Professional Nail Technicians	Private Training	1	-	4,650	-	-	-	4,650
Alaska Laborers Training Trust Fund	Union	66	53,176	-	-	-	-	53,176
Alaska Operating Engineers	Union	56	19,375	-	-	-	-	19,375
Alaska Roofers Joint Apprenticeship	Union	12	44,452	-	-	-	-	44,452
Alaska School Of Taxidermy	Private Training	1	-	5,500	-	-	-	5,500
Alaska Vocational Technical Education Center	Public Training	1	-	4,322	-	-	-	4,322
American Tire Warehouse	Other	1	-	-	960	-	-	960
Bar Stars Professional Bartending	Private Training	1	-	300	-	-	-	300
Browns School Of Phlebotomy	Private Training	1	-	3,385	-	-	-	3,385
Career Academy	Private Training	2	-	9,054	-	-	-	9,054

APPENDIX D - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Industry Specific	Classroom Training	OJT	Employment Assistance	Support Services	Total Grants
Center For Employment Education	Union	10	\$ 65,303.00	\$ -	\$ -	\$ -	\$ -	\$ 65,303.00
Charter College	Private Training	1	-	5,500	-	-	-	5,500
Environmental Management Inc.	Private Training	1	-	125	-	-	-	125
Health Education Center	Private Training	2	-	5,600	-	-	-	5,600
Human Resource Center, Inc.	Private Training	45	-	41,026	-	68,810	-	109,836
Inland Boatmens Union Of The Pacific	Union	28	64,312	-	-	-	-	64,312
Microage	Private Training	1	-	384	-	-	-	384
MILA, Inc.	Private Training	100	-	117,976	-	-	-	117,976
Network Business Systems	Private Training	5	-	20,513	-	-	-	20,513
Piledrivers Local 2520	Union	8	28,525	-	-	-	-	28,525
Providence Health Systems	Private Training	2	-	3,600	-	-	-	3,600
Testing Institute Of Alaska	Private Training	3	-	14,891	-	-	-	14,891
Trendsetters	Private Training	1	-	4,900	-	-	-	4,900
University Of Alaska - Anchorage	Public Training	1	-	19,244	-	-	-	19,244
University Of Alaska - Anchorage/Matsu	Public Training	1	-	3,525	-	-	-	3,525
MOA Area Total		<u>352</u>	<u>275,143</u>	<u>266,895</u>	<u>960</u>	<u>68,810</u>	<u>-</u>	<u>611,808</u>
FY 01 STEP Vendor/Grantee Total		<u>1,360</u>	<u>808,875</u>	<u>448,231</u>	<u>4,590</u>	<u>71,010</u>	<u>414,233</u>	<u>1,746,939</u>

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
MILA, Inc.	Private Training	185	\$ 194,740
University Of Alaska - Anchorage	Public Training	75	137,144
Human Resources Center, Inc.	Private Training	157	114,142
Alaska Laborers Training Trust Fund	Union	111	107,329
BBC Human Resource	Native Entity	30	103,684
Alaska Vocational Technical Education Center	Public Training	22	96,852
Dept. of Labor & Workforce Development	Public Training	29	93,859
Rural Assessment - Case Management	Public Training	162	90,125
Copper Valley Education	Public Training	27	83,894
Alaska Joint Electrical Apprenticeship	Union	74	77,724
University Of Alaska - Fairbanks	Public Training	22	77,319
Wards Cove Packing	Other	7	56,000
Step Power Plant Rsa	Public Training	30	54,231
OPAG, Inc.	Private Training	45	49,384
Yukon-Kuskokwim Health Corporation	Native Entity	12	48,265
Alaska Roofers Joint Apprenticeship	Union	21	46,722
People Count	Private Training	25	42,679
Client Reimbursements	Individual Training	68	40,013
Charter College	Private Training	39	37,366
Norton Sound Education	Public Training	20	34,256
University Of Alaska Law Rsa	Public Training	10	33,789
Career Academy	Private Training	11	32,636
Environmental Management, Inc.	Private Training	52	27,730
Bristol Bay Native Association	Native Entity	10	27,100
Yukon Delta Fisheries Development Association	Private Training	6	26,561

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Association Of Village Council Presidents	Native Entity	40	\$ 22,469
University Of Alaska - Anchorage/Matsu	Public Training	29	21,216
Alaska Technical Training	Private Training	4	19,612
Alaska Computer Institute	Private Training	6	18,230
N.W. Arctic Borough	Other	6	17,808
Carpenters	Union	21	17,672
International Longshore And Warehouse Union	Union	28	17,588
Fairnet, Inc.	Private Training	38	17,339
University Of Alaska	Public Training	13	16,405
Elite Employment Services	Private Training	10	15,121
Literacy Council Of Alaska	Private Training	30	14,718
University Of Alaska - Kuskokwim	Public Training	1	13,831
Hospice & Homecare	Private Training	16	9,924
American Express	Other	8	9,805
West Coast Training, Inc.	Private Training	2	8,830
Center For Employment Education	Union	5	8,237
Southern Methodist University	Private Training	1	7,500
Testing Institute Of Alaska	Private Training	2	7,401
Southeast Regional Resource Center, Inc.	Native Entity	2	7,100
Coastal Village Fisheries	Other	5	6,942
Gana A Yoo Ltd	Native Entity	4	6,338
Visia Travel	Other	7	6,137
School Of Integrated Shiatsu	Private Training	1	6,001
Valley Academy Of Nursing	Private Training	3	6,000
Pima Community College	Private Training	1	5,800

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Network Business Systems	Private Training	5	\$ 5,459
Metro Oasis Salon And School	Private Training	1	5,295
Alaska Health Project	Other	2	4,998
Rolf Institute	Private Training	1	4,900
Aurora	Other	1	4,400
SST Travel Schools	Private Training	1	3,845
Trophy Tan & Taxidermy	Private Training	1	3,838
CAE, Inc.	Private Training	1	3,780
Sundial Resorts, Inc.	Other	1	3,494
Wayland University	Private Training	2	3,248
Kake Tribal Corp.	Native Entity	30	3,125
HDS, Inc.	Private Training	1	3,000
ITT Technical Institute	Private Training	1	2,981
Airman Flight School	Private Training	1	2,870
Travel School	Private Training	1	2,850
Home First National	Other	1	2,750
National Bank Of Alaska	Other	1	2,700
Commercial Training	Private Training	1	2,595
Ilisquik College	Native Entity	1	2,531
Embry Riddle Aeronautical	Private Training	1	2,479
Ilisagvik College	Native Entity	2	2,425
City Of Wrangell	Public Training	2	2,321
Computer Express	Private Training	10	2,246
New World Teachers	Private Training	1	2,000
New Frontier Vocational Technical Center	Public Training	1	1,975

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Mikes Chevron	Other	6	\$ 1,759
Action See	Other	1	1,740
Alaska Operating Engineers	Union	9	1,695
Naabia Niign, Ltd.	Native Entity	2	1,691
Fairbanks Native Association	Native Entity	1	1,666
Revere Academy Of Jewelry Arts	Private Training	1	1,638
Southeast Executtravel	Other	4	1,556
Linn-Benton Community College	Private Training	1	1,545
American Welding	Private Training	1	1,330
Cellular Connection	Other	1	1,312
Alaska Marine Highway Systems	Other	3	1,285
Northern Keta Caviar	Other	2	1,275
Fairbanks North Star Borough	Other	5	1,231
University Of Alaska - Kcnai	Public Training	1	1,129
Lynden Transport	Other	1	1,071
Southern Alaska Forwarding	Other	1	1,025
Omni Computer	Other	1	1,015
Uniglobe Travel	Other	4	995
Lamonts	Other	7	931
Code West	Other	1	900
J & B North, Inc.	Other	1	850
Compass North	Other	1	840
Brigham Young	Private Training	1	832
Rapid Tool & Supply	Other	1	785
Builders Bargain	Other	1	743

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Holland American Line	Other	2	\$ 725
Lewis Motors	Other	1	725
HMC, Inc.	Private Training	1	720
K-Mart	Other	2	718
University Of Washington	Private Training	1	681
Alaska Budget Motel	Other	1	643
Action Auto Parts & Glass	Other	3	625
Ansonia Hotel	Other	1	625
Asbestos Removal Specialists Of Alaska	Private Training	1	600
Hartec Management	Other	1	595
Ketchikan Travel	Other	2	581
Cusack Development Co.	Other	1	577
Municipal Utility Services	Other	15	556
Easy Travel	Other	2	554
Sears	Other	2	536
Stylistix Team Salon	Other	1	500
Adult Learning Programs Of Alaska	Private Training	6	451
Safety Quality Environment	Private Training	1	450
Brown & Sons Auto Parts	Other	1	450
Michael & Carol Morrison	Other	1	450
Data Bank Computer	Private Training	1	432
Concorde Hotel	Other	1	392
Arc N' Sparc	Other	1	375
Big Rays, Inc.	Other	2	366
Taquan Travel	Other	1	347

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Traveltime Inc.	Other	1	\$ 309
C & B Of Juneau	Other	5	300
Nulato Tribal Council	Native Entity	2	300
Alaska Textiles	Other	2	292
Maniilaq Association	Native Entity	1	280
Alaska Air Academy	Private Training	1	258
Nugget Alaska Outfitter	Other	2	246
Copier Care	Other	3	232
Helmbrecht Dental	Other	1	228
Floral Design Institute	Private Training	1	225
Seward Life Action Co.	Other	2	220
Air Liquide America Corp.	Other	1	212
Hageland Aviation	Other	1	210
Light House Service	Other	1	202
Alaska Industrial X-Ray	Other	1	200
Northland Books & Charts	Other	2	200
Soldotna Kiddie Kare	Other	1	200
Alaska Center For Children & Adults	Private Training	1	185
Tucson Electric Power	Other	1	185
Ikes Fuel	Other	1	181
Fat Freddies	Other	2	178
Interior Graphics	Other	2	166
Neighborhood Health	Other	3	164
University Of Alaska - Chukchi	Public Training	1	159
Career Comm	Private Training	12	159

APPENDIX E - SCHEDULE 1
 FY 97 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Denali Industrial Supplies, Inc.	Other	1	\$ 156
Peninsula Motel	Other	1	147
Paulson, Eric DDS	Other	1	145
Maniilaq Medical Center	Other	1	140
GCI	Other	3	139
U.S. Postmaster	Other	35	120
Klondike Inn	Other	1	108
Ship Creek Hotel	Other	1	106
Bering Air	Other	1	105
Kinkos	Other	2	102
Araserve, Inc.	Other	1	100
Ketchikan General Hospital	Other	1	98
Taiga Sales Co.	Other	1	98
Red Cross Of America	Private Training	3	90
Goldpanners Chevron	Other	4	76
American Traffic Safety	Private Training	1	75
Super 8 Motel	Other	2	73
Fred Meyer, Inc.	Other	1	70
J.C. Penney, Inc.	Other	1	70
U.S. Passport Services	Other	1	65
Computerland	Private Training	1	31
Haircuts Are Us	Other	1	13
	Total	1,830	\$ 2,175,804

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APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
MILA, Inc.	Private Training	177	\$ 234,418
University Of Alaska - Fairbanks	Public Training	73	187,981
University Of Alaska - Anchorage	Public Training	95	117,011
Center For Employment Education	Union	25	114,817
Human Resource Center, Inc.	Private Training	227	114,614
Bristol Bay Native Association	Native Entity	19	93,604
Alaska Laborers Training Trust Fund	Union	139	90,930
Copper Valley Education	Public Training	41	78,456
Alaska Joint Electrical Apprenticeship	Union	40	70,824
Tanana Chiefs Conference	Native Entity	36	70,615
Center	Public Training	30	65,861
Kake Tribal Corp.	Native Entity	15	64,297
98 Rural Assessment	Public Training		58,097
Alaska Forest Creations	Other	10	56,546
Yukon-Kuskokwim Health Corporation	Native Entity	12	50,336
Southeast Alaska Regional Health Consortium	Native Entity	36	46,453
Alaska Roofers Joint Apprenticeship	Union	18	43,424
University Of Alaska - Anchorage/Matsu	Public Training	1	33,862
Alaska Vocational Technical Education Center	Public Training	15	33,710
Alaska Technical Center	Private Training	7	32,624
Environmental Management, Inc.	Private Training	25	32,446
Step Power Plant Operator	Public Training	20	30,364
Client Reimbursement	Individual Training	55	26,677
Wilson & Wilson, CPA	Private Training	20	24,910
Southeast Regional Resource Center Inc.	Native Entity	7	23,700

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Valley Academy Of Nursing	Private Training	9	\$ 22,500
Testing Institute Of Alaska	Private Training	4	22,205
Fairbanks Alaska Carpenter Training Center	Union	10	21,696
Career Academy	Private Training	4	21,664
Regional Drug & Alcohol Counselor Training	Private Training	7	21,265
Biz Works Computer Training	Private Training	13	20,960
Rsa 2180048	Public Training	20	20,204
Fairbanks Area Painters-Decorators	Union	10	18,481
International Longshore And Warehouse Union	Union	20	16,029
Northern Keta Caviar	Other	2	15,677
Weber State University	Private Training	3	14,509
West Coast Training, Inc.	Private Training	2	13,800
CAE, Inc.	Private Training	1	8,970
University Of Alaska	Public Training	11	8,506
Charter College	Private Training	2	7,786
N.W. Arctic Borough	Other	3	7,613
Renew U Design Academy	Private Training	1	7,240
SST Travel Schools	Private Training	2	5,567
Microage	Private Training	1	5,500
Network Business System	Private Training	1	5,500
Security Aviation, Inc.	Other	1	5,500
Sears	Other	8	5,124
Alaska Operating Engineers	Union	3	4,950
Southeast Executtravel	Other	7	4,390
Big Sky Fire Protection, Inc.	Other	1	4,176

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Ground Zero Tech-Works	Private Training	1	\$ 4,000
Mortgage	Other	1	3,992
Hogan,Meecham,Hogan	Other	3	3,723
Mikes University Chevron	Other	11	3,695
Northern Lights Heating & Cooling	Other	1	3,360
Sunshine Travel	Other	2	3,069
International Institute For Surface Transportation	Private Training	1	3,000
Refrigeration Schools	Private Training	1	2,810
Rental Management Services	Other	1	2,800
Fairbanks North Star Borough	Other	7	2,699
Sheldon Jackson College	Private Training	1	2,672
Sears Optical	Other	12	2,657
Trendsetters	Private Training	1	2,482
Browns School Of Phlebotomy	Private Training	1	2,460
Sourdough Lodging	Other	1	2,395
Continuing Education Center	Private Training	1	2,387
National Public Radio	Private Training	1	2,387
Marbil Services	Other	1	2,216
American Express	Other	3	2,184
Government Computer Sales, Inc.	Private Training	118	2,122
Cellular Connection	Other	1	2,048
Infotech Commercial Systems	Private Training	2	1,794
Deaf Community	Private Training	1	1,776
Fairbanks Memorial Hospital	Private Training	2	1,660
Wayland Baptist University	Private Training	2	1,651

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
AEL&P	Other	4	\$ 1,570
Lundberg Maryland Seamanship Schools Inc.	Private Training	2	1,460
University Of Alaska - Southeast	Public Training	4	1,448
Econolodge	Other	1	1,400
Driftwood Lodge	Other	1	1,364
Johnstone Supply	Other	1	1,339
Taquan Travel	Other	2	1,336
Boise State University	Private Training	1	1,294
Rapid Tool & Supply	Other	1	1,289
Wolfe Management	Private Training	1	1,267
Embry Riddle Aeronautical	Private Training	1	1,237
Happy Hooker Towing	Other	1	1,200
Deeter, Randy DDS	Other	1	1,128
Aramark Corp.	Other	1	1,020
Price Costco	Other	1	1,015
Brown & Sons Auto Parts	Other	3	974
Hospitality Unlimited	Other	1	969
Big Rays, Inc.	Other	4	953
Air Liquide America Corp.	Other	4	927
Graceland College	Private Training	1	895
Rural Cap Child Development	Native Entity	1	844
Lamonts	Other	7	824
U-Haul	Other	1	808
South Peninsula Hospital	Private Training	1	800
Northland Books & Charts	Other	5	777

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Laskey, John DDS	Other	1	\$ 750
University Of Alaska - Chukchi	Public Training	1	724
Anita Finch Dba	Other	1	704
Ambassador Apartments	Other	1	700
Sego Consultants	Other	1	695
Capital Cab	Other	1	612
Asbestos Removal Specialists Of Alaska	Private Training	1	600
Central Texas College	Private Training	1	560
Bellevue Travel Lodge	Other	1	508
Glacier Muffler & Towing	Other	1	500
Nugget Alaskan	Other	2	482
Comfort Inn	Other	1	467
Anchorage Suite Lodge	Other	1	454
Aurora North Emergency Services	Private Training	1	450
Creative Play & Preschool	Other	1	435
Taku Oil Sales	Other	1	423
Action Auto Parts	Other	1	420
Arctic Travel	Other	2	420
C & B Of Juneau	Other	6	405
Conkles Automotive Repair	Other	1	400
Fred Meyer	Other	2	400
Soldotna Kiddie Kare	Other	1	391
Southeast Alaska Marine Training Services	Private Training	1	375
Appliance Service	Other	1	361
Behrends Mechanical Inc.	Other	1	356

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Tonys Int., Inc.	Other	1	\$ 333
Genuine Part Co.	Other	1	323
Riederer, Mark DDS	Other	1	320
Technology Connection	Other	1	309
Goldpanners Chevron	Other	2	275
Sweetwater Travel	Other	1	268
Peninsula Motel Association	Other	1	265
Allakaket Village Council	Native Entity	2	252
Army Navy Surplus	Other	1	250
Switzer Village Mobile	Other	1	235
K-Mart	Other	3	225
Seafarers Welfare Plan	Other	1	210
J. C. Penney, Inc.	Other	1	196
Totem Travel	Native Entity	1	190
Dept. Of Community & Economic Development	Public Training	1	185
Interior Graphics	Other	2	175
Alaska Industrial Hardware	Other	1	165
Advantage Rent A Car	Other	1	160
Sitka Council On Alcohol And Drug Abuse	Other	1	160
Tanana Valley Clinic	Other	4	145
Barrow Airport Inn	Other	1	135
Lab Flying Service	Other	1	122
U. S. Postmaster	Other		115
Division Of Occupational Licensing	Other	1	100
Fairbanks Daily News Miner	Other	1	99

APPENDIX E - SCHEDULE 2
 FY 98 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Bering Air	Other	1	\$ 96
Chugach Children Services	Other	1	95
Payless Drugs	Other	1	88
Kinkos	Other	3	85
Silver Eagle Transport	Other	1	84
Mendenhall Valley Tesoro	Other	1	80
United Insurance	Other	1	78
Anchorage Lakefront	Other	1	75
Best Western Country	Other	1	65
Naabia Niign Ltd.	Other	1	56
New Concepts Beauty School	Private Training	1	50
A & W Wholesale	Other	1	46
Alaska Marine Highway System	Other	1	41
	Total	<u>1,597</u>	<u>\$ 2,219,309</u>

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APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
MILA, Inc.	Private Training	121	\$ 169,712
University Of Alaska - Kenai	Public Training	64	105,892
Alaska Laborers Training Trust Fund	Union	146	102,161
Cornerstone Home Health Care	Private Training	40	87,132
University Of Alaska - Fairbanks	Public Training	77	86,808
Human Resource Center, Inc., Inc.	Private Training	174	68,382
Alaska Joint Electrical Apprenticeship	Union	31	63,591
Center For Employment Education	Union	10	54,713
University Of Alaska - Anchorage	Public Training	65	48,286
Tlingit & Haida Head Start	Native Entity	0	47,446
Southeast Regional Resource Center Inc.	Native Entity	31	47,063
Alaska Roofers Joint Apprenticeship	Union	17	41,630
Testing Institute Of Alaska	Private Training	10	39,625
Valley Academy Of Nursing	Private Training	11	36,000
Alaska Operating Engineers	Union	82	35,234
Alaska Vocational Technical Education Center	Public Training	21	31,707
Network Business Systems	Private Training	7	30,652
Regional Alcohol & Drug Abuse	Private Training	7	28,230
Client Reimbursement	Individual Training	26	23,583
Rural Assessment, Case Management	Public Training	0	21,170
University Of Alaska - Anchorage/Matsu	Public Training	31	20,387
Dept. of Labor & Workforce Development	Public Training	11	20,060
West Coast Training	Private Training	5	17,500
Chiulista Camp Service	Native Entity	6	15,275

APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Indian Valley Meats Inc.	Other	5	\$ 14,500
Career Academy	Private Training	3	14,495
Southeast Alaska Regional Health Consortium	Native Entity	36	13,701
Ilisagvik College	Native Entity	7	13,413
Bristol Bay Native Association	Native Entity	6	11,281
Copper Valley Education Center	Public Training	10	10,948
Alaska Technical Center	Public Training	1	9,900
Charter College	Private Training	1	9,210
Tlingit & Haida Central Council	Private Training	5	8,443
SST Travel School	Native Entity	43	7,992
IHH Industries	Private Training	2	7,890
Kake Tribal Corp.	Other	3	7,119
Academy Of Myofascial	Native Entity	3	6,277
Flight Safety Alaska	Private Training	1	5,500
Galvin Flight Training	Private Training	1	5,500
Sweetwater Travel	Private Training	1	5,500
Simcom International	Other	14	5,466
Stans Appliance	Private Training	1	5,400
American Airlines Travel Academy	Other	1	5,160
Data Bank Computer Services	Private Training	1	4,987
Flight Safety International	Private Training	1	4,855
Browns School Of Phlebotomy	Private Training	1	4,675
University Of Alaska - Southeast	Private Training	1	3,660
	Public Training	12	3,425

APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Double R Property Mgmt	Other	1	\$ 3,180
AAI Engineering Support	Private Training	1	3,020
Board Of Cooperative Education Services	Public Training	1	3,000
University of California - Los Angeles	Private Training	1	3,000
Trophy Tan & Taxidermy	Private Training	1	2,999
NRI School McGraw-Hill	Private Training	1	2,890
Environmental Management, Inc.	Private Training	3	2,865
Naabia Niign Inc.	Native Entity	10	2,824
His & Hers	Other	1	2,800
Western Oregon University	Private Training	1	2,506
Kasilof Medical	Private Training	1	2,500
Reliable Transfer	Other	1	2,500
Cook Inlet Council On Alcohol	Native Entity	66	1,980
Airplane Training Professionals	Private Training	1	1,895
Trimbel Navigation Ltd	Other	1	1,800
Embry Riddle Aeronautical	Private Training	1	1,793
N.W. Arctic Borough	Other	1	1,781
Alaska Dried Foods	Other	10	1,760
Hogan, Meecham, Hogan	Other	1	1,626
New Concepts Beauty School	Private Training	2	1,301
Mikes University Chevron	Other	16	1,278
Boise State University	Private Training	1	1,236
Sears Industrial	Other	1	1,193
Underwater Sports Inc.	Other	1	1,150

APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Silicon Valley	Other	1	\$ 1,068
Transportation Systems	Other	1	980
Northland Books & Charts	Other	7	935
Anchorage Corporate Suites	Other	1	810
La Quinta	Other	1	809
Fairbanks North Star Borough	Other	18	782
Taquan Travel	Other	1	729
Compass North	Other	1	637
Tool Crib Of The North	Other	1	610
Sitka Tribe Of Alaska	Native Entity	1	600
Brown & Sons Auto Parts	Other	2	566
Crown Plaza	Other	1	559
Howard Johnson Plaza Hotel	Other	1	533
Southeast Executavel	Other	2	525
Fairbanks Radiator	Other	2	520
Bens Super Store	Other	1	499
Alaska Coastal Homes Inc.	Other	1	498
Wrangell Medical Clinic	Other	1	489
Easy Travel	Other	1	488
C & B Of Juneau	Other	7	450
Dept. of Community & Economic Development	Public Training	3	435
Urbachs	Other	2	408
Alaska Industrial X-Ray	Other	2	400
Tongass Regional Eye Clinic	Other	1	400
Twilight Travel	Other	1	394

APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Nugget Alaska Outfitters	Other	2	\$ 389
Bovey Trophies	Other	1	386
Hillside On Gambell	Other	1	374
Arctic Travel	Other	1	352
Fred Meyer	Other	2	318
Office Max	Other	3	303
Lamonts	Other	2	300
Shaub-Ellison Co.	Other	1	300
Sprucewood Park	Other	1	300
K-Mart	Other	3	298
Big Rays	Other	1	298
Sitka Community Hospital	Other	2	288
City Of Nenana	Other	1	268
Switzer Village Mobile Park	Other	1	235
A & W Wholesale	Other	1	233
Sears Optical	Other	1	228
Seward Ship Chandlery	Other	3	162
Eye Clinic Of Fairbanks	Other	1	155
Tanana Valley Clinic	Other	1	145
Totem Chevron	Other	3	145
Goldpanners Chevron	Other	2	120
AEL&P	Other	1	115
Juneau Urgent Care	Private Training	1	88
PTI Communications	Other	1	82
Virginia Mason Medical	Other	1	49

APPENDIX E - SCHEDULE 3
 FY 99 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Red Cross Of America	Private Training	1	\$ 40
Mcginnis & Associates	Other	1	35
Seward Bus Line	Other	1	30
Ketchikan Gateway Borough	Other	1	25
Kake Foods Inc.	Native Entity	1	17
	Total	1,382	\$ 1,505,615

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
MILA, Inc.	Other	71	\$ 193,133
Alaska Laborers Training Trust Fund	Union	208	173,202
Center For Employment Education	Union	32	171,475
University Of Alaska - Fairbanks	Public Training	99	113,728
HRC, Inc.	Private Training	70	102,067
Alaska Vocational Technical Education Center	Public Training	60	101,200
Alaska Operating Engineers	Union	77	90,933
Rural Cap	Native Entity	71	78,188
Alaska Joint Electrical Apprenticeship	Union	26	62,777
Alaska Energy Authority	Public Training	32	52,956
Bristol Bay Native Association	Native Entity	25	45,012
Piledrivers Local 2520	Union	6	42,120
Career Academy	Private Training	8	41,817
University of Alaska - Anchorage	Public Training	25	39,373
Alaska Roofers Joint Apprenticeship	Union	12	36,164
Alaska Trademark Shellfish	Other	3	35,315
Client Reimbursements	Individual Training	33	33,339
Southeast Alaska Regional Health Consortium	Native Entity	23	28,425
Fairbanks Area Painters & Allied Trades	Union	12	25,272
Regional Alcohol & Drug Abuse	Private Training	8	23,342
North Star Computing	Private Training	21	22,350
Charter College	Private Training	4	20,359
Network Business Systems	Private Training	4	19,151
University Of Alaska - Southeast	Public Training	12	16,188
New Frontier Vo-Tech Center	Private Training	4	16,100

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Literacy Council Of Alaska	Private Training	26	\$ 15,366
Valley Academy of Nursing Assistants	Private Training	4	14,000
West Coast Training Inc.	Private Training	3	13,772
Environmental Management Inc.	Private Training	16	13,004
Wizworks	Private Training	4	11,604
Ilisagvik College	Native Entity	1	10,747
Testing Institute of Alaska	Private Training	2	10,725
Cornerstone Home Health Care	Private Training	10	10,000
A Head of Time Hair	Private Training	2	9,400
Intra-Sea Inc.	Other	6	8,628
The Academy of Myofascial	Private Training	1	7,914
Alaska Flying Network, Inc.	Private Training	1	7,400
University of Alaska - Anchorage/Matsu	Public Training	5	7,004
AVI Computer Skills	Private Training	2	6,700
Aurora North Emergency Services	Private Training	3	5,920
Alaska Technical Center	Private Training	1	5,747
North American Technical College	Private Training	1	5,500
Shear Allusions	Private Training	1	5,423
Worldwide Language Resources/Maine	Private Training	1	5,000
Crestone Healing Center	Private Training	1	4,950
Trendsetters	Private Training	1	4,900
Health Education Center	Private Training	3	4,300
Knik Tribal Council	Native Entity	1	3,836
Trophy Tan & Taxidermy	Private Training	1	3,620
Team Cutters	Private Training	12	3,432

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Property Professionals/New Mexico	Other	1	\$ 3,300
University of California - Los Angeles	Private Training	1	3,000
Norton Sound Health Corp.	Native Entity	9	2,949
Sunshine Travel	Other	5	2,697
Sweetwater Travel	Other	5	2,661
Pacific Rim Inst. Of Safety & Mngmt. (Prism)	Private Training	1	2,520
Anderson Apartments	Other	1	2,126
Snap-On Tools	Other	2	1,998
Browns School of Phlebotomy	Private Training	1	1,620
Tanana Childcare	Other	1	1,539
Sears	Other	2	1,453
CompUSA	Private Training	2	1,445
Physicians Review & Consulting	Private Training	1	1,440
Wyatt Enterprises	Private Training	1	1,400
Alaska Industrial Hardware	Other	1	1,254
Renew U Hair Salon & School	Private Training	2	1,162
Revere Academy Of Jewelry Arts	Private Training	1	1,100
Big Ray's	Other	5	1,098
Alaska Travel Concepts	Other	1	1,090
Wayland Baptist University	Private Training	1	1,080
North Coast Electric Co.	Other	1	969
D.J.S Wheelhouse & Motel	Other	1	942
Nova University/Florida	Private Training	1	910

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Anchorage Plumbers & Pipefitters Apprenticeship	Union	1	\$ 906
Residence Inn	Other	1	888
Vidal Sassoon/Canada	Private Training	1	886
Via Vita Health Project	Other	1	875
Denali Telecom	Other	1	798
Alaska West Training Center	Private Training	1	770
ICS Business Industrial Training	Private Training	1	689
Kalama River Inn	Other	1	659
Southeast Board of Realtors	Other	1	653
Driftwood Lodge	Other	1	648
Hillside Motel	Other	1	606
Fairbanks Alaska Carpenter Training Center	Union	1	600
Fred Meyer	Other	3	597
Sea Marine Services	Other	1	565
Northern Lights Inn	Other	1	562
Real Systems	Other	1	535
University of Anchorage - Kenai	Public Training	1	500
Brown & Sons Auto Parts	Other	2	494
Dave's Shop	Other	1	481
Lundberg Maryland Seamanship Schools Inc.	Private Training	1	475
Twilight Travel	Other	1	459
Best Western Golden Lion	Other	1	441
Dept. of Labor & Workforce Development	Public Training	2	420

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Napa Auto Parts	Other	1	\$ 379
Lamonts	Other	3	356
Goldstream Motors	Other	1	350
Interior Welding & Tool Supply	Other	2	340
Kade Mendelowitz, Multimakers	Other	1	330
Eye Clinic	Other	1	322
Penske Auto Center/K-Mart	Other	1	292
Tyee Travel	Other	1	286
Alaska Coastal Homes	Other	1	280
Bristol Bay Contractors	Other	1	280
Brown & Hawkins	Other	1	252
International Union Of Painters & Allied Trades	Union	1	250
Plumber & Pipefitter Union Local 262	Union	1	239
Alaska Airlines	Other	1	236
Air Liquide America Corp.	Other	1	219
Alaska Aero Maintenance Services	Other	1	206
Fairbanks North Star Borough, Mac Transit	Other	3	195
Seward Ship Chandlery	Other	2	193
Dept. of Community & Economic Development	Other	1	165
Sitka Community Hospital	Private Training	1	165
Image Optical	Other	1	144
Interior Medical Supply	Other	3	132
City & Borough Of Juneau	Other	1	120
Lake & Peninsula Airlines Inc.	Other	1	120
People Mover	Other	1	120

APPENDIX E - SCHEDULE 4
 FY 00 STEP Vendor/Grantee
 Detail Report by Amount
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Coldwell Banker/Race Realty	Other	1	\$ 105
Juneau Urgent Care	Other	1	99
Northland Books & Charts	Other	1	85
Red Cross Of America	Private Training	1	25
	Total	1,166	\$ 1,843,423

APPENDIX E - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Alaska Laborers Training Trust Fund	Union	300	\$ 191,846
Inland Boatmens Union of the Pacific	Union	118	179,614
Center For Employment Education	Union	35	176,239
MILA, Inc.	Private Training	100	117,970
Human Resource Center, Inc.	Private Training	45	109,836
Alaska Industrial Development & Export Authority	Public Training	59	105,060
Pieddrivers Local 2520/JATP	Union	20	90,220
Alaska Operating Engineers	Union	230	76,076
Cornerstone Home Health Care	Private Training	60	68,121
Rural Cap	Native Entity	43	66,306
Regional Alcohol & Drug Abuse	Private Training	20	62,380
University Of Alaska - Fairbanks	Public Training	26	52,383
Bristol Bay Native Association	Native Entity	23	45,343
Alaska Roofers Joint Apprenticeship	Union	12	44,452
Yukon Kuskokwim Health Corporation	Native Entity	23	34,138
University Of Alaska - Anchorage	Public Training	13	33,992
Hyder Community Association Inc.	Other	7	22,498
Southeast Alaska Regional Health Corp.	Native Entity	9	21,464
Network Business Systems	Private Training	5	20,513
Client Reimbursements	Individual Training	48	18,833
Testing Insitute Of Alaska Inc.	Private Training	4	18,220
Indian Valley International Inc.	Other	6	18,000
Wyatt Enterprises	Private Training	4	17,237
Norton Sound Health Corp.	Native Entity	8	11,438

APPENDIX E - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
University Of Alaska - Kenai	Public Training	6	\$ 9,560
Alaska Vocational Technical Education Center	Public Training	5	9,227
Career Academy	Private Training	2	9,054
Health Education Center	Private Training	2	5,600
Alaska School of Taxidermy	Private Training	1	5,500
Charter College	Private Training	1	5,500
Revere Academy Of Jewelry Arts	Private Training	1	5,500
TCBC Compueaze, Inc.	Private Training	1	5,040
Trend Setters	Private Training	1	4,900
Bering Straits Native Corp.	Native Entity	3	4,751
Alaska Institute Of Professional Nail Technicians	Private Training	1	4,650
Via Vita Health Project	Private Training	1	4,424
Crescent Electric Supply Co.	Other	5	3,701
Providence Health Systems	Private Training	2	3,600
University of Alaska - Anchorage/Matsu	Public Training	1	3,525
Browns School of Phlebotomy	Private Training	1	3,385
Iliamna Lake Contractors	Native Entity	1	3,259
Mush Inn	Other	5	3,159
N.W. Arctic Borough School District	Public Training	1	2,995
Twilight Travel	Other	4	2,962
Alaska Commerical Co.	Other	6	2,854
Igiugig Village Council	Native Entity	1	2,660
North Star Computing Inc.	Private Training	3	2,556

APPENDIX E - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
Merrill Field Inn	Other	6	\$ 2,469
Alaska Computer Essentials	Private Training	1	2,400
Outbound Travel Inc.	Other	3	2,388
Northland Services Inc.	Other	1	2,200
Division Of Occupational Licensing	Public Training	9	1,890
US Travel Alaska	Other	1	1,871
Environmental Management Inc.	Private Training	4	1,770
Ilisagvik College	Native Entity	1	1,751
Anchor Arms Motel	Other	1	1,680
Adult Learning Programs of Alaska	Private Training	3	1,342
Delta Mine Training	Private Training	4	1,300
F & F Safety Specialists Inc.	Private Training	3	1,250
Peninsula Airways Inc.	Other	2	1,160
Big Rays Inc.	Other	3	1,048
Seacorp Operations SW&C Inc.	Other	4	985
Seafarers Welfare Plan	Other	2	985
Interior Athabascan Tribal College	Native Entity	2	966
American Tire Warehouse	Other	1	960
Angel Investments	Other	1	714
Fred Meyer	Other	5	712
Air Liquide America Corp.	Other	2	576
Northern Lights Hotel	Other	1	562
Heritage Place	Other	1	550
Pleiates, Inc.	Other	1	500
Sweetwater Travel	Other	2	432

APPENDIX E - SCHEDULE 5
 FY 01 STEP Vendor/Grantee
 Detail Report by Type
 (Unaudited)

Vendor/Grantee Name	Type	Clients Served	Total Grants
MicroAge	Private Training	1	\$ 384
University Of Alaska - Southeast	Public Training	1	357
Kenai Vision Center	Other	1	310
Interior Medical Supply, James Ingraham	Other	2	308
Bar Stars Professional Bartending	Private Training	1	300
Alaska Airlines Inc.	Other	1	300
Fairbanks Urgent Care Center Inc.	Other	5	300
Alaska Industrial Hardware	Other	1	261
Fairbanks Area Plumbers & Pipefitters	Union	1	237
Third Sector Technologies	Other	1	229
Cole Vision Corporation	Other	1	225
Nana Management Services, LLC.	Native Entity	1	190
Pacifica Guest House	Other	1	180
Sanders, Dr. Jim C.	Other	1	90
Marshall, Peter MD	Other	1	85
Louisiana Hospitality Inc.	Other	1	69
Corporate Express Office Products Inc.	Other	1	59
Kinkos	Other	1	47
	Total	<u>1,360</u>	<u>\$ 1,746,939</u>

STATE OF ALASKA

Tony Knowles, Governor

Department of Labor and Workforce Development

OFFICE OF THE COMMISSIONER

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March 28, 2002

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MAR 28 2002

LEGISLATIVE AUDIT

Pat Davidson, CPA
Legislative Auditor
Division of Legislative Audit
P. O. Box 113300
Juneau, AK 99811-3300

RE: STEP Preliminary Report
Department of Labor and Workforce Development (DOL)

We have reviewed the preliminary report on the STEP program and appreciate this opportunity to comment on the conclusions and recommendations. In general, we find the report informative and appreciate the information presented. Our specific comments on the conclusions and recommendations follow:

REPORT CONCLUSIONS

AHRIC has generally complied with statutes

We concur that AHRIC has generally complied with statutes. AHRIC's efforts to fully adopt regulations were hindered with promulgation delays. AHRIC first drafted regulations in May 2000. In December 2000, after public testimony and consultation with the Department of Law, AHRIC adopted the regulations and provided them to the Department of Law for promulgation. At different points in time since then, the Department of Law has returned sections of the adopted regulations requesting changes. Each change required new public comment periods, waiting periods and a full AHRIC council vote on adoption of the amendments. Due to these changes the process itself caused the extended timeframe preventing immediate full promulgation.

Improvement needed in the administration of STEP in order to comply with statutes

DOL concurs that STEP is administered in accordance with statutes, but does not concur that there are five main exceptions. Our comments on the audit's five exceptions follow.

1.) Only a portion of people eligible for STEP are served by the program

Generally, only portions of people eligible for any program are served by the program. STEP serves over 25 percent of the nearly 4,000 Alaskans that annually participate in ESD training programs. This is a substantial representation of the job training population particularly when STEP is statutorily intended to serve a narrower population than the other job training programs do. Eligibility is further refined by AHRIC's targeting STEP funds for high wage, high demand industries.

Prior to this audit DOL embarked on a job training marketing plan with the goal of targeting potential training participants and assisting individuals with the most appropriate job training resources, including STEP. This effort included a STEP power point success presentation to educate employers and the legislature, a twenty-minute video, and public service announcements that are currently in development.

The number of requests for STEP grants and the number of vendors who have provided STEP services demonstrate awareness of the STEP program. The most recent \$200,000 RFP generated 22 responses. In the last five years, over \$11 million in requests for STEP grants were received. During that time, about 120 different vendors have provided STEP services.

Subgrantees, who deliver STEP services to eligible participants, have established connections with specific portions of the job training populations. For example, unions are very good at connecting high wage/high demand jobs with a particular population. In these situations, the systems and structures already in place for communications are more effective than traditional marketing.

STEP participants represent a unique subset of the job training population. Individuals who receive STEP services are limited by insufficient or nonspecific training. STEP provides the additional, targeted training, which results in a high degree of obtaining and retaining employment. Success conveyed between co-workers and associates is an efficient and effective tool for increasing consumer awareness in an industry specific environment.

DOL does not concur with DLA's conclusion on MOA's one-stop adequacy for serving individuals facing potential layoffs, displacement, or who are underemployed. MOA contends that other resources are adequately covering this population. Without specific evidence to demonstrate otherwise, and given that the audit conclusion is based on the above refuted "general lack of outreach", DOL disagrees with the DLA opinion.

2.) STEP is displacing federal and possibly private training funds

DOL does not fully concur. There are some differences between the STEP eligibility criteria and those under the Workforce Investment Act programs. These differences result in a distinct segment of the population that may be eligible for services under STEP, but not for services under WIA or other federal, private or public training programs. Consequently, providing STEP services to these individuals is not displacing federal, private or public training funds.

DOL does not concur that STEP funds displaced private funding through union training programs. The unions provide training in the industries selected by the AHRIC as high wage, high demand occupations. The funds contributed by employers to union training funds are insufficient for the training demand. These funds are intended for participating members and often do not allow for transportation or other support service costs associated with other training opportunities. STEP funds supplement the union funds and allow outreach for non-members, new entrants, and rural workers. STEP funds are utilized to increase opportunities for rural Alaskans through transportation to urban training, or through bringing training to rural Alaska. The use of existing infrastructures is a positive, efficient and effective use of the State's limited resources that provides increased probability of high quality outcomes. DOL is not aware of, nor has Legislative Audit provided evidence to indicate otherwise.

DOL concurs and recognizes the importance of using STEP funds as a fund of last resort. The AWIO and the two local workforce investment areas are aware of this requirement. Further, funding restrictions are defined in RFPs and many of the successful bidders include the funding requirement in their proposals.

3.) Requirement to reimburse department not actively enforced

DOL does not fully concur with this conclusion because the regulations requiring reimbursement are still in draft. Hence, procedures will not be completed until the actual regulations are promulgated. Inherent in the reimbursement program is the intent that reimbursement will be sought when sufficient earnings are achieved and no barriers to repayment exist, and the DOL's cost of collection should not be greater than the benefit. A factor to consider is that the benefit incurred by the recipient must be high enough to allow the individual to achieve self-sufficiency. A demand too early may result in the STEP exiter's return to unemployment where the individual will draw many times the value of the benefit secured during training.

4.) Statutory program elements do not include employment assistance

DOL does not concur. Employment assistance is covered under the support services program element. The goal of STEP is for individuals to obtain or maintain employment. Employment assistance services are a broad sub-category of support services intended to achieve the goals of the program. Employment Assistance includes resume writing, job referrals, vocational counseling, assisted job search, information and referral for other necessary social services and professional assistance to help a participant obtain and maintain employment. Employment Assistance is a collection of unique and specific services provided by employment counselors in support of a STEP participant. As a sub-set of support services, employment assistance services are appropriate under STEP.

5.) Administrative costs exceed maximums defined in statute

DOL does not concur with this conclusion. Please see the response to recommendation No. 4.

Need and purpose of STEP should be reevaluated in light of changing federal law

DOL concurs with the DLA's conclusion. Elements to address in this reevaluation include: flexibility and responsiveness to the rapidly changing needs of Alaska's business and industry, funding of workforce development projects that are connected to economic development, and alignment of STEP with the federal job training program three year carry forward of funds. A three-year cycle will allow funding of two-year training programs for participants and provide vendors time to plan, receive and expend funds. STEP is an opportunity to improve the economic future for Alaska and diversify the economy through effective workforce development and education.

Testing found no indication of favoritism in awarding grants or referring clients to vendors

DOL concurs that no favoritism occurs in awarding grants or referring clients to vendors, and submits that standard control procedures are used to prevent inappropriate activities.

No precise measurement available for STEP and ATVE benefits

DOL does not fully concur with the implication of this statement. It is true that without an extensive control group study of UI Claimants the benefits/savings of the STEP to the UI Trust Fund can only be approximated. DOL economists, however, believe that the current methods provide a reasonable approximation of the benefits of the STEP program.

The audit stated that DOL's method for calculating the reduction of UI claims does not take other training programs into consideration and attributes all of the savings to the STEP program, and that this potentially overstates savings. We believe, however, that it would be difficult and arbitrary to measure which training programs contributed the most to the success of an individual training program participant. The audit cited FY99 data but did not include FY00 information where the percentages were much lower than those referenced in the audit. In FY00, exiting STEP participants did receive funds from other identified funding sources and did participate in a variety of training, but fewer than 7 percent of STEP participants also participated in WIA dislocated worker programs and WIA adult programs.

DOL does not fully concur with the audit's conclusion that comparing five quarters pre-training to the five quarters post-training produces biased results since people may exhaust their eligibility for UI claims and return to the workforce regardless of training. Comparing UI activity of STEP participants during the five quarters before and after program participation is only one of several measures used as a benchmark for the success of the program. DOL believes this period of time gives a good representation

of the likelihood that STEP participants will file a new claim. In Alaska, a UI recipient can obtain benefits from a new claim shortly after exhausting benefits in a current claim. Claimants can obtain benefits with only \$1,000 in wages. Given these eligibility criteria, if a STEP participant is likely to apply for benefits, they are likely to apply for those benefits within the five-quarter period. In addition, each year we look back at the previous year's data to update exhaustion outcomes and benefits paid calculations. That information is included in the annual report.

Using STEP participant data from earlier years, STEP participant's UI usage over a longer period of time was tracked and our long-term findings are consistent with the published results. We also look at UI exhaustion rates of STEP participants compared with the total UI population and the STEP population compares very favorably with the UI claimant population as a whole. Exhaustion of claims would occur within the five quarter post-training period.

DOL concurs that a limitation of the current methodology is that the reduction in claims is calculated for only one year. Limiting the review to one year may understate the savings because benefits from training may continue for more than one year. With longer-term follow-up, the savings associated with each year's pool of exiting STEP participants would continue to accumulate. DOL's measure is a conservative short-term measure of the resulting savings from the program.

STEP and ATVE adversely affect the trust solvency factor

DOL generally concurs that a large diversion, without corresponding return benefits, can adversely affect the trust solvency factor. We agree with the audit conclusion that STEP activities provide a measurable benefit to the UI TRUST Fund, whereas the ATVE financial impact is significantly different because ATVE activities did not result in direct measurable benefit to the UI Trust Fund.

The existing state training program should be reauthorized for four years

DOL concurs that the STEP program should be reauthorized for four years.

DOL does not agree that AS 23.15.645(e) on administrative cost limitations should be eliminated in favor of AS 23.15.580(b)(8). At a minimum, both sections should be amended and made consistent. The clarification should limit administrative costs to 15 percent of the total grant amount and exempt federal cost sharing agreements from administrative costs.

DOL does not believe a statutory clarification on the allowability of employment assistance is necessary. Employment assistance is already covered under support services program category.

FINDING AND RECOMMENDATIONS

Recommendation No. 1

The program coordinator for the Alaska Workforce Investment Office should take steps to ensure that the Alaska residents and employers are aware of the services available through STEP

DOL does not fully concur that this recommendation is necessary because efforts for consumer awareness were in place and operating prior to this audit. These activities include a power point presentation for employers and the legislature, media public service announcements, training of staff and caseworkers, and deployment of a comprehensive workforce investment marketing plan.

Although DLA asserts that a large gap exists between the number of eligible people and the number of people aware of the program, this broad generalization is not supported by any statistical data. Further, only a portion of people eligible for any program is served by the program. STEP serves over 25 percent of the nearly 4,000 Alaskans that annually participate in UI job training programs. This is a substantial representation of the job training population particularly when STEP is statutorily intended to serve a narrower population than the other job training programs do.

DOL will continue to take steps to increase consumer awareness of the STEP and other job training programs. For a further explanation on this issue, please refer to our comments in the conclusion section.

Recommendation No. 2

AWIO's program coordinator should improve monitoring of its STEP grantees.

DOL concurs that the monitoring of the STEP grantees should be improved. Several issues impacted on-site monitoring including:

- A planned review of the effectiveness of the on-site monitoring procedures of both the STEP and the JTPA programs
- Changes in AWIO staffing and grant administrator
- Workforce Investment Act implementation replacing JTPA. This required staff to learn new requirements in order to provide training, technical assistance and guidance to the new Local Workforce Investment Areas
- Increased focus on training as a valuable tool for ensuring STEP compliance versus the adversarial nature of compliance on-site monitoring. For example, the missing ACSE certifications identified in the audit demonstrate a need for comprehensive training at the local level on the various requirements of STEP.

DOL does not concur with the MOA \$25,000 overcharges to STEP and undercharge to WIA. The analysis completed by DLA was based on incomplete data. A follow up DOL review included the complete financial data pertaining to the sub-grant payments

for FY 00 and FY 01. Using a methodology comparable to that employed by DLA, the Department determined that STEP may have been overpaid in FY 01 by \$13,284 and overpaid in FY 00 by \$6,312. These amounts are significantly less than those identified by DLA. In addition, because of the auditor's concern on the efficacy of the timesheets, the validity of the methodology is debatable. It should be noted that all of the costs incurred by the sub-grantee were for allowable activities under both the STEP and the WIA programs, and that none that were reimbursed were of a questionable nature.

DOL does not agree that a \$50 allowance with the objective of obtaining and retaining employment is an unallowable cost. AS 23.15.640 provides for allowances and for provisions that are necessary to obtain or retain employment. Allowances provide assistance to purchase the basic necessities such as work clothes, gasoline or bus passes, and new tools needed to obtain and retain employment.

DOL concurs that dual enrollment in JTPA and STEP is not a problem because no charges were incurred as a result of this practice, the practice was limited to one office and it was stopped in FY01.

Recommendation No. 3

DLWD's commissioner should pursue legislation so that unexpected unobligated STEP funds lapse into the UI trust fund.

DOL would be in favor of returning unobligated funds to the trust fund if the STEP funding period aligned with the three -year cycle of other job training programs.

Recommendation No.4

We recommend DLWD's director of administrative services and AWIO's program coordinator actively monitor STEP expenditures to ensure administrative costs do not exceed 15 percent of total STEP expenditures.

DOL does not concur that the 15% administrative cap was exceeded. We believe AS 23.15.580(b)(8) does clearly support a change to the capping of administrative costs at 15% versus the 20% allowed in AS 23.15.645 (e). We do not agree that language in AS 23.15.580(b)(8) supports a change to the method of calculating administrative costs, or a change to the type of costs included or excluded in that calculation.

Administrative costs need to be calculated based on the grant amount for legal and business reasons. The plain language of the law in AS 23.15.645(e) defines maximum administrative costs as an amount of the "grant proceeds". The phrasing in the subsequent FY99 statute, AS 23.15.580(b)(8), continues this intent by requiring standards for the "percentage of a grant that may be used for administration". This phrasing supports rather than refutes or conflicts with the plain language of the law in AS 23.15.645(e). The second phrase of the FY99 statute discusses the allowability of costs that may be included or excluded in administrative costs, by requiring regulations

that will identify and distinguish. Allowability relates to the type of costs whereas the previous phrase relates to the method of calculating a cap for administrative purposes. Neither of these phrases conflicts with the method or allowability as defined by AS 23.15.645 (e).

In addition, there are good business reasons why administrative costs need to be calculated on the grant amount. There are fixed administrative costs incurred regardless of the program expenditures. For example, payment of base personnel occurs regardless of whether a grantee spends \$100,000 or \$500,000 in program monies. In addition, sub-grantees continue to change obligations into the next fiscal year through de-obligation or expenditure. DOL cannot control this and therefore cannot accurately determine the administrative authorization truly available. For example, for FY01 MOA identified \$500,000 for de-obligation after the close of FY01. DOL, however, incurred the expense of administering this grant throughout FY01 regardless of the change in obligations determined after the close of the year. As subgrantee obligations are adjusted, an adjustment of the administrative percentage would need to occur after the end of the year. The administering agency is therefore unable to determine what funds are available to cover operational costs in the current year budget, and also for the prior closed year.

We further do not believe that the FY99 statute, AS23.15.580 (b)(8), refuted or changed the plain language of the law in AS23.15.645 (e) with regards to the amount collected and remitted in accordance with the federal cost sharing requirements. As stated above, the FY99 law required that regulations address allowability, but it did not refute or change the prior law on this issue. Given that there was no change to the type of cost and there was no documented compelling reason to change from the original intent of the plain language in AS23.15.645 (e), DOL calculated administrative costs in compliance with the law.

Legislative Audit 's shifting of the federal cost sharing amount to the administrative cost category and the use of expenditures rather than the grant proceeds provides the misleading picture of a large increase in the percentage of administrative costs between 1997 and 2001. As shown below, however, the administrative costs were well within the 15% administrative cap when calculated according to statute:

Fiscal year	Total Grant	15% Admin Cap	Admin Expend	DOL %	DLA %
1999	\$4,046,100	\$606,915	\$527,124	13%	24%
2000	\$4,046,100	\$606,915	\$515,652	13%	23%
2001	\$4,553,800	\$683,070	\$628,080	14%	21%

In summary, AS23.15.580 (b)(8) explicitly changed the plain language of the law in AS23.15.645 (e) related to capping administrative expenditures but it did not refute or change other elements of the law that were stated in equally apparent plain language. Because both laws address administrative costs, both laws must be consulted to understand the intent, method and allowability of administrative costs. We believe that

the two laws should be clarified for consistency, but we do not believe they are in conflict.

Recommendation No. 5

We recommend the director of administrative services improve procedures so that UI accounting costs are charged to STEP and ATVE in an equitable and supported manner

DOL agrees with the recommendation and will follow the request in the current and future years. The UI accounting charges were charged based on the amounts identified in the fiscal note accompanying legislation.

Recommendation No. 6

AWIO's program coordinator should take steps to ensure STEP program is collected and reported in a manner that demonstrates compliance with statutes.

DOL concurs, and agrees with some of the difficulties noted by the audit that impacted DOL's pursuit of this goal. Reporting of STEP was hampered over the past several years by multiple conflicts including the consolidation of Community and Regional Affairs with DOL, the Y2K database issues, and the USDOL delay in determining federal reporting requirements that effectively slowed deployment of the new MIS system.

The Department takes exception to DLA's statement "No financial reports were required for FY 00 and FY 01." Financial reports were received from the two primary local areas during both fiscal years. During FY 00 and FY 01, the MOA submitted both monthly invoices and an Annual Financial Reconciliation report. The monthly invoices and financial reconciliation report broke out the local area's expenditures by Administration, Training and Support Services, and Employment Assistance. The FY 01 Annual Financial Reconciliation Report further distinguished between Training and Support Services expenses.

During FY 01, the BOS local area submitted quarterly reports that provided cost breakouts on Administration, Training, Support Services and Employment Assistance. During FY 00, the BOS local area submitted one end-of-year report that provided cost breakouts by Administration, Training/Support Services, and Employment Assistance

The only report not received from the local areas was a specific vendor report. As noted in the DLA report, the AHRIC created a STEP Plan in May 1999. One of the action steps in the report was to "reduce administrative reporting by eliminating certain unnecessary reports." The reports referred to in the AHRIC Plan were the vendor analysis reports. Consequently, these reports were not requested of the local areas.

Recent actions to improve reporting include contracting with an outside firm to collect and analyze STEP data, and formally advising the local areas of the need for complete and comprehensive STEP data. DOL is currently exploring a number of options that will help to ensure that appropriate and complete data are entered into the Management Information System.

Recommendation No. 7

We recommend AWIO's program director and AHRIC's executive director work together to ensure STEP does not displace other federal, private or public training funds.

The AWIO program director and AHRIC's executive are aware of the requirement that STEP funds not displace other federal, private and public training funds. It is currently a practice of the local areas to detail this requirement in any RFP issued. Furthermore, several of the successful sub-grantees include a description of how they will use other funds before expending STEP funds. Nonetheless, efforts will be increased to inform local areas and sub-recipients of the need to ensure that STEP funds do not displace other funds.

In summary, the STEP program is one of the most successful job training programs that has resulted in a high degree of employment and job retention. DOL appreciates the audit work and information that may assist in helping this program to continue serving Alaskans. Equally, we appreciate the courtesy and professionalism of the audit staff, particularly their efforts to minimize the impact of their inquiries on DOL operations.

If you have any questions, or require additional information, please contact JoEllen Hanrahan, Internal Auditor, at 465-5673.

Sincerely,



Ed Flanagan
Commissioner

cc: Remond Henderson, Director ASD
Ron Hull, Director, ESD
Jo Ellen Hanrahan, Internal Auditor

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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April 2, 2002

Members of the Legislative Budget
and Audit Committee:

We have reviewed the Department of Labor and Workforce Development's (DLWD) response to our audit report. Nothing contained in the response gives us cause to reconsider our conclusions regarding the state training and employment program (STEP). However, we do have the following additional comments:

Only a portion of people eligible for STEP are served by the program

In their response, DLWD indicates that its program does a good job at reaching potential STEP clients. DLWD describes our conclusion as a broad generalization not supported by statistical data. We disagree with this characterization. Our conclusion is based on interviews with numerous DLWD and service delivery area employees with many years of experience working with STEP and other training programs. During these interviews, we heard repeatedly that outreach for STEP needs to be improved.

We also found that STEP grantees often failed to use significant portions of their STEP grants. In FY 01, the Municipality of Anchorage did not spend approximately \$450,000 of their STEP award. Further, the balance of the STEP fund continues to grow. Our analysis shows an available balance of STEP funds in excess of \$2.4 million at the end of FY 01. If the needs of people eligible for STEP have been met, we question whether funding for the STEP program has been set at an excessive level.

STEP is displacing federal and possible private training funds

The department states that federal funds do not fully address the training needs and that STEP is needed to fill the gap. We agree. However, we again must point out that DLWD's current procedures are failing to routinely pursue federal funding. STEP funds are not always being used as the training program of last resort.

DLWD's response also indicates that STEP funds awarded to union organizations supplement private training funds rather than displace them. During the course of the audit, we asked the Alaska Workforce Investment Office (AWIO) for documentation confirming that (1) union training funds were insufficient for the training demands and that (2) STEP funds to unions were being used to leverage rather than supplant the unions' training funds. AWIO was unable to provide evidence of this nature.

In summary we reaffirm the findings, recommendations and conclusions contained in this report.

Sincerely,

A handwritten signature in black ink that reads "Pat Davidson". The signature is written in a cursive style with a long horizontal flourish at the end.

Pat Davidson, CPA
Legislative Auditor

3/25/02

SB 270-BOARD OF DISPENSING OPTICIANS
SENATE FINANCE COMMITTEE

SIGN-IN

NAME: DEATHER BEAKES Subject/Bill No: SB 270
Co./Dept./Title: San Joaquin County Office Phone: x 6590
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: Catherine Reardon Subject/Bill No: SB 270
Co./Dept./Title: Director Div. of Occupational Licensing Phone: 465-2538
Address: PO 110806 Turan Zip: 94801

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____

Do you wish to testify? Yes No Respond To Questions