

**ALASKA LEGISLATURE**

**1871**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000**



**Timely completion of construction projects within budget:**

Benchmark: FY2001 Construction Completion Schedule:

Project	Year Appropriated	Completion Date	Location
Ph II, Major Renovation	FY00	06/01	Mt. View/Annex
Ph II, Major Renovation	FY00	04/01	Park View Manor
Ph II, Renovation	FY98	08/00	Central Terrace & Fairmount
<b>Senior &amp; Statewide Deferred Maintenance &amp; Renovation</b>			
Parking lot & sidewalks	FY00	09/00	Cedar Park Annex
Egress windows & sliding doors	FY00	08/00	Family Self Sufficiency
Roof Replacement	FY00	07/00	Swan Lake Terrace
Install walkways/504 ADA	FY00	07/00	Swan Lake Terrace
<b>Comprehensive Grant Program</b>			
Site Improvements	FY00	09/00	Geneva Woods
Dwelling Construction	FY00	07/00	New Willows
Interior Renovation	FY99	11/00	Schoenbar Park Bldg. A, B & D
Demolition and replace of units	FY99	02/01	Valdez Arms

**Partners in Achieving Results**

AHFC partners with a multitude of entities, including: Commercial Banks, Realtors, Home Builders, Construction Contractors, Municipal, State and Federal agencies, as well as, various nonprofit groups that deliver housing services across the State.

**Proposed Changes in Levels of Service**

**Changes in the Front Section of the Operating Bill:** Section (c) will be changed to reflect the 600 additional Welfare to Work program vouchers, and the Project-based Contract Administration Program. The line item has been increased by \$9.0 million in appropriations for the Section 8 Housing Assistance Payments (HAP) to private landlords throughout the State. Section 1(c) will read as follows:

(c) The following amounts are appropriated to the Alaska Housing Finance Corporation (AHFC) from the sources indicated and for the following purposes:

PURPOSE	AMOUNT	SOURCE
Housing loan programs not subsidized by AHFC	\$798,000,000	AHFC corporate receipts
Housing loan programs and projects subsidized by AHFC	\$70,000,000	AHFC corporate receipts derived from arbitrage earnings
Housing Assistance Payments Section 8 Program ***	\$25,000,000	Federal receipts

*** Vouchers (Certificates) Program.....	\$14,600,000
Adelaide SRO.....	\$400,000
Welfare to Work.....	\$4,000,000
Section 8 New Contract Administration .....	\$6,000,000

**Add Federal funds for the Section 8 Project-based Contract Administration Program**

HUD provides rental assistance contracts to private landlords to support the operation of housing throughout Alaska. HUD will contract with AHFC to serve as the contract administrator for this private-sector housing subsidy program. AHFC's responsibilities will include processing payment requests, paying landlords, conducting management audits, resolving operation and maintenance findings and reporting program activity to HUD.

To administer this program, AHFC will earn an administrative fee from HUD to cover the expense related to this new program. The program will be administered throughout the State. Funds for Personal Services will be used to employ two employees that will be dedicated solely to this program. At this time, AHFC does not require new PCNs but will require a lower vacancy rate for current PCNs.

Travel will be required for training and site inspection and administrative oversight. Contractual, as well as, supplies and equipment funds will be used in the various offices where the program will be administered.

**Add Federal funds for the Section 8 Welfare to Work Program**

This program will provide AHFC with \$4 million in Housing Assistance Payment (HAP) contract authority to issue approximately 600 new Section 8 Rental Assistance Vouchers to families that are engaged in work activity while on welfare. The intent of the program is to provide housing stability for families on welfare so that they may obtain or retain a job and move off the welfare system. In order to qualify for a voucher, a family has to be currently on welfare, have received welfare in the last two years, or qualify for welfare but has never participated in the program. A number of social service agencies are providing the job counseling services that go with this program.

To administer this program, AHFC will earn an administrative fee from HUD to cover the expense related to this new program. The program will be administered in Juneau, Fairbanks, Anchorage, Mat-Su, Kenai, Soldotna, and Homer. Funds for Personal Services will be used to employ five employees that will be dedicated solely to this program. At this time, AHFC does not require new PCNs but will require a lower vacancy rate for current PCNs.

Travel will be required for training and site inspection and administrative oversight. Contractual, as well as, supplies and equipment funds will be used in the various offices where the program will be administered.

**Add CIP funds for Construction Projects**

CIP receipts for Personal Services will be used to keep qualified in-house personnel (Building Inspectors) on the construction sites during key construction periods.

The decision to use in-house personnel versus contracted personnel for project inspectors is a result of financial analysis combined with expediency.

The cost to contract an inspector is considerably higher than using an in-house person or a project-based person. When needed, AHFC's Construction Department has used the services of an A&E firm to hire a contract inspector. The A&E firm in turn hires an inspector and charges AHFC the burdened salary plus their profit and overhead. This can typically amount to \$90 per hour and up. In addition, AHFC must pay full per diem rates, travel, hotel lodging, rental car fees, etc.

In the case of an in-house project-based inspector, the burdened labor rate is approximately \$48 per hour. Per diem rates are long term, which are much less than those charged by contracted inspectors. In addition, the Construction Coordinators can:

- Directly control the activities of the inspector without going through the additional layer of an Architecture and Engineer (A&E) firm.
- Sign all time sheets for the inspector, thus insuring proper time management for the employee.
- Receive unedited progress reports directly from the inspector, without the filter of the A/E firm.
- Provide counseling, training and discipline when necessary.
- Be reasonably sure of the inspector's loyalty to AHFC.
- Discuss sensitive project issues without the A/E in attendance.

**Line Item Transfers**

Increases to Personal Services are offset by reductions in other line items. At this time, AHFC does not require new PCNs but will need to re-class three positions (04-496X, 04-497X, 04-510X) from Part-time to Full-time, as well as, lower the vacancy rate for all PCNs. These changes will be combined with the new Welfare to Work program, the new Section 8 Project-based Contract administration program, and any merit increases that will be due in the fiscal year 2001.

Increases to Travel are for increased activity by the Executive office and the Board to deal with management issues and programs.

Reductions to cover the above increases are taken from decreases in contractual items such as utilities using Federal receipts, and activity dealing with Y2K issues using Corporate Receipts.

Items in the Equipment category are being transferred to the Supply category because the Corporation is raising the ceiling on Non-expendable and Other Personal Property, Fixed Assets, to a higher rate of \$5,000. HUD is converting housing programs to GAAP accounting rather than HUD accounting and no longer will control how housing authorities make accounting decisions. Items such as fax machines, personal computers and printers, as well as routine maintenance tools such as compressors, make up the bulk of the items being transferred to the Supply category. These items have a relatively short life span. Supplies costing more than \$100 will continue to be tracked through Inventory Control, but not be capitalized as equipment on the Corporation's General Ledger.

<b>Resource Summary</b>	<b>FY1999 Actuals</b>	<b>FY2000 Authorized</b>	<b>FY2001 Request</b>
Personal Services	18,762,600	19,618,500	20,221,000
Travel	481,200	674,700	780,500
Contractual	10,961,300	12,949,700	12,758,600
Supplies	1,463,200	1,238,100	1,834,100
Equipment	680,900	567,700	222,600
Land/Building	-	-	-
Grants	1,000,000	615,000	615,000
Miscellaneous	-	-	-
<b>Expenditure Totals</b>	<b>33,349,200</b>	<b>35,663,700</b>	<b>36,431,800</b>
<b>Funding Sources</b>			
Federal Receipts	16,491,200	17,911,600	18,558,200
Inter-Agency Receipt	1,026,200	600,000	600,000
Capital Improvement Project Receipts	1,049,400	1,302,400	1,423,900
AHFC Corporate Receipts	14,782,400	15,849,700	15,849,700
<b>Funding Totals</b>	<b>33,349,200</b>	<b>35,663,700</b>	<b>36,431,800</b>

## Statutes & Regulations

### State of Alaska

AS 18.55	Housing, Public Building, Urban Renewal, and Regional Housing Authorities
AS 18.56	Alaska Housing Finance Corporation
15 AAC 118	Health and Safety
15 AAC 150	Alaska Housing Finance Corporation
15 AAC 151	AHFC General Programs
15 AAC 152	AHFC Rural Housing
15 AAC 153	AHFC Public Housing
15 AAC 154	Grant Programs
15 AAC 155	AHFC Energy Efficiency Programs
19 AAC 69	Energy Efficiency
19 AAC 80	Housing Assistance Loan Fund
19 AAC 82	Home Ownership Assistance Program
19 AAC 83	State-Assisted Rental Housing Construction Program
19 AAC 85	Senior Citizens Housing Development Fund
19 AAC 88	Supplemental Housing Development Grants
19 AAC 89	Senior Housing Revolving Fund

### Code of Federal Regulations

10 CFR 420	State Energy Conservation Plans
10 CFR 440	Weatherization Assistance for Low-income Persons
24 CFR 41	Policy and Procedures for the enforcement of standards and requirements for accessibility requirements by the physically handicapped
24 CFR 42	Uniform Relocation Assistance & Real Property Acquisition for federal & federally assisted programs
24 CFR 91	State & Local Housing Affordability Strategies
24 CFR 92	HOME Investment Partnerships Program
24 CFR 219	Flexible Subsidy Program - Capital Improvement Loans
24 CFR 574	Housing Opportunities for Persons with AIDS
24 CFR 575	Emergency Shelter Grants
24 CFR 576	Emergency Shelter Grants: Steward B. McKinney Homeless Assistance Act
24 CFR 582	Shelter Plus Care Program
24 CFR 583	Supportive Housing Program
24 CFR 600	Comprehensive Planning Assistance
24 CFR 850	Housing Development Grants
24 CFR 880	Section 8 Housing Assistance Payment Program for new construction
24 CFR 882	Section 8 Housing Assistance Payment Program - existing housing
24 CFR 886	Section 8 Housing Assistance Payment Program - special allocations
24 CFR 887	Housing Voucher Program
24 CFR 889	Grant Programs - Housing & Community Development, Low- and Moderate-income Housing, & Rent Subsidies
24 CFR 901	Public Housing Management Assessment Program
24 CFR 941	Public Housing Development
24 CFR 961	Drug Abuse, Drug Traffic Control, Grants Programs - Housing & Community Development & Public Housing
24 CFR 963	Public Housing - Contracting with Resident-owned businesses
24 CFR 964	Tenant Participation & Management in Public Housing
24 CFR 965	PHA-owned or leased projects - Maintenance & Operation
24 CFR 968	Comprehensive Grants Program
24 CFR 970	Public Housing Program - demolition or disposition of public housing projects
24 CFR 990	Annual Contributions for Operating Subsidy
45 CFR Subtitle B	Family Self-Sufficiency Program



**AHFC FY2000 Construction Completion Schedule:**  
**@January 20, 2000**

Project	Year Appropriated	Projected Completion Date	Adjusted Completion Date	Complete	Location	Comments
<b>Major Renovation</b>						
Major Renovation	FY96/FY97	09/99	01/00	Complete	Golden Towers	
Major Renovation (Ext. Only)	FY99	06/00	06/00		Mountain View/Annex	In progress
Major Renovation	FY96	07/99	08/99	Complete	Fairmount Terrace	That portion completed
Major Renovation	FY99	11/99	06/00		Pacific Terrace	Ongoing
Bank Replacement	FY97/FY99	09/99	12/99	Complete	Cedar Park	Complete except for seasonal work
Major Renovation Phase I	FY99 (Combined w/FY00)	05/00	05/01		Park View	In solicitation phase
Major Maintenance (Shop)	FY96	10/99	03/00		Loussac Manor	In final stages of completion
<b>Senior &amp; Statewide Deferred Maintenance</b>						
Storage sheds & decks	FY97/FY98	10/99	10/99	Complete	Ptarmigan Park	
Trash System	FY99	08/99	01/00	Complete	Chugach Manor	In closeout stage
Exterior Modifications	FY97/FY98/FY99	09/99	06/00		Alpine Terrace	Winter shutdown required
Security Systems	FY97/FY98	09/99	09/00		Chugach View/Manor	Delayed
Heated Sidewalks	FY98	09/99	10/99	Complete	Chugach Manor	
Carpet Replacement	FY99	10/99	01/00		Chugach View	In final stages of completion
Security System	FY99	10/99	01/00		Swan Lake	In final stages of completion
Boiler Systems	FY99	08/99	08/99	Complete	Glacier View	
Site Renovations	FY99	09/99	06/00		Eyak	Winter shutdown required
Site Work	FY99/FY98	11/99	06/00		Pacific Terrace	Winter shutdown required
<b>Comprehensive Grant Program (CGP)</b>						
Demolition	FY97 (Under Litigation)	06/00	12/99	Complete	Spruce Park	Resolved - units sold
Renovation	FY98	02/00	02/00		Etolin Heights	In progress
Major Maintenance	FY98	07/99	08/99	Complete	Vista View	
<b>Energy Conservation</b>						
Weatherization	FY96	09/99	01/00		Alpine Terrace	In final stage of completion
Weatherization	FY96	08/99	01/00		Loussac Manor	In final stage of completion
Weatherization	FY96	07/99	01/00		Johnson Heights	In final stage of completion
Weatherization	FY96	09/99	12/99	Complete	Bethel Heights	
Weatherization	FY98	07/99	08/99	Complete	Swan Lake	

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## Operating Budget

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- AHFC's Strategic Plan**
- Executive Office**
- Administrative Services**
- Information Services**
- Asset Management**
- Records Center**
- Procurement Department**
- Personnel Department**
- Corporate Communications**
- Internal Audit**
- Budget Department**
- Finance Department**
- Accounting Department**
- Planning & Program Development  
Department**
- Mortgage Department**
- Servicing Department**
- Research & Rural Development  
Department**
- Public Housing Executive Office**
- Housing Operations**
- Construction Department**
- Anchorage State Office Building**



## Operating Budget

The Alaska Housing Finance Corporation (AHFC) is a public corporation and government instrumentality, but for bonding purposes, has legal existence independent and separate from the State of Alaska. AHFC was created in 1971 by the State to provide Alaskans with low cost mortgage financing, with the majority of funds used to purchase the mortgage loans generated through the issuance of taxable and tax-exempt bonds. In June 1992, the Legislature consolidated the housing functions of the state government under AHFC by merging the Alaska State Housing Authority (ASHA) and the energy and rural housing programs of the Department of Community & Regional Affairs (DCRA). The authority of AHFC expanded to provide for the financing, acquisition, rehabilitation, construction, weatherization, and operation of housing for low and moderate income Alaskans, citizens in rural Alaska, those with special needs, and senior citizens. AHFC continues to review ways to institute mortgage finance, refinance, and assistance programs for residents of the State. As changes occur, AHFC's focus remains responsive to the needs of changing economic conditions and demographics.

Since the merger AHFC has restructured the Corporation to use its resources more effectively. The agency has taken on the efficiencies and benefits of merging functions and activities into a well-managed organization. Staff is organized into departments with responsibilities and duties that avoid duplication of services. AHFC focuses on three main functions, or divisions: Operations (including mortgage, finance and administrative support), Rural and Public Housing. These divisions can not and do not function independently, but each department heavily relies on the talents, background, abilities, technical help, and support of the adjoining departments to deliver services to the Alaskan residents under its purview.

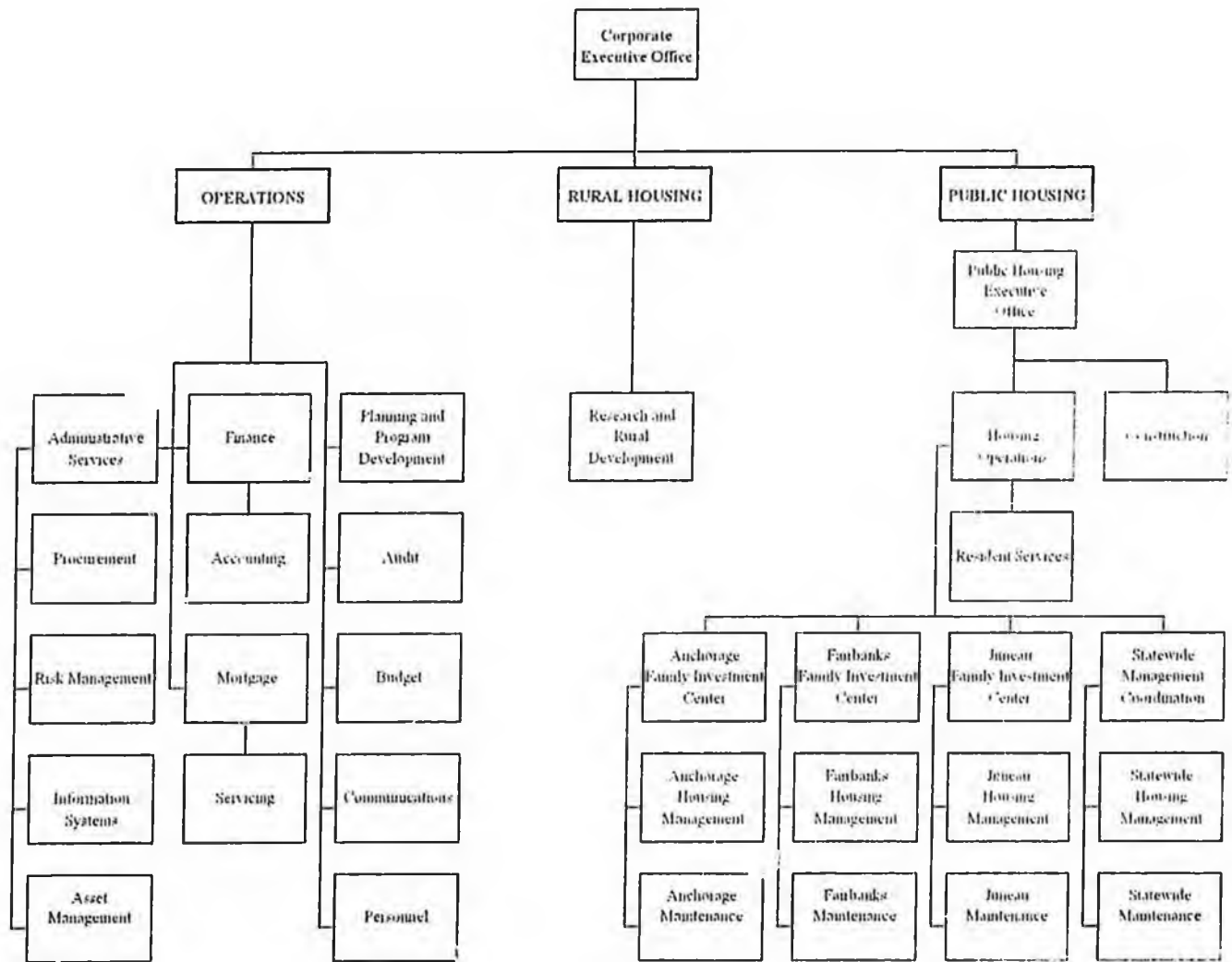
As the Corporation moves toward a Results-based budget, activities are broken out and displayed by department. This Section discusses the responsibilities, contributions and operations of each department outlining:

- ◆ Organizational Chart
- ◆ Mission
- ◆ Services Provided
- ◆ Goals & Strategies
- ◆ Key Issues
- ◆ Prior Year's Major Accomplishments
- ◆ Performance Measures
- ◆ Partners in Achieving Results
- ◆ Proposed Changes in Levels of Service

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# Alaska Housing Finance Corporation

## FY 2001



Anchorage    Fairbanks    Juneau    Statewide  
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# Standard & Poor's Public Housing Authority Evaluation

## Alaska Housing Finance Corp.'s Public Housing Division

Analysts: Andrea de la Fuente, San Francisco 415-371-5020, Pamela Berkowitz, San Francisco 415-371-5012

### NEW RANKING

#### CREDIT PROFILE

##### PUBLIC HOUSING AUTHORITY EVALUATION

Ranking: STRONG

OUTLOOK: STABLE

**RATIONALE** Standard & Poor's assigns Alaska Housing Finance Corporation's Public Housing Division a "Strong" ranking. The Public Housing Division (PHD) of the state housing finance agency maintains and manages federally subsidized public housing units for low-income families and seniors throughout the state of Alaska. The PHD also administers the Section 8 Vouchers and Certificate program for the state, and promotes independent housing options, including homeownership opportunities. The strong ranking reflects the following factors:

- Excellent public housing provision within a large geographic area,
- Strong asset management and excellent housing operations practices resulting in high-quality public housing,
- High-quality housing stock that meets the demands of a harsh climate,
- Solid project-based and performance-based budgeting practices and good financial management,
- Committed support from the Alaska Housing Finance Corp.,
- Experienced and forward-looking personnel who emphasize long-term financial and capital planning, and



AHFC's Public Housing Division received a NAHRO design award for Riverbend, a 45 unit public housing complex built in Juneau in 1998.

- A strong economy, although heavily dependent on the oil industry.

Since merging with the Alaska Housing Finance Corporation (AHFC) in 1992, the state public housing authority has capitalized on its unique position by utilizing AHFC funding to rehabilitate and rebuild many public housing units across the state, and expand services to residents. In building and maintaining high-quality housing, the PHD has developed strong relationships with federal, state, and local constituents in communities around the state.

**Strengths.** The PHD's integration with a very strong state housing finance agency has allowed it to capitalize on talent and resources within AHFC, providing the PHD access to capital, access to experi-

enced finance professionals, and the ability to coordinate programs and goals. The PHD's strengths include the following:

- Excellent planning and resource utilization in the face of a very challenging geography, the large geographical area of the state, an extremely harsh climate, and rural native communities with unique social and economic problems. The PHD's focus on efficient, high-quality public housing and utilization of AHFC's financial resources has allowed it to manage effectively the varied needs of residents in both urban and rural areas of Alaska, and meet the challenges presented by its environment;

- Progressive and proactive asset management resulting in very good condition of properties. The PHD has established a comprehensive, hands-on asset management system that has enabled it to efficiently operate a wide range of properties across the state. The agency owns and maintains both multifamily apartments and scattered site multifamily and single-family homes that blend well with surrounding communities, and often stand out as premium housing; and
- Sophisticated financial planning and management. The PHD utilizes project-based and performance-based budgeting accomplished by internal staff who establish and monitor budgets and spending with a sophisticated software package.

**Challenges.** As a division of the AHFC, the PHD is in a unique position to capital-

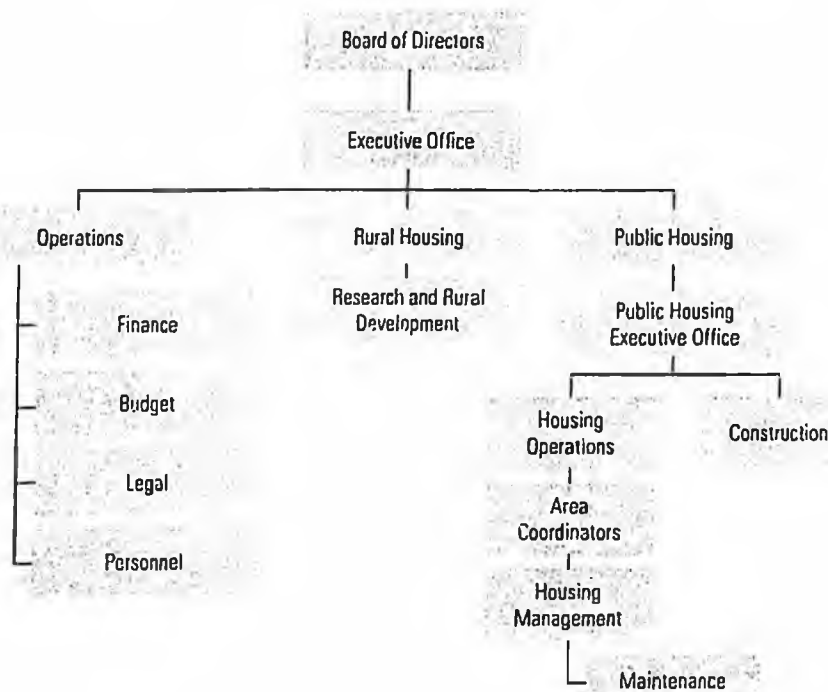
ize on the financial strength of the corporation, and does this by utilizing AHFC funds for many capital and development projects. While access to AHFC funds has provided the PHD unprecedented opportunities for development, the PHD needs to take caution to avoid overdependence on these AHFC monies.

- Judicious and successful leveraging of federal and AHFC funding to their optimal use while developing new revenue sources. The PHD needs to strike a balance in maximizing federal funds while leveraging AHFC dollars to their best use. Suggested areas of focus may include: (1) Exploring usage of unused tax credit allocations to expand housing options and revenue growth by becoming a developer and manager of low-income housing; (2) Continuing to focus on other options for increas-

ing non-federal and non-AHFC revenues through other affordable housing development, such as partnering with 501(c)(3) organizations to create new internal revenue streams and increase the supply of affordable housing in Alaska; (3) Expanding coordination efforts between the public housing division and other resources within AHFC to increase homeownership by former public housing residents where viable, specifically in economically vibrant urban areas; (4) Considering AHFC bond financing for affordable housing development under the PHD. Currently AHFC acts as financier for affordable multifamily housing through its multifamily bond programs. The PHD, with the backing from AHFC, could consider issuing bonds to finance the construction of affordable housing; and (5) Capturing the maximum possible state funding on an annual basis. The Alaska state legislature must approve the budget for the AHFC, and hence the PHD, each year. Agency leaders must remain diligent in their efforts to secure the heavily relied upon AHFC funds while still pursuing other revenue-generating sources.

- Development of a comprehensive, written succession plan for key AHFC senior staff positions to prepare for future changes within the organization. The current AHFC executive director and public housing director have been very successful in leading the transition of the public housing division from a troubled state agency to an effective public housing provider. The possibility of their departure must be anticipated and addressed through a detailed succession plan; and
- Performance of sensitivity analysis to explore the implications of decreased HUD operating subsidies and reduced AHFC funding support. The PHD remains dependent

### Alaska Housing Finance Corporation Organizational Structure



on HUD operating subsidies for a significant portion of expenses in its public housing units and should perform stress analysis to determine the effect of lower levels of HUD and AHFC financial support. Such analysis would enable the PHD to manage the politically sensitive task of exploring other revenue sources outside of HUD and AHFC funds.

### OUTLOOK

Standard & Poor's expects the Alaska Public Housing Division to continue to meet the needs of low-income Alaskans by providing high quality public housing and assisting residents in moving toward self-sufficiency.

### MANAGEMENT

Standard & Poor's assigns an "Above-Average" ranking for management to the Alaska PHD. The PHD's good management structure and practices are evidenced by the strategic planning of the organization, the very competent staff, and high-quality public housing it offers low-income Alaskans. The PHD has established an efficient organizational structure that leverages the skills available through the corporation's legal, accounting, and budgeting sectors as well as the social-service orientation of the public housing personnel. The strengths are somewhat offset by management's lack of funding beyond AHFC and HUD sources.

The Public Housing Division, as part of AHFC, looks to future challenges and needs through a comprehensive strategic plan. The plan describes goals and objectives of the corporation as a whole, and fosters an environment that allows AHFC to meet today's challenges in the context of future demands. The strategic planning process includes input from each division of the corporation, including the PHD. Final approval of the plan comes from the board of directors, and progress toward meeting the objectives of the strategic plan is overseen by the deputy executive director. This process results in a cohesive plan that incorporates the goals and needs of the entire organization and promotes an inclu-

sive management style. The strategic plan outlines the corporation's goals as follows:

- Provide programs and services that are responsive to the diverse housing needs statewide,
- Increase homeownership,
- Increase special needs housing,
- Expand partnerships to strengthen program and service delivery,
- Strengthen commitments to AHFC housing programs, functions, and benefits,
- Promote operational excellence, and
- Manage assets to generate sufficient profit to meet AHFC's financial commitments.

AHFC has incorporated these objectives and means for measuring progress toward meeting its goals into the annual budget. This method of results-based budgeting necessitates that each department within AHFC state its mission, services provided, goals and strategies for achieving those goals, key issues, the prior year's major accomplishments, performance measures, partners for achieving success, and proposed changes in levels of service. By tying its performance goals to the annual budget, the corporation has a tangible means of determining success. This new budgeting process will enable the PHD to plan more effectively for future challenges and budget accordingly.

As a key division of the AHFC, the PHD is closely linked with the corporation through departments such as budgeting, accounting, legal, and personnel, but is responsible for its own program planning, operations, and asset management. This structure allows the PHD to benefit from the strong financial staff of the AHFC budgeting and accounting departments, and to retain the social service and asset management focus of public housing division employees. The organizational structure of the PHD and its role within AHFC are described below.

The PHD is managed by the director of public housing, who reports to the deputy executive director of the AHFC. As the head of one of four primary divisions within AHFC, the PHD director coordinates with his subordinates as well as with AHFC board members and executives. Reporting directly to the director of public housing are the director of housing operations and the director of construction. Four area coordinators work under the director of housing operations and are responsible for operations in different geographic regions of the state. Property managers work under each area coordinator and are primarily responsible for running multifamily properties on a day-to-day basis, responding to tenant calls and maintaining the physical condition of scattered site units.

Key to the smooth operation of the PHD is the interaction and coordination between the construction department and the maintenance staff. This interaction allows the PHD to address resident issues during capital improvement projects, meet resident needs in a timely manner, and helps avoid post-construction problems. The construction director is responsible for planning capital improvements, deferred



The Public Housing Division owns and operates several hundred single family homes throughout Alaska, like this weathered home in Bethel.

maintenance projects, and new construction of PHD properties. Capital improvements and deferred maintenance are monitored through the physical needs assessment (PNA), a detailed assessment of each property performed on an ongoing basis by the construction department. Each PNA feeds into the PHD's 10-year capital plan, which allows the division to determine which capital requests should take priority each year and helps allocate the scarce resources of the PHD.

A major component to the success the PHD has achieved in securing funding for capital and development projects has been its use of the 10-year modernization and rehabilitation plan. This plan, established in 1995, details all new construction projects, and deferred maintenance items and capital improvements needed for each property. One primary goal of the 10-year plan is to secure funding for all deferred maintenance items for all public housing properties so that by 2004 no deferred maintenance will remain. Each year the PHD requests state funding for deferred maintenance and capital improvement items detailed in the 10-year plan, and each year attempts to demonstrate a reduced need for deferred maintenance funding. This approach takes into account the political sensitivities evident in the AHFC budgeting process while still trying to access appropriate funding levels for capital improvements.

The PHD's position within AHFC is unique with respect to other public housing authorities across the country. Integration between AHFC and the former Alaska State Housing Authority (ASHA) has been successful for two primary reasons: the goals of the two organizations are in alignment, and both organizations have effectively leveraged their respective talents off one another. The Public Housing Division has successfully furthered low-income housing provision goals of the state, and the state has in turn supported the PHD with additional state and AHFC monies. The merger has allowed AHFC to direct more of its funds to public housing and homeownership programs. There has been a true union between the two entities, evidenced by the close relationship of program planning and development, shared funding and resources, and overlapping programs such as homeownership courses and weatherization efforts.

#### OPERATIONS

The PHD's "Strong" ranking for operations reflects that PHD staff is very effective in property and asset management, project development and rehabilitation, and Section 8 Administration, as evidenced by the high quality of the housing. The housing operations department provides property management for all 1,753 AHFC-owned federally funded and subsidized

housing units in 14 cities across the state. In addition, the department administers the HUD Section 8 Vouchers and Certificate programs in 11 locations across the state. Housing operations also develops and runs programs to support the welfare-to-work initiatives and self-sufficiency goals of the state, and coordinates resident initiatives. Strengths are demonstrated in the following:

- Excellent asset management practices including very good capital planning, hands-on property management, and comprehensive maintenance and construction systems; and
- Very effective housing operations demonstrated through good condition of properties and effective management of housing programs such as senior housing, Section 8 Vouchers and Certificate programs, and traditional multifamily low rent programs.

The PHD has established a structure of operations that fosters consistency of operations across the state. As described above, four area coordinators, responsible for three geographic areas of the state and the rural communities with PHD units, report to the director of housing operations. Area coordinators are responsible for property and asset management, management of maintenance staff and projects in their specific areas, waiting list administration, and budget input in their specific geographic regions. Because the geographic area of the state is so large and the climate of Alaska poses unique challenges, the area coordinators play an important role in the cohesive management of the PHD. By attending to specific geographic areas and working with one another, the area coordinators help assure smooth and consistent operations throughout the state.

Each area coordinator oversees staff property managers in their region, who manage specific multifamily or scattered-site units. Property managers either oversee a specific multifamily property that is their sole responsibility, a multifamily property and some scattered-site units, or a collection of scattered-site units. The as-

Table 1

Alaska Housing Finance Corporation Key Statistics					
	1994	1995	1996	1997	1998
Average Tenant Income (\$)	15,016	15,817	17,254	17,184	17,328
Average Tenant Income (% of area median)	26.96	28.4	30.22	29.32	34.59
Total Population	N.A.	N.A.	N.A.	N.A.	N.A.
Total Households	3,544	3,763	3,925	3,806	3,980
Units of federal public housing	1,265	1,330	1,320	1,293	1,288
Units of Section 8	2,488	2,545	2,545	2,549	2,692
Units of non-federal housing	N.A.	N.A.	N.A.	N.A.	N.A.
PHMAP Score (%)	94.91	99.38	100.00	100.00	100.00
HUD Performance designation	High	High	High	High	High

N.A.—Not available.

signment of property managers is dependent primarily upon the density of units in an area. Large multifamily properties typically have a dedicated on-site property manager. Smaller multifamily properties and scattered-site units are usually overseen by a manager with responsibility for units in several neighborhoods. This hands-on management style has encouraged property managers to become very familiar with their designated properties, fostering open lines of communication between tenants and managers and instilling a sense of responsibility for individual properties. The benefit to the PHD is clear, evidenced by the overall very good condition of properties and strong control over tenant rent collection and unit upkeep. Policy and procedures manuals are used as operations guidelines, but area coordinators and property managers also have the flexibility to respond creatively to emergencies. This

also contributes to the overall good management and condition of properties.

Excess demand is evidenced through lengthy waiting lists for public housing units in many areas. Across the state, the PHD has over 4,800 families on waiting lists for both Section 8 and conventional subsidized units. Families seeking public housing or Section 8 vouchers or certificates may apply for housing on a general statewide waiting list and accept the first available unit, or may apply for housing for a specific city or area. The waiting list for Section 8 and public housing units is computerized and accessible in each remote location statewide, so that applicants can apply in any region served by the PHD and within one week will be on the statewide waiting list. This system reduces the burden on applicants who are seeking the first available housing, and allows the

PHD to effectively manage a large list of applicants from around the state.

*Development.* The PHD's development activities to date have focused on public housing construction and management. Since 1995 the PHD has focused on improving the existing housing stock primarily by utilizing AHFC funding for substantial rehabilitation and new development. The PHD has done an excellent job of replacing functionally obsolete units, with high-quality single-family homes and multi-family properties. These new units meet the demands of a severe climate, and provide pleasant, safe, and comfortable housing to low-income Alaskans.

Offsetting these accomplishments is the PHD's lack of involvement in development outside of subsidized public housing. To more effectively leverage existing funding, create new revenue sources, and increase the

## ALASKA'S ECONOMY

Though current economic diversification has somewhat altered the nature of the state economy, Alaska's economy remains heavily dependent on oil and natural gas revenues. The large geographic area of the state and wide variety of local economies results in a disparity in employment and income across the state. Rural families often subsist on fishing, government jobs, or government transfers, as remote outlying areas often lack industry and employment opportunities, resulting in a high demand for public housing in those areas. Urban areas offer substantially more economic opportunities than rural areas, but due to high housing costs and a narrow economy across the state, demand for affordable housing is strong.

The state's economy is concentrated in the extraction, exploration, and production of oil and natural gas. Other important industries affecting Alaska's economy—to a much lesser extent—are the fishing, timber, minerals, and tourism industries. Fluctuations in world oil prices have a significant impact on employment and income levels in the state. Alaska suffered a severe recession in the mid-1980s following the collapse of oil prices; however, since then, relatively stable prices have contributed to steady economic growth over the past several years. Standard & Poor's expects 1999 job growth to be just 0.9%, which is down from 1998's 2.2%. Alaska's growth is affected by weak prices for all of the state's major commodities: oil, seafood, metals, and timber. Employment growth is slowing down in those

sectors that have been experiencing strong growth including services, transportation, and construction.

Employment losses in the mining sector, as oil companies operate with smaller crews, and in seafood- and timber-related manufacturing indicate a gradual decline in overall wealth and income levels as new jobs are created mainly in the lower wage service and trade industries. Current economic projections indicate a continuation of these trends with tourism, retail trade, and construction leading employment growth through the end of the decade. Additionally, the economic crisis in Asia will negatively impact the state's major exports, including seafood, timber, oil, and minerals.

Oil production on the North Slope of Alaska, primarily from the two principal oil fields of Prudhoe Bay and Kuparuk River, is projected to continue declining at an average annualized rate of 3% through 2000 with total production forecast to remain above one million bbl per day through 2006. Enhanced recovery techniques employed by the oil companies continue to prolong the life of producing wells. In addition, smaller discoveries are economically viable due to the existing facilities on the North Slope, offsetting the gradual production decline at the Prudhoe and Kuparuk fields to some degree. On April 1, 1999, British Petroleum-Amoco confirmed its \$26.6 billion purchase of Atlantic Richfield Co. (ARCO), which will combine Alaska's two largest oil producers, accounting for 70% of Alaskan output and controlling 87% of the state's oil reserves.

availability of affordable housing, the PHD should consider becoming the owner and manager of affordable housing projects. AHFC has strived to provide products and services not being offered by the private sector. While AHFC is the state's largest financier of affordable housing, it has not engaged in affordable-housing development. AHFC is responsible for tax credit allocations in the state, and has thus been reluctant to utilize tax credits for new developments owned and managed by AHFC. In recent years, however, tax credits in Alaska have gone unused. To take advantage of this opportunity the PHD may benefit from partnering with local nonprofit organizations to become an owner and operator of affordable housing properties.

#### PROPERTY AND ASSET MANAGEMENT

The PHD demonstrates its dedication to strong asset management of its 1,753 units of public housing in the following ways:

- Project-based budgeting as a means of managing expenses on a project-by-project basis,
- Advance planning of capital budgets as a means of maintaining properties in good condition, and
- Efficient maintenance systems established to sustain the good physical condition of the properties.

The structure of the operations department allows for quick response to emergency and other tenant calls, even in remote areas of the state. PHD staff is extremely hands-on, visiting its properties at least once a week. Some properties have on-site managers and maintenance staff who are also responsible for other nearby properties. On-site or local managers are able to dispatch maintenance teams quickly, and tenants can report maintenance requests through a 24-hour maintenance hot line. Tenants are also provided surveys at each maintenance call, enabling the PHD to enhance its services and work cooperatively with tenants. Augmenting these systems is the inspection schedule in which all public housing units are in-

spected twice annually. These open lines of communication between tenants and managers and hands-on management approach allow the PHD to maintain its units optimally.

The PHD maintains the standard in its units by responding quickly to tenant calls, frequently visiting properties, staffing adequate levels of maintenance personnel, and stocking supplies. In addition, the PHD can maintain the quality of its units without significant financial strain due to Alaska's Permanent Fund Dividend. This annual payment to all state residents, funded by earnings of oil revenues in the permanent fund, can be garnered by the PHD for recovery of costs associated with damage to units or lost rent.

*Maintenance and Construction.* The PHD's comprehensive maintenance and construction systems have resulted in well managed and maintained units throughout the state. Response times to service requests are typically 24 hours for emergency requests and two to seven days for standard requests. Work orders and supply requisitions are computerized and systems are in place statewide. Supplies are handled through requisitions from local maintenance offices, the central warehouse, or procurement where needed. Although the central warehouse is located in Anchorage, the large geographic area of the state demands flexibility in supply requisitions, particularly in emergency situations. Remote locations outside of Anchorage have the authority, with approval from the area coordinator, to procure supplies from local vendors when needed. In nonemergency situations remote locations order supplies through either local maintenance offices, which are managed by a maintenance staff member responsible for keeping supplies in stock, or the central warehouse if necessary. Remote locations are also equipped with scattered maintenance sheds in addition to the maintenance office, which cuts down on paperwork and response times.

The PHD has established an efficient system for standard maintenance. This system features remote maintenance sheds dis-

bursed across different communities statewide with electronic connections to a central warehouse, fully stocked roaming maintenance vans that can quickly respond to requests at any project, couriers for running supplies to vans or maintenance sheds when necessary, and construction and maintenance teams assigned to specific areas. These designated teams develop a sense of ownership and pride over their respective properties and areas, which contributes to the high standards achieved in AHFC properties. The PHD maintains properties primarily with in house staff, but does contract out for major jobs such as large construction or engineering projects and emergency snow removal.

*Section 8.* The PHD successfully administers the Section 8 Vouchers and Certificate programs in 11 communities, with subsidies to 2,590 renters in the private sector. Dedicated housing operations staff oversee the Section 8 Vouchers and Certificate programs, perform yearly inspections of all Section 8 subsidized units, and make payments to landlords under the Section 8 programs. With an exemption from HUD, the PHD has been consolidating the Section 8 Vouchers and Certificate programs by restricting recipients to cities in which the PHD already has a presence. This enables the PHD to significantly cut down the cost of inspections of Section 8 units.

*Resident services.* By providing a variety of services to public housing residents the PHD enables some residents to achieve greater self-sufficiency and lead more productive lives. The PHD makes an effort to accommodate the needs of residents in multifamily units, particularly with regard to children and seniors. Most multifamily properties offer playgrounds for children and some offer computer facilities. Senior properties are usually equipped for arts and crafts activities, exercise facilities, and meals. In addition some senior properties have part-time resident activity coordinators.

Most services are restricted to the more densely populated areas of Juneau, Anchorage, and Fairbanks, but some limited services are offered in rural communities as

well. The majority of services are funded through federal grants, although some services, such as meals in senior housing, are funded through resident fees and donations by local nonprofit organizations.

Most significant among resident services are the homeownership courses offered by the corporation to those public housing residents transitioning into private housing. The courses offer residents with a steady income but without the means for a down payment, the opportunity to access homeownership through a low interest, down payment assistance loan made possible through AHFC's mortgage programs. In coordinating homeownership efforts with the AHFC, the PHD is working to provide better opportunities to public housing residents, and increasing access to public housing for those on waiting lists.

**Modernization.** The Public Housing Division fully utilizes HUD Comprehensive Grant Program (CGP) funds each year, and augments these modernization funds with AHFC monies. The PHD has received between \$3 million and \$4 million annually in CGP monies since 1995, and has used those funds mostly for capital and deferred maintenance items. CGP monies are usually directed toward smaller capital projects, such as window and roof replacements, as well as resident initiative projects. AHFC funds are typically requested to cover larger projects such as new or replacement construction. Large deferred maintenance items are itemized in the 10-year capital plan, which is reviewed by tenants and available for tenant input each year.

#### PORTFOLIO ASSESSMENT

Standard & Poor's "Strong" ranking of the PHD's portfolio reflects the high quality and good conditions of public housing units throughout Alaska. AHFC's PHD has a variety of units around the state to suit the needs of both urban and rural communities. Standard & Poor's surveyed three quarters of the public housing stock throughout Alaska, in both urban and rural areas, and determined that the public



The Alaska Housing Finance Corp.'s Public Housing Division owns and operates public housing units across an area approximately the size of the Midwest.

housing units are consistently of superior quality. The PHD is successful in both maintaining existing units and building high-quality new multifamily and single-family units.

The portfolio is comprised of low-rise garden-style multifamily apartment complexes, scattered-site multifamily units in duplexes, four-plexes, and six-plexes, and scattered site single family homes. Units are constructed with both wood frame and siding, and brick. In most communities, AHFC public housing units blend well with surrounding housing, and in some communities, the AHFC units stand out as premium housing. This is particularly true in Bethel, a rural native community located in a harsh arctic climate. All units in Bethel are scattered site single family homes, which in appearance and quality far exceed the privately owned homes in the area. This is partly due to the PHD's emphasis on constructing and maintaining weather-proof houses in the harsher Alaska climates. In addition to the superior construction consisting of precut walls with interior drywall Styrofoam, all Bethel units have full bathrooms with modern plumbing, in

contrast to some privately owned homes that lack modern plumbing and heating.

Due to extreme weather conditions across the state, construction standards in AHFC units exceed those mandated by HUD, and seek to serve the demands of the climate. In many areas of Alaska, winter offers no more than a few hours of daylight, and daytime temperatures can remain below freezing for more than half of the year. Snowfall often exceeds five feet annually in most regions. These conditions pose unique challenges to homebuilders, including the PHD. All newly constructed and rehabilitated units have very high quality exterior walls and insulation and units in remote locations also have permanent frost-sensitive foundations and double paned windows. New units are airtight, which helps reduce heating costs. Multifamily projects often have added indoor community space for winter activities. A significant difference that Standard & Poor's observed between market rate units and public housing units was the flooring. In areas where residents engage in subsistence fishing many units have vinyl tile

flooring in place of carpeting to reduce wear and tear and cleaning costs.

The PHD has accomplished compatibility with neighborhoods by purchasing existing housing and constructing new scattered site housing. The approach serves also to avoid concentration of poverty, which can lead to higher crime rates and other negative outcomes. By disbursing public housing units across a community, the PHD is working in a progressive manner to change the existing model of public housing characterized by congested, high rise apartments to a more functional, long-term solution of dispersed units integrated into mixed-income communities.

The portfolio contains both newly constructed units, which are undergoing lease-up at this time, and older units constructed starting in 1966. This mix of units has posed a challenge to the PHD and has necessitated a comprehensive 10-year plan to handle deferred maintenance items and to plan for new capital projects. By rebuilding a significant portion of its public housing units, the PHD is facilitating easier maintenance in the harsh Alaska climate.

Because the merger between AHFC and ASHA occurred when the state public

housing authority was in a state of distress, many public housing units were in disrepair. The PHD's capital plan has focussed on renovating, rehabilitating, or rebuilding all units of public housing. Approximately 1,400 units have already been completed, and the remaining 345 units are scheduled to be renovated or rebuilt by 2004. Ultimately, all units are expected to stand out as exceptional housing for Alaskans. Renovations and rebuilding have been accomplished primarily through AHFC funding, although some HUD modernization funds have been used as well.

The PHD has received national awards for the design and construction of two multifamily properties in Juneau, Cedar Park, and Riverbend. Both properties received Awards of Merit in Housing and Community Development from the National Association of Housing and Redevelopment Officials (NAHRO) this past year. Completed in 1998, Cedar Park offered 50 units as replacements to units demolished in 1995, and Riverbend provided 45 replacement units. The design and quality of the units stand out as exceptional in their areas and for public housing units.

## FINANCIAL MANAGEMENT

Standard & Poor's "Strong" ranking for financial management reflects:

- Very experienced and competent in-house financial planners and analysts,
- Comprehensive performance- and project-based budgeting at both the corporate and public housing division levels,
- Effective and comprehensive long-term planning,
- Adoption of GAAP accounting and other financial standards,
- Advanced financial technology and systems, and
- Heavy utilization of state and AHFC funds and reduced reliance on HUD funding for capital improvements.

With the merger between AHFC and ASHA, the public housing division gained access to experience and well trained in-house financial experts. The PHD utilizes this access in an efficient manner, by accessing personnel from the budgeting and accounting departments in place of dedicated staff under the PHD. These economies of scale allow the PHD to operate without duplication of personnel or efforts within the corporation. In addition, AHFC's financial resources have allowed the PHD to expand its programs and services without additional reliance on the federal government.

Sources of revenue include tenant rents, federal subsidies, and AHFC monies. Capital requests for federal monies have been steadily declining each fiscal year since 1995, with heavier reliance on AHFC funds. However, as deferred maintenance items are addressed, overall capital requests, particularly requests made to the corporation, will shrink. Over the past six years, the PHD has received 77% of the funding requested to address the 10-year plan.

The AHFC has maintained very high levels of reserves for its federal housing, at 48% of operating expenses for 1998. While average maintenance costs per unit are high, most likely reflecting the inflated

Table 2

### Alaska Housing Finance Corporation Performance Ratios

	1994	1995	1996	1997	1998
<i>Rent Collection</i>					
Rent collected (% of gross rents)	99.00	99.21	99.25	98.94	98.88
Occupancy (%)	99.00	99.38	97.05	98.30	90.00
Unit turn around (days)	13	17	19	20	21
<i>Financial Performance- Federal public housing units only</i>					
Average total maintenance costs per unit (\$)	2,605	2,548	2,672	2,535	2,985
Reserves/total routine expenses (%)	39.47	37.47	55.43	46.09	48.31
Reserves/unit (\$)	3,090	2,988	4,343	3,705	4,265
<i>Local housing units only</i>					
Average total maintenance costs per unit (\$)	N.A.	N.A.	N.A.	N.A.	N.A.
Reserves/total routine expenses (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Reserves/unit (\$)	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Federal units dependence on HUD operating subsidy</i>					
HUD subsidy/total operating expenses (%)	54.21	47.10	58.83	58.92	60.72
Tenant rent/total operating expenses (%)	44.40	43.62	44.74	45.51	44.63

cost of labor and materials in Alaska, the significant reserve level ensures that most unforeseen maintenance needs can be met.

In contrast to its strong reserve levels, the federal housing program remains reliant on HUD subsidies, which covered over 60% of operating expenses in 1998 while tenant rent covered 45%. This reliance on HUD subsidies is likely to remain higher than for other public housing authorities in large part because maintenance and construction costs in Alaska will always be higher than in the continental U.S., due to distance and extreme weather conditions.

Seen in the aggregate, the AHFC's extensive public housing programs are performing efficiently and are effectively meeting the needs of low-income Alaskans. Additionally, in 1998 the level of surplus to assets was close to 90% for the third year in a row, indicating that the housing stock (the principal asset) is producing a healthy output. Most of its assets consist of real property, but AHFC increased its current assets to close to 18% in 1998 from less than 15% the year before.

The PHD has good staff and technological capabilities to handle its operating and capital needs. Several budgeting and finance department personnel are certified public accountants. The authority has a sophisticated, UNIX-based system called Creative Computer Solutions (CCS) Select for tracking and managing expenses. All accounting, financial, housing and property management, inventory, work order, and budgeting applications are automated. Financial reports are produced biweekly, with each payroll period, and detailed reports are presented to the board quarterly. The biweekly reports are broken out by division within AHFC and reviewed by each division head, respectively. Varying reports on individual properties, individual units, and individual tenants can be obtained from CCS Select to assess expenditure levels and other key points. ■

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### **AHFC'S PUBLIC HOUSING DIVISION**

The organizational structure of AHFC arose from a merger between the Alaska State Housing Authority, the energy and housing programs of the Department of Community and Regional Affairs and the Alaska Housing Finance Agency that occurred in 1992. The merger was intended to create efficiencies in state government and consolidate the state's housing functions. AHFC now purchases mortgage loans from Alaska's private lending institutions, administers the state's public housing and rental-assistance programs, in addition to various multifamily, special-needs, and rural loan programs, and administers home-energy and weatherization programs. The Public Housing Division owns and operates 1,753 units of public housing and administers the federal Section 8 rental assistance program with 676 Vouchers and 1,908 Certificates, and 120 units with Section 8 new construction/substantial rehabilitation program. At the time of the merger, the Alaska State Housing Authority had been designated by HUD as moderately troubled, and was having difficulty meeting its mission of safe, quality affordable housing for low-income Alaskans. Merging with AHFC gave the PHD access to experienced financial professionals and capital for funding needs, and redirected the focus of the organization. Since the merger the PHD has been designated a "High Performer" by HUD for five consecutive years and has achieved a score of 100% under HUD's Public Housing Management Assessment Program (PHMAP) for the past three years.

AHFC's primary departments include finance, accounting, communications, mortgage, rural programs, public housing, and general program support. The professional staff of AHFC, including the PHD, is governed by a seven-member board of directors. The board includes the state commissioners of revenue, health, and social services, and community and regional affairs. Four members of the general public appointed by the governor also serve on the board. The public members have various skills and expertise related to the housing industry. This diversity of experience lends AHFC guidance from a variety of knowledgeable professionals and contributes to the overall effective organizational and operational structure.

### **MISSION STATEMENT**

The mission of the Alaska Housing Finance Corporation is to provide Alaskans access to safe, quality, affordable housing. The Public Housing Division in particular aims to assure that all individuals desiring assisted and senior housing are provided the maximum opportunity to access the services of the corporation, and to provide decent safe housing for low- or very low income-residents of Alaska.

### **Alaska Housing Finance Corporation Public Housing Division**

**4300 Boniface Parkway**

**P.O. Box 101020**

**Anchorage, Alaska 99510-1020**

**1-800-478-AHFC**

### **AHFC Board of Directors**

Jewel Jones, Chair

Robert Grove, Vice Chair

Michael Cook, Wilson Condon, Deborah Sedwick, David McClure, Karen Perdue

### **AHFC Chief Executive Officer / Executive Director**

Daniel R. Fauske

### **Director, Public Housing Division**

Wesley J. Weir

# DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

## REVIEW OF DEPARTMENT ACCOMPLISHMENTS

Presentation to House Finance Committee

January 21, 2000

### DEPARTMENT'S MISSION:

To improve the quality of life for Alaskans by cost effectively providing, operating and maintaining safe, environmentally sound and reliable transportation systems and public facilities.

### PROGRAMS:

#### Planning

The mission of Planning is to optimize state investment in transportation and meet federal requirements through effective planning and programming. Provide statewide coordination between the Department, the Federal Highway Administration, the Federal Aviation Administration (FAA) and users regarding safety and transportation improvements, as well as the impact of federal and state regulatory activities affecting Alaskan interests.

1/21/00

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### Design and Engineering Services

The mission of Design and Engineering Services is to develop projects that improve Alaska's transportation and public facilities infrastructure. The Division also provides a wide range of technical services to the Department, other state and federal agencies, local governments and the public.

### Construction

Construction supports the mission of the department by constructing safe, environmentally sound, reliable and cost-effective highways, airports, harbors, docks, and buildings.

### Maintenance and Operations

The mission is to maintain, safeguard and control the state's infrastructure system of highways, airports, harbors, and facilities.

### Marine Highways

To provide safe, reliable, and efficient transportation of people, goods, and vehicles among Alaska communities, Canada, and the "lower 48" providing opportunities to develop and maintain a reasonable standard of living and high quality of life for Alaskans by meeting social, education, and health needs.

### International Airports

The mission of the International Airports is to safely, effectively, and efficiently operate and maintain the Anchorage and Fairbanks airports in a manner consistent with Federal regulatory requirements, high service standards, sensitivity to user needs, and awareness of community goals.

### Measurement Standards and Commercial Vehicle Enforcement

The mission is protection of the traveling public and protection of the state's transportation infrastructure by enforcing federal and state statutory and regulatory policies in the truck size, weight and safety enforcement program, and the weights and measures program.

### Administrative Support

The mission of Administrative Support activities is to support the department's operations with quality administration, information technology, procurement and budgetary services. This also includes executive leadership, coordination with other governmental agencies and oversight of construction contracting and non-construction procurement activities.



# Galena City School District

## 21st Century Education

CARL KNUDSEN, SUPERINTENDENT

JIM FOSTER, ASSISTANT SUPERINTENDENT

JOHN BILLINGS, SCHOOL BOARD PRESIDENT

*Dept of Comp Systems  
1/11/00  
1/25/00*



# **Galena City School District**

*THREE PROGRAMS, ONE MISSION*

- *Galena City Schools - 181 Students*
- *Project Education Charter School - 70 Students*
- *Interior Distance Education of Alaska - 3,431*



# Galena City School District

## *GCSD Quality School Plan 1998-99*

GCSD Goal 1: "That GCSD is the first school to successfully implement the Quality School Initiatives."

GCSD Goal 2: "That every student be afforded the opportunity to be successful on the test and graduate from high school."

*Curriculum Alignment*

*Quality Teaching Practices*

*Student Electronic Academic Portfolio's*

*Student Led Parent/Teacher Conferences*

*Student's "At Risk"*

*School Report Card*



# Galena City School District

## *Policy Changes*

*Attendance - 10 Day Rule*

*Graduation Requirements -*

*4 Years Math*

*4 Years Science*

*4 Years English*

*4 Years Social Studies*



# Galena City School District

*CERTIFIED TEACHERS IN THE FOLLOWING  
AREAS*

MATH

SCIENCE

ENGLISH

SOCIAL STUDIES



# Galena City School District

## *CURRICULUM CHECKLISTS*

*CURRICULUM*



*CHECKLISTS*



# Galena City School District



## ■ ALTERNATIVE CLASSROOM

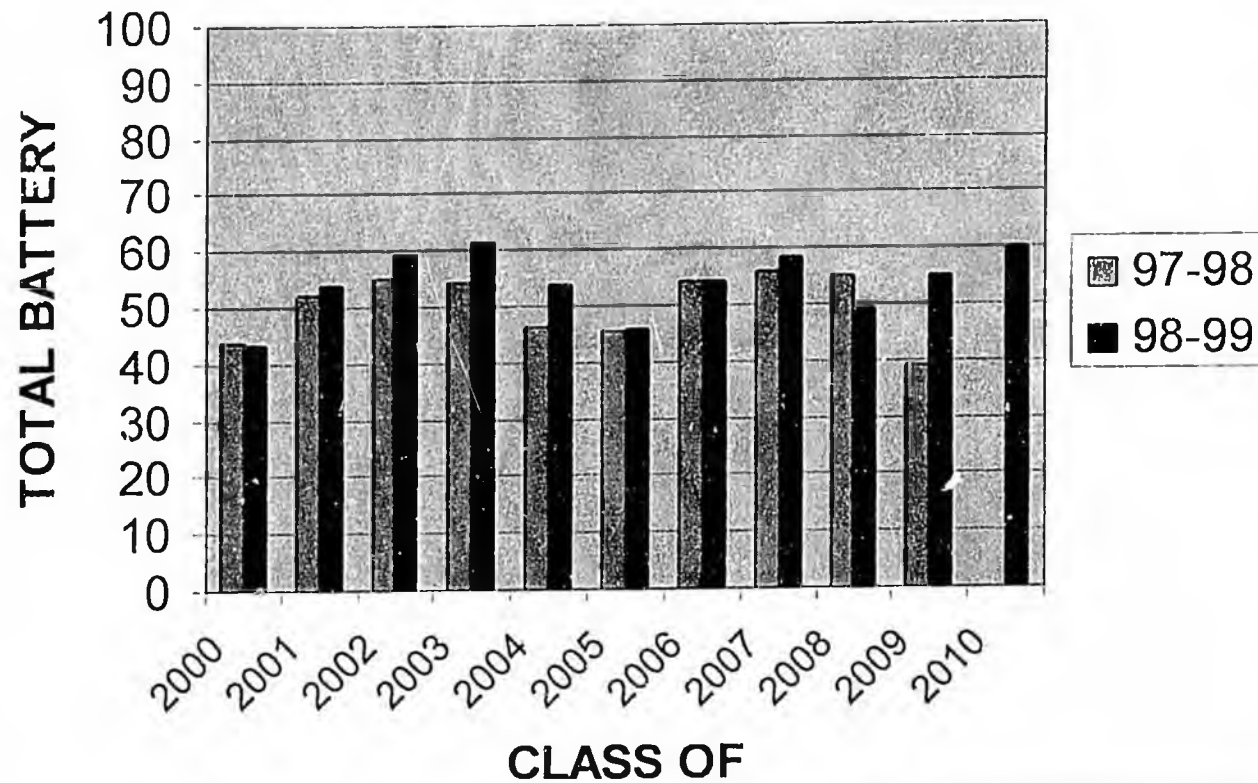
*REGULAR SCHOOL DAY SUPPORT*

*EXTENDED SCHOOL DAY SUPPORT*

*EXTENDED SCHOOL YEAR SUPPORT*

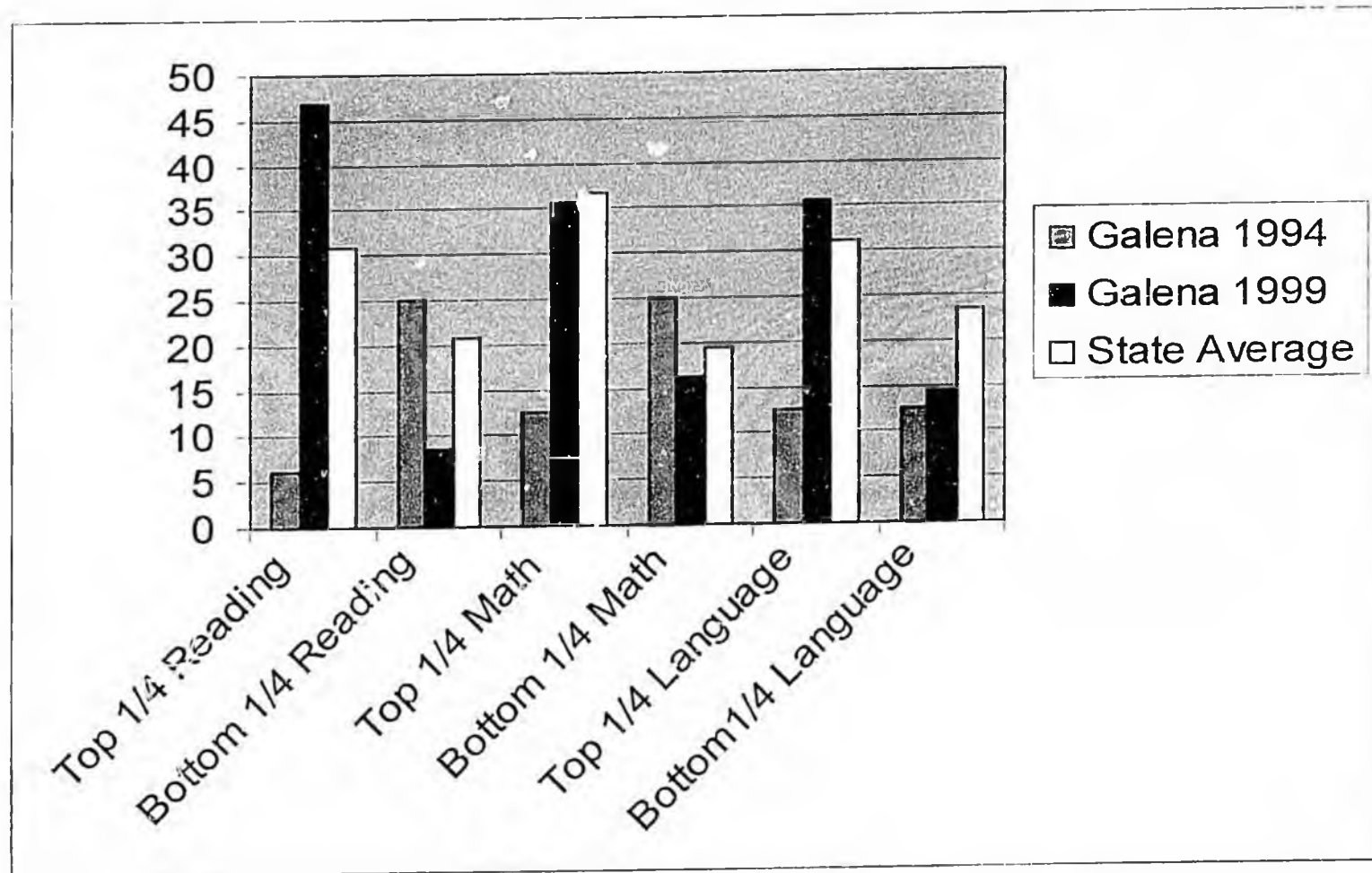
# Galena City School District

CAT 5 Scores



# Galena City School District

## EFFECTS ON 4TH GRADE CAT 5 SCORES



# Galena City School District



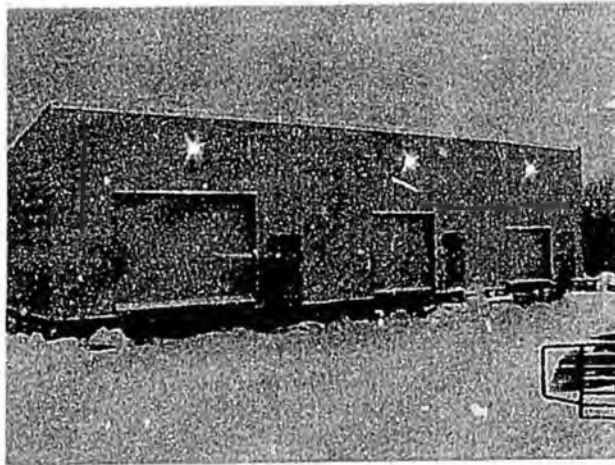
- ELECTRONIC PORTFOLIOS
- HISTORY OF STUDENTS ACADEMIC WORK
- REPORT CARD CHECKLIST

# Galena City School District

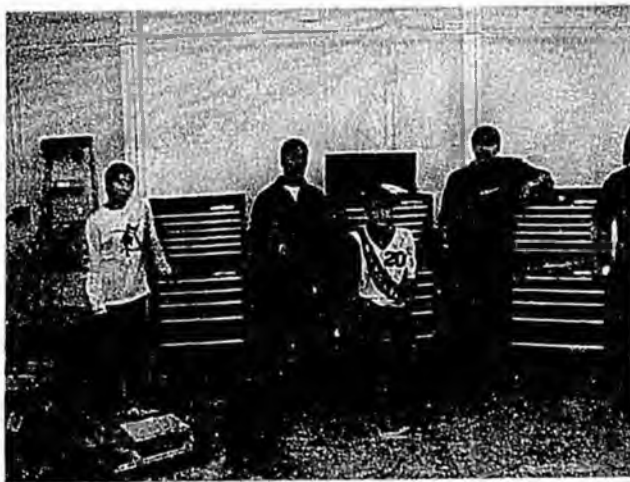


- STUDENT LED  
CONFERENCES
- STUDENTS, PARENTS, &  
TEACHERS  
UNDERSTANDING  
CURRICULUM

# Galena City School District



- SUZUKI GM  
VOCATIONAL  
TRAINING BUILDING



- GM DONATED  
TOOLS

# Galena City School District



- COIFFURE ARTS
- Your Professional Image
- Bacteriology
- Decontamination & Infection Control
- Anatomy & Physiology
- Electricity & Light Therapy
- Chemistry
- The Salon Business

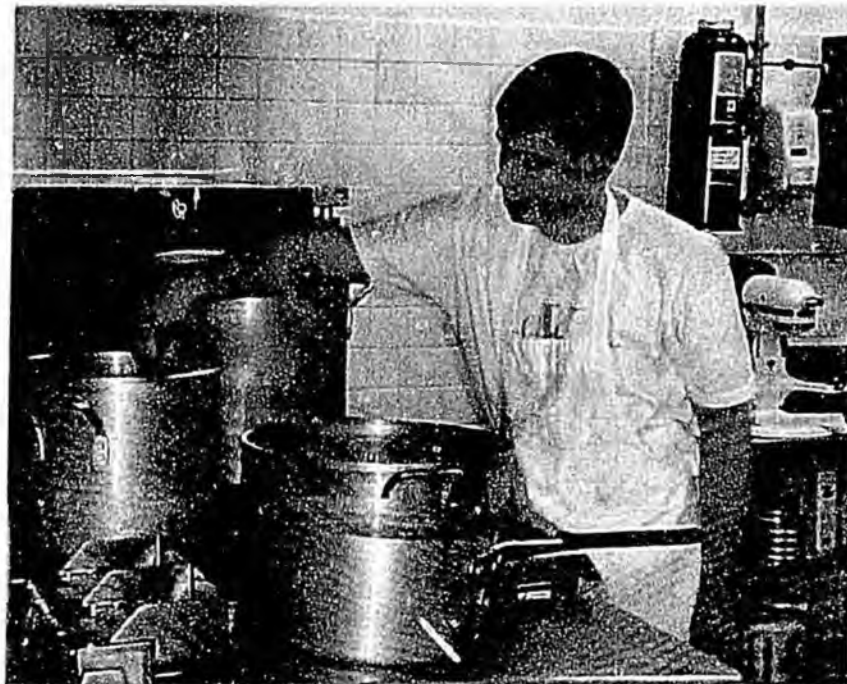
# Galena City School District



## ■ AVIATION

- Aviation Technology Associates in Aviation Arts and Technology. Program will offer courses including:
- Private and professional piloting
- Airport management
- Traffic control
- A & P mechanics in conjunction

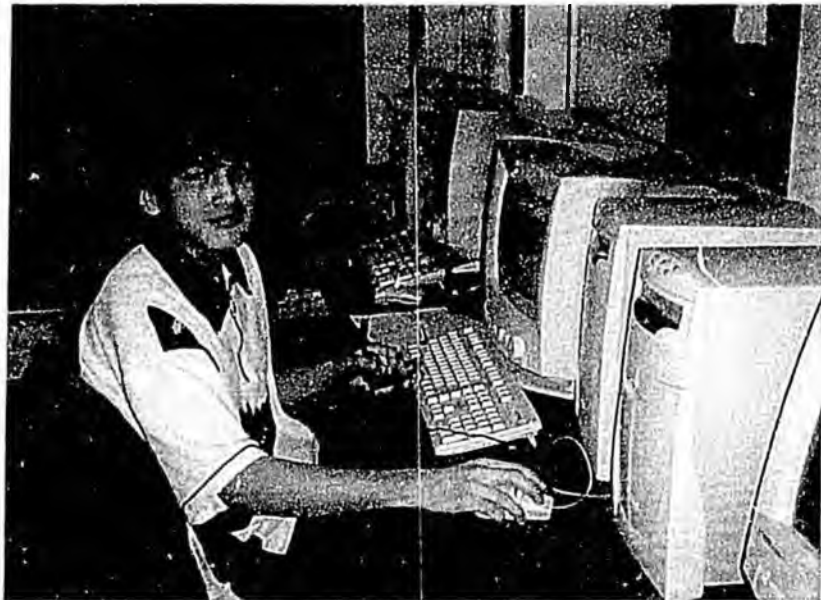
# Galena City School District



## ■ CULINARY ARTS

- Sanitation
- Food Safety
- Basic Cooking Styles
- Basic Cooking Techniques
- Kitchen Operations

# Galena City School District



## ■ MICRO-COMPUTING

■ *Computer Technology Associates in Microcomputer Technology Degree program. Courses will include:*

■ *Microsoft A+*

■ *Cisco certification.*



# Galena City School District

- COMPUTERS IN EVERY HOME
- INTERNET CONNECTION HOME/SCHOOL
- CHILD PROTECTION TEAM
- LIGHTSPAN
- INTERVENTION TEAMS



# Galena City School District

## *GRANTS TO BE IMPLEMENTED*

- *21st Century Learning*
- *Tele-medicine/Tele-education*
- *Adult Vocational Education Center*

# THE ALASKA LEGISLATURE



**\*HONORING\***

**\*GALENA SCHOOL DISTRICT, SUZUKI MOTORS OF JAPAN & AMERICA AND GENERAL MOTORS CORPORATION OF AMERICA\***

**\*CORPORATE AND BUSINESS PARTNERSHIPS PROMOTING EDUCATION\***

The members of the Twenty-first Alaska State Legislature honor the Galena School District for their development of a joint business partnership with Suzuki Motors of Japan & America and General Motors Corporation of America providing a unique approach to expanded education in rural Alaska.

Galena School District started the Project Education Charter School, a regional vocational, project-based high school in Galena. This school was developed to emphasize vocational training and preparation for the world of work, utilizing School-To-Work experiences.

The School-to-Work partnership between General Motors Corporation, USA and the Galena School District has moved Galena School into the forefront of education, by providing students with the skills to gain employment, both locally and nationally.

Suzuki Motors Corporation and General Motors Corporation are partners with the Galena School District in developing a technical training center with engines, training tools, and tool testing equipment and instructor training in Galena. The Technical Training Program allows Galena City School District students to enroll in the program and upon successful completion, receive a certificate of training. The program is on the cutting edge of high school vocational training programs, allowing a student to graduate from high school and already be trained and ready to enter the workforce as a certified mechanic in small and/or large engine repair.

The partnership with Suzuki fits the needs and dependence on the use of small engines and the subsistence life style in the Interior of Alaska. Since the region is not accessible by road, transportation is by river or air creating an extreme dependence on outboard motors for river travel in the summer and snow machine travel in the winter. These isolated areas also share a dependency on small engine generators for electricity.

The Twenty-first Alaska State Legislature recognizes and applauds this valuable partnership with rural Alaska. We thank these organizations for their dedication and commitment to education and congratulate them for their foresight in developing new technical teaching approaches and business solutions that will provide long-term benefits for the people of rural Alaska.



*Brian S. Porter*  
BRIAN PORTER  
SPEAKER OF THE HOUSE

Date: September 26, 1999

*Drue Pearce*  
DRUE PEARCE  
PRESIDENT OF THE SENATE

*Carl Morgan*  
CARL MORGAN  
PRIME SPONSOR

Cosponsors: Representatives Porter, Austerman, Barnes, Berkowitz, Brice, Gunde, Cissna, Coghill, Jr, Croft, Davis, Dyson, Green, Grussendorf, Harris, Hudson, James, Joute, Kertula, Kohring, Koakesh, Kott, Masek, Mulder, Murkowski, Phillips, Rokeberg, Sanders, Smalley, Williams; Senators Lincoln, Tim Kelly, Taylor, Green, Mackie, Adams, Hoffman, Elton, Leman, Wilken, Miller, Halford, Pete Kelly, Parnell

# The World At Their Door Galena's Partnering Program

BY SHIRLEY JOHNSRUD

Galena, one of the most remote, isolated areas in interior Alaska, is located on the Yukon River about 220 air miles west of Fairbanks and 350 miles from Anchorage. It is accessible only by boat or aircraft. The population of 544 is equally numbered between Native and non-Native people. To combat unemployment, poverty and other social problems, Galena's citizens implemented a partnering program, The Breakfast Club, which is striving to prepare Native young people with work-based experiences and pre-employment skill development.



**L**ife in this region of Alaska is not easy. The gentle rolling hills are underlaid with permafrost and subject to periodic flooding. Temperatures dip to  $-70^{\circ}$ . During the summer months, barge lines deliver supplies of heavy equipment, fuel, groceries and general supplies needed for the winter months. Lack of trade and industry drives up the unemployment rate in Galena, forcing most Native youth to leave the village and relocate to larger cities in order to find jobs.

Galena's school district, founded in 1973, is home to 190 K-12 students, 80% of whom are Native Athabascan. The idea of partnering became a viable way for Galena's school district and community to combat the effects of losing a valuable resource: Galena's young people. The school began to invite area employers and interested community leaders to a regularly-scheduled breakfast meeting hosted by the district. The purpose of this meeting was to introduce the school-to-work philosophy and plan its implementation. School-to-work initiatives had employers partnering with the school to prepare students with work-based experiences. Participants in the first "Breakfast Club" meeting decided to continue the meetings once every month. They would share their programs and support each other's efforts to better community life and provide learning experiences for students.

Regular attendees at the monthly Breakfast Club meetings have been employers, parents and interested community members. There have also been several outside partnerships linked to the school and community who have shared their goals and ideas at the Breakfast Club, notably: legislative representatives, including Lt. Gov. Fran Ulmer, state and national school-to-work directors, Air Force personnel and University of Alaska administrators. State labor unions offering instructors, curriculum and safety training to students have included: International Brotherhood of Painters and Allied Trades, Fairbanks Alaska Carpenter Training Center, U.S. Rural Housing Development Office and Alaska Joint Electrical Apprenticeship and Training Trust. Students who participated in the training program were able to help with several community projects such as environmental cleanup and remodeling Elders' homes.

Other visitors to the community Breakfast Club have included organizations such as the Illinois Creek Mining Co, National Bank of Alaska, Fairbanks Daily News Miner, and the State and American Hospital Association. Partnerships beneficial to the students' vocational and academic training have been with such supporters as the University of Alaska staff, who offer varied courses including aviation and computer technology. Representatives from Suzuki Corporation and General Motors visited Galena and signed a contract providing small engines, computer software, tool kits and car frames for the automotive classes. The owner of the New Concepts Beauty College of Fairbanks taught courses in hair styling. Native corporations, including Doyon Foundation, Tanana Chiefs Conference, Gana-A'-Yoo, Ltd. and Loudon Village Council, have provided scholarships in addition to offering students experiences in their offices and donating travel expenses for the students to attend conferences.

Several employers went through training with the "Work Smart—Prepare for Life" program in collaboration with Alaska Cooperative Extension. This training stressed the relationship between academic and job skills and the need for life-long learning experiences. The participants prioritized the skills and values they thought were important to the workplace and should be taught in schools. The school requested supportive partnerships with Native corporations and employers to provide both paid and unpaid work-based learning opportunities and job

mentoring for the students. Students, in turn, would learn how their coursework in math, science, language arts, social studies, and vocational classes applies to the workplace, as well as the importance of good work ethic and necessary social skills.

## Sharing Ideas

Partnerships between Galena and the lower 48 companies are being struck on several levels. ACT Discover, a computer software program from Colorado, has partnered with the Galena school district to provide training and computer software for their program entitled "ACT Discover World of Work." A new partnership between Lightspan, an educational curriculum for skill development, and Yahoo, Inc. will sponsor an Iditarod racer. A Galena teacher and Native student will be selected to follow a musher during the race and provide up-to-date pictures and videos of the Iditarod 2000 to the Yahoo Web site. Another partnership between the City of Galena Health Clinic and the village of Tanana has recently received a generous telemedicine grant from the Department of Agriculture to enable instruction and medical information to be brought into the classrooms and health clinic through live videoconferences. This program also includes staff training for both the school and clinic.

All of these partnerships are shared with the community via the Breakfast Club. The Club has become a well-known entity around the state. It was the topic for the Fairbanks "Talk on Alaska" radio show and described at various state conferences. Max Hundorf, long-time Galena resident and Athabascan businessman, shared his thoughts on the Breakfast Club at a recent meeting. "The Breakfast Club provides current information, and information is knowledge. The use of knowledge becomes that earthly type of wisdom where you learn by doing. Of course, what you learn in the books you try to apply to the actual physical experience. The Breakfast Club provides both the information and the sharing of experiences. It is a wonderful opportunity to gain information and to share with each other. The word community means communication, and since this started, there has been so much more communication with each other. They [students] worked very hard and stayed on task with little supervision. When they ask to help in the store at different times, we know that we are providing the experiences for them to help others and learn social skills and how to talk to the public."

Sidney Huntington, Athabascan, who founded the Galena City Schools, said, "The Galena Breakfast Club is a good source. It provides an opportunity for sharing what is going on in Galena now, and gives a look at what is going on down the road. It offers insight to what might be happening later on. The outsiders are not coming in here and telling us what we should be doing. They just share their ideas. There are changes in Galena, quite dramatic. The other villages do not have a Breakfast Club and it is really good if people will follow our format."

When asked how the breakfast Club has assisted the community of Galena, Tribal Chief Peter M. Captain, Sr. responded, "The most important role that it provides to the tribe is that the Breakfast Club galvanizes the community in the cultural value of 'Neel ghul neets' niy' which translates, 'We work together, we help each other.' This human value of sharing is practiced within this community on every scale of activity. When institutions and citizens sit to enjoy the heartiness of a meal there is interaction on a human level. This also is a cultural value of the tribe." ❖

*Shirley Johnsrud, Athabascan, M.S., M.Ed., is the school guidance counselor for the Project Education Charter High School in Galena, AK.*

## Three Programs, One Goal - "MEET THE NEEDS OF THE STUDENT"

### *Galena City Schools*

JIM SMITH  
9-12 Principal

LARRY HAUSSMAN  
Pre/K-8 Principal

**FY2000 Enrollment - 181**

**GALENA CITY SCHOOLS** serve the students who live in Galena through progressive teaching in three traditional programs in the elementary, middle school and high school.

Students and staff are afforded the use of laptop computers, and Internet access is available to everyone.

A wide range of leading-edge programs are offered to students, i.e. traditional academics, college prep, technology, School-to-Work, vocational education, aviation, coiffeur arts, special education, migrant and bilingual education, music, physical education, culinary arts and sports.



### PROJECT EDUCATI★N

Charter School

BART MWAREY, PRINCIPAL

**FY2000 Enrollment - 70**  
Serving Grades 9-14

**PROJECT EDUCATI★N** was the second Charter School to open in the state of Alaska. This boarding school opened its doors in 1997 to students from across the state and is in the third year of a highly successful program. Students from 38 communities attended the charter school during FY99.

**PROJECT EDUCATI★N** provides vocational opportunities often not available in smaller schools. PECS uses a project-based approach and individualized student plans to assure student success.

Partnerships with the UAF Rural College's Yukon-Koyukuk Center in Galena, and the UAA Aviation Department are just two examples of our effort to provide additional course offerings for students.

[www.galenanet.com](http://www.galenanet.com)

### Interior Distance



### Education of Alaska

STEVE MUSSER, DIRECTOR

**FY2000 Enrollment - 3435**  
Serving Grades K-12

**IDEA** strives to serve the needs of families who choose to provide for their children's education outside of the traditional classroom setting. Every family is provided with a computer, computer training, Internet access, curriculum materials, a Fax/scanner/color printer, and district website.

**IDEA** resource centers in Fairbanks, Wasilla, Anchorage, Kenai and Juneau assist parents with individual learning plans and help to monitor student progress. Special workshops are held throughout the school year to assist parents with specific skills such as writing, math or computers.

[www.ideafamilies.org](http://www.ideafamilies.org)

1/25/00

**Division of Public Assistance  
Overview of Welfare Reform  
January 25, 2000**

**Topics of Discussion**

- 1) Alaska Temporary Assistance Program (ATAP) Basics
- 2) Caseload Decline
  - Rate of Decline Continues
  - Comparison to Other States
- 3) Spending is Down
  - General Fund Savings
- 4) More Clients Working
  - Work Participation Rates
- 5) Performance Measures
  - High Performance Bonus
  - Food Stamp Accuracy Rate
- 6) Program Evaluation
- 7) Work Services
  - Case Management and Work Search
  - Child Care
  - Hard-to-Serve
  - Training Initiatives
  - Transportation
  - Mentoring
- 8) Workforce Development
  - AHRIC
  - WorkStar
  - One Stop Job Centers (AJCN)
- 9) The Future
  - Planning for the 5-Year Limit
  - Services for Hard-to-Serve clients
  - Post Employment Services
  - Targeted Training
  - Child Care
  - Welfare-to-Work Case Management Training
  - Transportation
  - Program Evaluation

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

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Galena City School District



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1/25/00

### Why Galena?

Galena is a very progressive school district, complimented by a community where innovative thinking is #1. A cooperative group comprised of the School District, the City, the local Native Village and Tribal Councils, and the Tanana Chiefs Conference Galena office, as well as local businesses, work together for the good of the community.

Through the positive efforts of this group many things have been accomplished. While other districts struggle with lack of funding, lack of local support and lack of parental involvement, Galena pushes ahead.

All the above named organizations support each other's endeavors, assist with in-kind support or sharing of expenses, and look to a positive future together. Galena is a great place to live and work!

T o g e t h e r  
E v e r y o n e  
A c h i e v e s  
M o r e

## Galena City School District



### Board Members

John Billings  
President

Conrad Olin  
Vice President

Ed Pitka, Jr.  
Treasurer

Victor Marshall  
Secretary

Susie Sam  
Member

## Galena City School District



Carl Knudsen  
Superintendent

Jim Foster  
Assistant Superintendent

PO Box 299  
Galena, Alaska 9974

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1/25/00

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1/25/00

October 1999

# Welfare Reform Status Report

## The First Two Years

Fiscal Years 1998 & 1999  
(July 1, 1997 – June 30, 1999)

**1999 UPDATE**

### INSIDE THIS REPORT

Introduction	1
Second Year Statistics	2
Workforce Development	4
Work Services	6
The Safety Net	8
Future Challenges	10

### INTRODUCTION

Alaska has completed the second year of its new welfare program. As a result of welfare reform, the dramatic decrease in welfare caseloads seen across the nation is happening in Alaska. While caseloads and spending are down and more recipients are working, challenges still persist in helping the remaining Alaskan families off welfare and into self-sufficiency.

Alaska's welfare reform law was signed by Governor Knowles in June of 1996, and two months later President Clinton signed the federal welfare reform law. The new state and federal laws which took effect on July 1, 1997, replaced the AFDC program with the Alaska Temporary Assistance Program (ATAP or Temporary Assistance).

Alaska has adopted a "work first" approach which emphasizes quick entry into the workforce for most recipi-

ents, backed by services which help recipients retain jobs and attain better jobs. The threat of time limits and federal requirements for work participation underscore the importance of a strong employment emphasis.

The AFDC program was funded on a 50% federal and 50% state basis with the total amount dependent on the size of the caseload. Under the new program, federal funding comes in a fixed amount known as the Temporary Assistance for Needy Families (TANF) block grant and the state is required to match at least 80% of the federal level.

Due to declining caseloads and the reduced demand for cash benefit payments, millions of dollars have been made available to provide child care and work services for recipients and to supplant state funds for other services which has helped to



reduce the state's budget deficit.

While the success chronicled in last year's *Welfare Reform Status Report* has continued through the second year, the challenges remain as well. As the caseload declines, those recipients with the greatest barriers to employment continue to need help. And the 60-month lifetime time clock keeps ticking.

The ultimate success of welfare reform will depend on helping low-skilled welfare recipients into employment and self-sufficiency before their clock runs out.

### WELFARE REFORM IN ALASKA

#### SPECIAL POINTS OF INTEREST:

- Welfare caseload has declined 26% from June 1997.
- Welfare savings for Fiscal Year 1999 topped \$41 million.
- Since July 1997, 4,000 families have left welfare for jobs.
- The welfare caseload has dropped to its lowest level since February 1991.

New welfare reform laws have changed welfare by:

- Imposing a 5-year lifetime limit on benefits
- Requiring most recipients to be in a work activity within two years
- Requiring minor parents to live with their parents or another safe home, and to finish high school

- Diverting applicants from welfare by addressing immediate needs
- Reducing benefits to two-parent families in the summer and to families with low housing costs
- Requiring all recipients to develop a family self-sufficiency plan

- Allowing families more earned income so that it pays to work
- Penalizing recipients for quitting or refusing to take a job
- Enabling communities to play a greater role in the delivery of welfare-to-work services

Second Year Statistics

# Welfare Caseload Down



## SECOND YEAR STATISTICS

### HIGHLIGHTS

Two years of welfare reform in Alaska have brought some remarkable achievements.

The new rules under welfare reform, the commitment of state public assistance workers and community contractors and grantees, a focus on work and personal responsibility, and a strong Alaska economy have yielded great results.

Highlights from the first two years of welfare reform include:

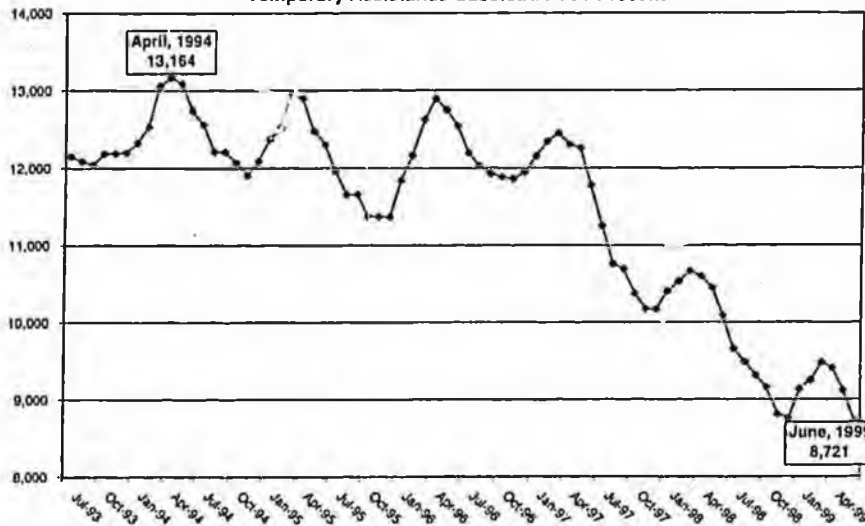
- The Temporary Assistance caseload has dropped 26%, from June 1997 to June 1999;
- Since July 1997, 4,000 families have left public assistance for jobs;
- Over 54% of Temporary Assistance adults are assigned to work activities;

- In two years, the State saved over \$41 million in welfare benefits; and

- Welfare reform has saved \$32.3 million in state general fund dollars in Fiscal Year 2000 alone.

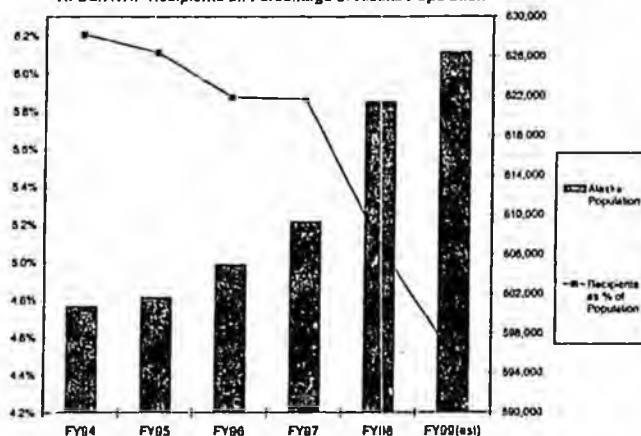
### CASELOAD CONTINUES TO GO DOWN

Temporary Assistance Caseload FY94-Present



In June of 1999, the Temporary Assistance caseload declined to 8,721, its lowest point since February, 1991 when two parent families were first being added to the AFDC program. This figure is 34% below the historical peak in April of 1994. The greatest decline began in February 1997 when the first ATAP provisions began to take effect. In spite of the overall decline, winter upswings are an inevitable result of Alaska's seasonal economy.

AFDC/ATAP Recipients as a Percentage of Alaska Population



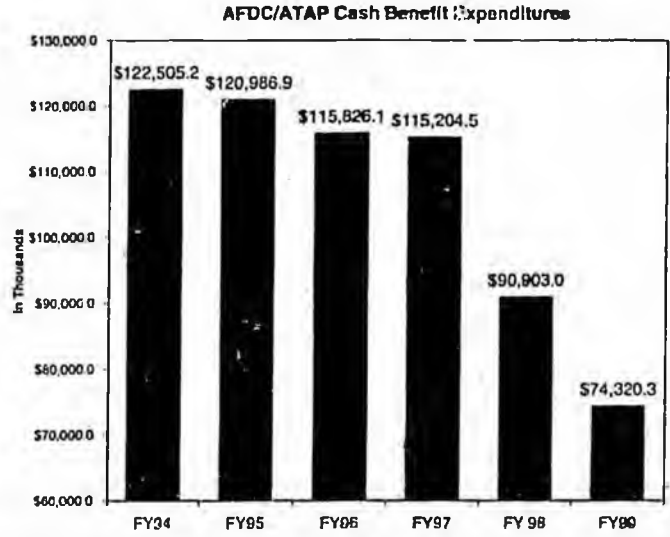
Alaska's overall population has been steadily growing in recent years. At the same time, the welfare caseload has been declining. Thus, the percentage of Alaskans on Temporary Assistance has dropped significantly in the past two years.



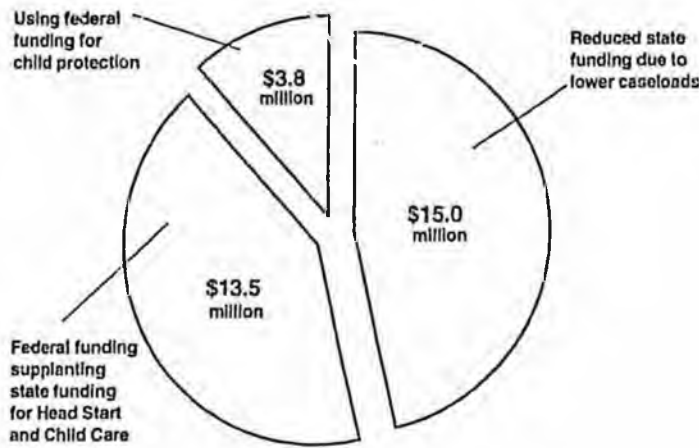
# SPENDING IS DOWN



Spending on welfare payments to recipients is down. In FY99, these expenditures declined to \$74.3 million, a 35% reduction from FY97. Lower expenditures can be attributed to more recipients leaving welfare for work, fewer applicants, more recipients working, and benefit cuts to two-parent families in the summer and to families with lower housing costs.

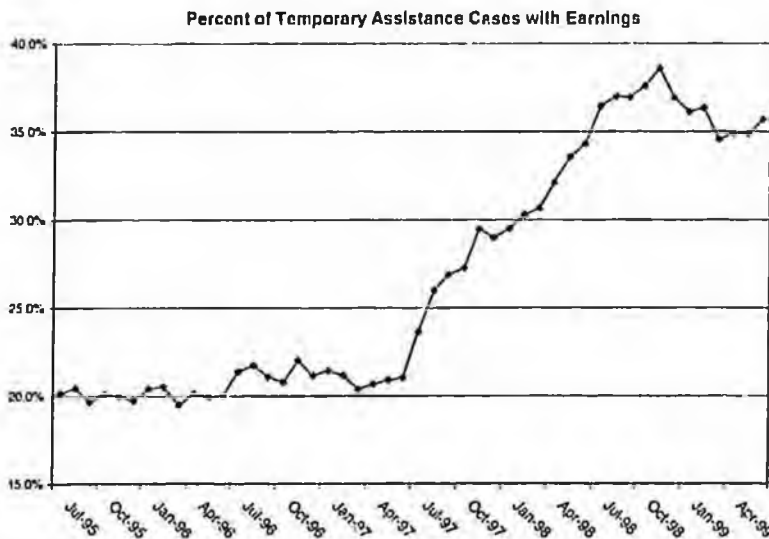


## FY2000 State General Fund Savings: \$32 Million



Welfare reform has saved millions of state general fund dollars at a critical time of high budget deficits. Comparing what was spent in FY97 to the amount appropriated for FY 2000, the general fund savings will reach \$32.3 million for FY 2000 alone. This sum is composed of several factors including: reducing the required state effort to the floor; using federal TANF dollars to the maximum allowed to supplant general funded child care and Head Start programs; and using federal TANF dollars to the maximum allowed to provide additional child protection services that would otherwise be funded with state funds.

# MORE RECIPIENTS ARE WORKING



The main welfare reform provisions took effect in July of 1997. Since that time the percentage of welfare recipients in a job has increased dramatically. However, as the caseload declines to those recipients with the greatest barriers to employment, it becomes more difficult to achieve high percentages of working recipients.

# WORKFORCE DEVELOPMENT



## ALASKA'S ECONOMY

The Alaska economy plays an important role in the success of welfare reform. Jobs created over the last two years have helped caseloads shrink and future economic growth should add to this trend.

Last year's growth was the

third strongest in the 1990s.

Today's economy continues to add jobs; more people are employed now than were employed a year ago.

New Alaska jobs grew by 2.5% in 1998, providing much needed opportunities for welfare recipients. Alaska's economy should continue to grow through 2000, although job growth in 1999 and 2000 will be among the slowest in Alaska during the last 10 years, according to the Alaska Department of Labor and Workforce Development.

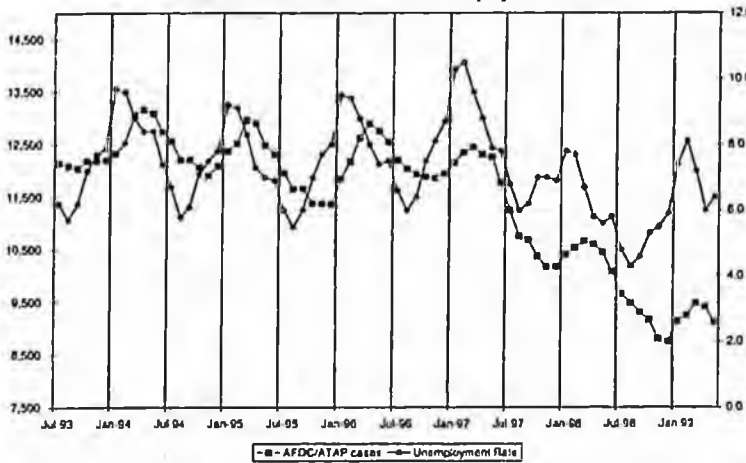
A contracting oil and gas industry and the associated impacts in other sectors of the economy will contribute to slower job growth. In addition,

Alaska's public sector is expected to lose jobs in the next two years. Some of these job losses will be due to privatization and others are expected as a result of revenue-related downsizing.

Another bright spot for Alaska's economy is the unemployment rate, which for the first time since Statehood, remained below 8 percent six years in a row, and averaged 5.8 percent in 1998.

The graph shows that the Temporary Assistance caseload follows and is directly related to the unemployment rate in Alaska. The graph also shows the seasonal nature of both welfare and unemployment.

Alaska AFDC/ATAP Caseload vs. Unemployment Rate



## ALASKA HUMAN RESOURCE INVESTMENT COUNCIL & DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

There are big changes in Alaska's workforce development arena. The consolidation of state workforce development agencies and the implementation of the Federal Workforce Investment Act hold the promise of improved training and other employment services for both job seekers and employers.

Legislation passed last session and signed by Governor Knowles consolidates most of the state's workforce development programs into the newly renamed Department of Labor and Workforce Development (DOL). The job training programs housed in the former Department of Community and Regional Affairs were

moved as was the Division of Vocational Rehabilitation, and Adult Basic Education. Work services funded through the TANF block grant remain with DPA although DOL continues to provide many services for welfare recipients under agreement with DPA.

Alaska's job training efforts are coordinated by the Alaska Human Resource Investment Council (AHRIC). The Council consists of private sector employers, union officials, educators and state officials.

The AHRIC is currently implementing the new Federal Workforce Investment Act (WIA), which consolidates job training and vocational

education programs, provides more local control of the State's job training delivery system, and is designed to meet both the needs of employers and job seekers.

The AHRIC is coordinating a public planning process to create a five-year strategic plan for workforce development, involving local elected officials, partner agencies, community based organizations, and individuals. The AHRIC will continue to support welfare reform through the planning process. The deadline for WIA implementation is July 1, 2000.



## ALASKA JOB CENTER NETWORK – ONE-STOPS

The continued success of welfare reform in Alaska depends on the coordination of agencies that focus on job training, development and placement for recipients.

The Alaska Job Center Network (AJCN) is Alaska's version of the national "one stop" career center system. Its goal is to bring together services for jobs, job training and human services with an eye to increasing cost effectiveness and improving customer satisfaction.

In 1999, all of Alaska's one stops will be asked to meet state standards for Job Centers established by the Alaska Human Resource Investment Council. Antici-

pated to receive certification for meeting those standards are at least 10 full service Job Centers and more than 18 Satellite Job Centers serving smaller communities.

There are several Job Centers up and running in communities across the state;

- Ketchikan Job Center;
- Juneau Job Center;
- Mat-Su Job Center;
- YK Delta Job Center;
- Eagle River Job Center;
- Fairbanks Job Center;
- Kenai Pen. Job Center;
- Anchorage Job Center, Muldoon;
- Anchorage Job Center, 5th Avenue; and
- Anchorage Job Center, Midtown.

The first Anchorage Job Center opened in the Muldoon Mall and a Fourth & Gambell location will open in the fall of 1999. An additional Anchorage Satellite is planned for Mt. View.

All Centers offer a customer service orientation and will provide job and career information, job referrals, skills training, temporary assistance and welfare-to-work programs. Public access computers help customers learn computer skills or access the Internet to facilitate job search.



## WORKSTAR AND JOB DEVELOPMENT

The private sector has stepped up to the challenge of welfare reform in Alaska. Most of the jobs which have helped poor Alaskan families off welfare have come from private businesses. Much credit for this goes to Governor Knowles' WorkStar Steering Committee.

Welfare changes created a unique opportunity for the state and business to partner in moving welfare recipients into the workforce. WorkStar is a business-led effort to advise the State on the employer's perspective on hiring welfare recipients. WorkStar members come from the largest employers in the state and small businesses as well. Most of these employers have hired welfare recipients.

WorkStar steering committee members include:

- Jacob Adams, Arctic Slope Regional Corporation

- Pam LaBolle, AK Chamber of Commerce
- Eleanor Andrews, Andrews Group
- Carl Marrs, Cook Inlet Region, Inc.
- Dennis Bird, FedEx
- Richard Near, Safeway
- Charles Bundrant, Trident Seafoods
- Jamie Slack, VECO
- Jane Crane, ARCO
- Suzanne Sloan-Rust, K-2 Aviation
- Charlie Curtis, NANA
- Bob Southall, Hilton Hotel
- Susan Denison, Providence
- Mano Frey, AK AFL-CIO
- Fran Webber, NBA
- Kitty Farnham, BP

WorkStar accomplishments include the following:

- Held five job fairs around the state;
- Attended four trade shows to meet employers; and
- Solicited and selected WorkStar Employer and

Employee of the Year award to be given Fall 1999.

Closely aligned with WorkStar are the state's job development efforts. Department of Labor and Workforce Development staff working on behalf of DPA work full-time in developing relationships with employers encouraging them to hire recipients. These "job developers" sell the benefits of hiring welfare recipients including DPA screening and referral of prospective employees, tax credits, public recognition, and most importantly, hard working and loyal employees.

A toll-free number is available to employers to assist them in hiring someone off welfare.



To hire a  
worker  
call

**888 838-JOBS**

Work Services

# WORK SERVICES

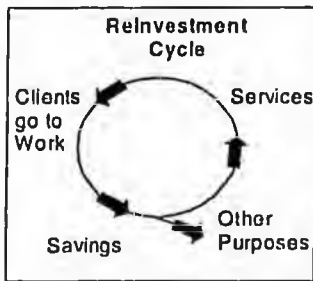
## MORE WELFARE-TO-WORK FUNDING

A variety of services intended to help recipients into the workforce are known as "work services". Most of the funding for these critical work services has come from the state's reinvestment plan.

care, case management, work search, transportation, training and job development. Funds come from the TANF block grant, state general funds and the federal Welfare-to-Work

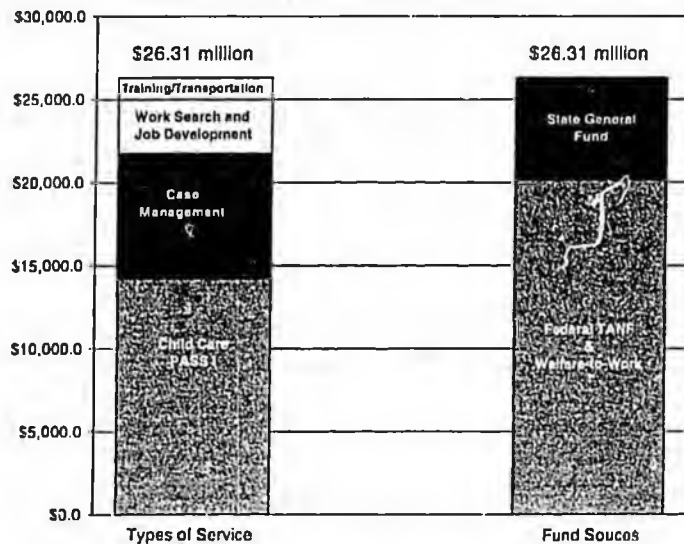
program. These services are administered by state agencies, non-profit community organizations, Native organizations and private businesses across the state.

As recipients left the caseload, savings in benefit dollars have been generated. A portion of the savings has been reinvested in services to help even more recipients off welfare which results in more savings, and the cycle continues. A significant portion of the savings have been used to help reduce the state's general fund deficit and to provide other state services.



For FY 2000, approximately \$26.3 million has been budgeted by DPA for services for recipients including child

FY2000 Work Services Funding



"Clients served" indicates the number of welfare recipients that the State is actively helping to work.

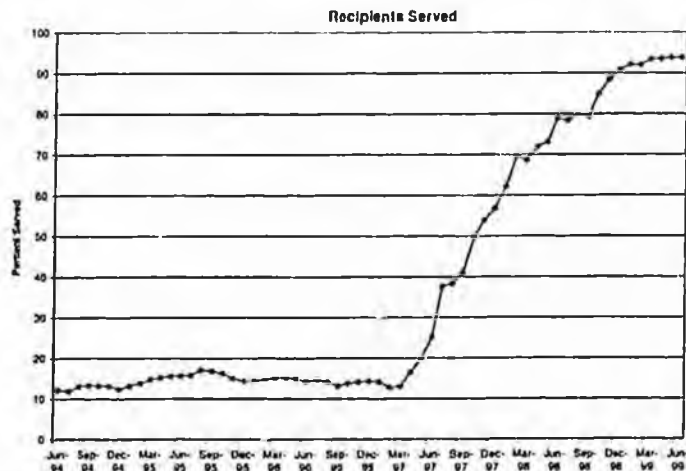


## DIVISION OF PUBLIC ASSISTANCE

The Division of Public Assistance (DPA) plays the central role in the delivery of work services. As the state's TANF agency, DPA is responsible for federal funds which pay welfare benefits to eligible re-

ipients, provide work services and cover administrative costs. The federal TANF responsibilities also include meeting program requirements, performance mandates and reporting requirements. DPA is also the local administrative entity for the US Department of Labor's Welfare-to-Work (WtW) program. Both the TANF and WtW require the contribution of state general funds for which DPA is responsible as well.

Public Assistance, General Relief and Energy Assistance recipients. DPA also determines eligibility for the Medicaid and CAMA programs. A newer, expanded responsibility for the Division is in providing work services. Some of these services are provided in-house by DPA and Department of Labor and Workforce Development employees, but most services are provided through community grants and contracts administered by DPA. Since 1997, there has been a dramatic expansion in the number of recipients served by either state agencies or through grants and contracts.



As it has done for years, DPA is responsible for determining eligibility and paying benefits to eligible welfare (ATAP) recipients, and for Food Stamp, Adult

## COMMUNITY GRANTS AND CONTRACTS

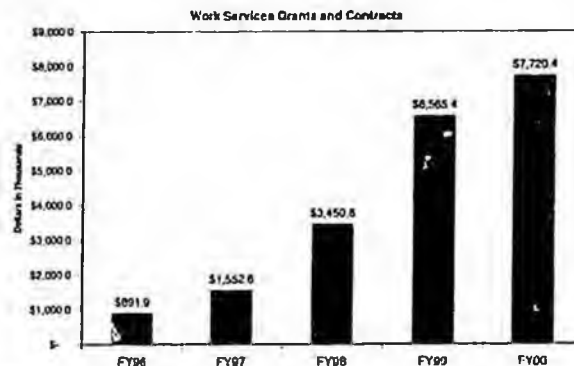
Most of the work services in Alaska are provided by community-based service providers under a grant or contract with DPA. Welfare reform would not be successful without the commitment of these organizations (see the roster of service providers) which serve Temporary Assistance recipients throughout all regions of the state. They are familiar with the local economy, job market, customs and culture and the needs of the community. Native organizations play a key role in providing services, particularly in rural Alaska.

Each grant or contract is performance-based with requirements that the provider serve a certain number of recipients

referred by DPA and reach certain percentages of recipients placed in a job or other work activity. The organization is expected to apply the "work first" approach.

Types of services provided include case management, work search, training, and transportation.

The amount of funding for community based work services has increased five-fold since FY97, the year immediately before welfare reform took effect. Funding for Native organizations has increased to over \$2 million in FY2000.



- Service Providers**
- Adult Learning Programs of AK
  - AK Vocational/Technical Center
  - Aleutian/Pribilof Island Assoc.
  - America Works Partnership
  - Assoc. of Village Council Presidents
  - Bristol Bay Native Assn.
  - Catholic Social Services
  - Center for Community
  - Cook Inlet Tribal Council
  - Copper River Native Association
  - Delta Mine Training Center
  - Dept. of Labor and Workforce Dev.
  - Foundation for Parents and Children
  - HRC, Inc.
  - IAM CARES
  - Job Ready Incorporated
  - Kodiak Island Borough
  - LOVE Inc
  - Maniilaq Manpower
  - Metlakatla Indian Community
  - Municipality of Anchorage
  - Nine Star Enterprises
  - Sitka Tours
  - SE Regional Resource Center
  - Tanana Chiefs Conference
  - Tanana Valley Comm. College
  - Tingit & Haida
  - University of Alaska - Adult Learning Center

## CHILD CARE

The success of welfare reform depends on the existence of accessible, affordable, quality child care for all low wage workers. The State of Alaska provides child care subsidies for these families through the Parents Achieving Self Sufficiency (PASS) program: PASS I for families receiving Temporary Assistance benefits, PASS II for families who are moving from reliance on TA, and PASS III for low-income families.

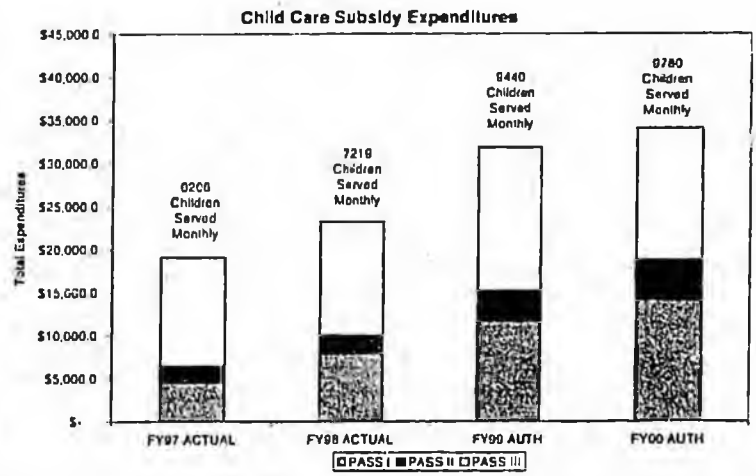
Over the past two years, total spending by the state on child care subsidies has grown by more than \$12 million - to nearly \$32 million in FY99. Funding for child care subsidies for Temporary Assistance recipients has grown from \$4.5 million in FY97 to almost \$12 million in FY99. During that same period, the average number of children served on a monthly basis by all subsidy programs increased

by 2,500. Since the cost of child care can often be more than 50% of the take-home pay for families moving from welfare to work, assisting parents pay for child care is extremely important to achieving the goal of self-sufficiency for Alaskan families.

Welfare reform efforts include 'parental choice' provisions, which allow parents expanded options in choosing child care, including care from relatives and friends. Many parents select providers who are exempt from licensing under state child care regulations. As a result, in 1998, the State of Alaska initiated a policy that all providers receiving child care subsidy payments must meet minimum health and safety standards and register with the state to provide child care. Since January, 1998, the number of registered providers has grown from

450 to 1400, increasing the supply of child care dramatically and allowing parents more options for their child care. During the same time, the state experienced a decrease of 55 licensed family child care homes.

The state's commitment to improving the quality, availability, and affordability of child care will continue to enhance efforts to move families from welfare to self-sufficiency.



# THE SAFETY NET

## TEMPORARY CASH BENEFITS

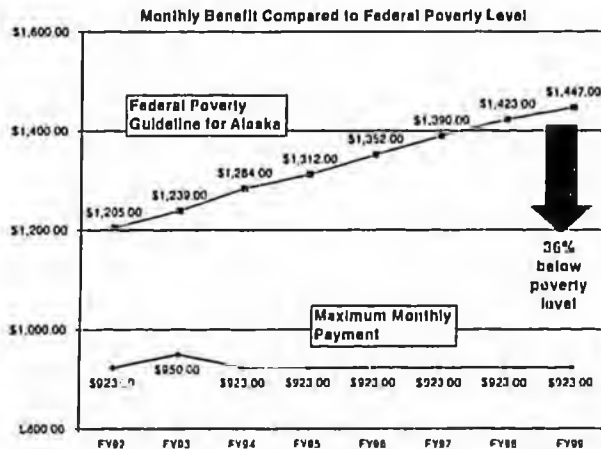
The Temporary Assistance Program remains fundamentally a financial assistance program for poor Alaskans with children.

While the focus of welfare reform has been on moving recipients from welfare to work, it is important to remember that the Alaska Temporary Assistance Program remains fundamentally a financial assistance program for poor Alaskans with children. A vast majority of the funding for ATAP is distributed monthly in cash benefits. DPA workers are dedicated to ensuring that

these benefits are paid accurately, in a timely fashion, and to families that are truly eligible to receive them. This importance of cash benefits to needy families and the state's ability to distribute them cannot be overlooked as welfare reform initiatives are pursued.

Cash benefits assist low income families with their most basic necessities: shelter, clothing, transportation

and food (the Food Stamp Program provides supplemental food for 70% of the ATAP caseload). Up until a change in state law in 1993, Alaska's benefit level tracked the federal poverty level under a cost of living adjustment. Since that time the buying power of the AFDC/ATAP benefit has eroded to 36% below the federal poverty level, as shown on the graph below.



Alaska's Monthly Benefit for a family of three is 36% below the Federal Poverty Level.



## DENALI KIDCARE

One of the greatest worries parents have about leaving welfare for work is losing health insurance for their children.

Denali KidCare is a new State of Alaska program designed to ensure that children and teens of low-income working families can have the health insurance they need.

Denali KidCare evolved from the Balanced Budget Act of 1997 which created the Children's Health Insurance Program. Through a Medicaid expansion, eligi-

bility was increased to 200% of poverty for children through age 18. In the first four months, a total of 7,842 children have been enrolled in Denali KidCare. This represents 68% of the goal of enrolling 11,600 children through outreach efforts.

Through five outreach specialists hired for this program, a concentrated effort will occur this fall to enroll more children through schools. All districts in the state have been contacted by outreach specialists and packets will be sent containing posters, brochures, and

applications. Principals will distribute these materials at registration, open houses, and teacher orientation, and school nurses will have it year-round.

Applications for the free and reduced lunch program are available by calling the Denali Kid Care toll-free number at 1-888-318-8890.

As study after study shows, a healthy childhood is essential to both the physical and intellectual development of children. Health insurance can play a key role in that development.



## CHILD SUPPORT

Child support collections are essential to the long-term success of welfare reform. The role of the Alaska Child Support Enforcement Division is to help ensure that single-parent families have enough resources to reach and maintain a level of self-sufficiency as they move away from public assistance. Without adequate child support, many of those families will face economic hardship as they hit their time limit on public assistance.

A recent University of Utah study pegged uncollected child support as a significant barrier to getting off welfare. It's the same message offered by a 1998 General Accounting Office report that said: "The increased emphasis on the temporary nature of (public) assistance makes child support, along with employment, a more important means for families receiving aid to become self-sufficient."

The Alaska child support agency collected \$81 million

in support payments in Fiscal 1999, a 60 percent increase over the \$50 million collected in Fiscal 1993. Much of that money went to public assistance cases, and the child support collections helped almost 5,600 families as they moved off public assistance in FY97-98 (the most recent statistics available).

In passing welfare reform laws, Congress and the Alaska Legislature recognized the need for enforcement of child support orders and gave the agency tools it needs to get the job done.

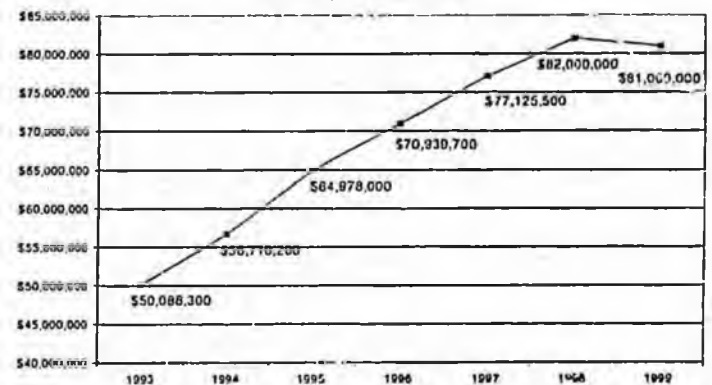
One of the latest additions is Alaska's new-hire reporting law that requires businesses to provide information on all new employees to the child support agency. In June alone, the child support agency received information on more than 12,000 newly hired employees in Alaska, and from that list found almost 2,000 parents who owed child support. This information enables the

agency to send out wage-withholding orders for those parents - something that would not have happened without the new law.

The child support agency continues to deal with a growing caseload - for even as families move off public assistance they remain as child support clients. As of June 30, the agency had established paternity and child support orders in 78 percent of its cases. The caseload generates a phenomenal amount of public contact. For example, in Fiscal Year 1998 the agency handled more than 1.1 million pieces of mail.



Child Support Collections



## TEEN PARENT SERVICES

Teenagers who have children stand a greater chance of long-term dependency on welfare. That is why the Division of Public Assistance focuses services for teen parents on prevention of additional pregnancies, high school completion, self-supporting employment, and safe living arrangements.

In the last two years, grants were awarded to communities around the state for *Innovative Community-Based Services for Pregnant and Parenting Teens*. The focus of these grants is on preventing preg-

nant and parenting teens from becoming at risk of long-term poverty and welfare dependence.

In 1998, the State of Alaska joined other states in observing May as National Teen Pregnancy Prevention Month. Communities around the state participated in annual activities that drew attention to teen pregnancy prevention efforts.

Year-round bi-monthly teleconferences are held for communities to promote connection, spring new

ideas, and inform others of state-wide activities.

Alaska's teen pregnancy rate has mirrored the recent national decline and has steadily declined over the past three decades. Alaska continues to be below the national average in teen pregnancies.



## FUTURE CHALLENGES



The first two years of welfare reform in Alaska have been very successful by most measures. Yet, challenges remain in meeting federal performance requirements, in continuing to overcome the employment barriers for welfare recipients and in limiting the number of welfare recipients who face the elimination of benefits due to the live year limit.

Federal rules establish a very high requirement for two-parent families to be in an approved work activity. Alaska failed to meet the required 75% level for FY98 and is facing federally imposed penalties. Although Alaska has improved its performance for FY99, the requirement moves to 90% (this figure will be reduced due to Alaska's caseload decline). In response to the failed *two-parent rate*, more

effort will be focused on moving two-parent families into employment and other approved work activities.

As Alaska gains more experience in meeting the challenges of welfare reform, certain services are emerging as those most important in helping recipients toward self sufficiency. As mentioned earlier in the report, *quality child care and case management* are critical. *Post employment services* are essential to help working recipients keep their jobs and attain better jobs that allow them to leave welfare altogether.

*Transportation* has also been recognized as a significant barrier to employment for most recipients. The state will be devoting additional effort to meeting the transportation challenge. This includes coordinating with

local agencies to establish new or expanded public transportation systems, promoting responsible private vehicle ownership, assistance with car repairs and winterization, mobilizing volunteer organizations to provide transportation services, and helping clients to purchase their own vehicles.

Alaska, like many other states, is trying to learn more about the effectiveness of welfare reform and, in particular, what is happening to recipients who leave Temporary Assistance. DPA is contracting with the University of Alaska to do an *evaluation* regarding the characteristics and employment status of families who have left welfare. This information will be used to improve services so that more families can attain long term self-sufficiency.

### NATIVE FAMILY

The Federal welfare reform law has a special provision for Native tribes and organizations. Under the new law, the 12 Alaska Native Regional non-profit organizations and Metlakatla Indian Community are given the option to run their own welfare program for Natives in their region. They are entitled to a slice of the state's TANF block grant based on a pro-rata share of Native recipients in the region. Federal funding is subject to approval based on a Native Family Assistance plan submitted by the Native organization to the Federal government.

For the past year the Tanana Chiefs Conference (TCC),

which operates in the Doyon region of interior Alaska, has managed their own program known as the Athabaskan Self-sufficiency Assistance Partnership (ASAP).

The state is providing additional funding under the ATAP law to supplement TCC as part of a two-year pilot program. Another organization, Tlingit & Haida in Southeast is also developing plans to run a Native Family Assistance Program as well.

It was not the intent of Congress to require tribes or Native organizations to run programs the same as the state. But in order for state funds to be used, the Native

### ASSISTANCE PROGRAMS

program must be significantly similar to the State's program. Governor Knowles has submitted legislation, HB98 and SB80, now pending in the legislature that would allow state funds to be spent for Native programs that are comparable, but not the same as ATAP.

This approach would not require additional state funding since state dollars are already being spent for these Native recipients. With the passage of this legislation, Native Family Assistance Programs in Alaska could be designed to be more culturally sensitive, locally controlled, flexible, and ultimately more effective without additional cost to the state.



## THE CLOCK KEEPS TICKING!

The first two years of welfare reform in Alaska have shown success by: a reduced caseload, lower welfare benefit expenditures, more recipients in work activities, additional funding for child care and work services, the creation of new job opportunities, greater community involvement, and increased child support. While these are significant achievements, great challenges still remain.

As of the date of this report, many Temporary Assistance recipients in Alaska have only 34 months left in their lifetime to receive Temporary Assistance benefits. The clock is ticking fast, es-

pecially for those recipients who lack skills, have little work history or face other barriers to employment. It is the state's goal to not let anyone hit the 60-month limit without another means of supporting their families.

Of paramount concern is the well-being of the children in those families for whom the Alaska Temporary Assistance Program is intended to help. It will take the ongoing commitment of the state, communities, Native and other non-profit organizations, employers and political leaders to meet this challenge.

The mustering of resources through the reinvestment of saved benefit dollars and from other sources is essential to help recipients gain work skills and prevent their families from facing extreme hardship.

Welfare reform holds great hope for many low-income families in Alaska. Much has been accomplished, but there remains much to be done.



View this report online at:  
<http://www.hss.state.ak.us>

This report was produced by the:  
**Department of Health and Social Services**  
 Karen Perdue, Commissioner  
**Division of Public Assistance**  
 Jim Nordlund, Director

**With contributions from the:**  
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 Alaska Human Resource Investment Council  
 Department of Community and Economic Development  
 Child Support Enforcement Division  
 Alaska Job Center Network  
 Division of Public Health

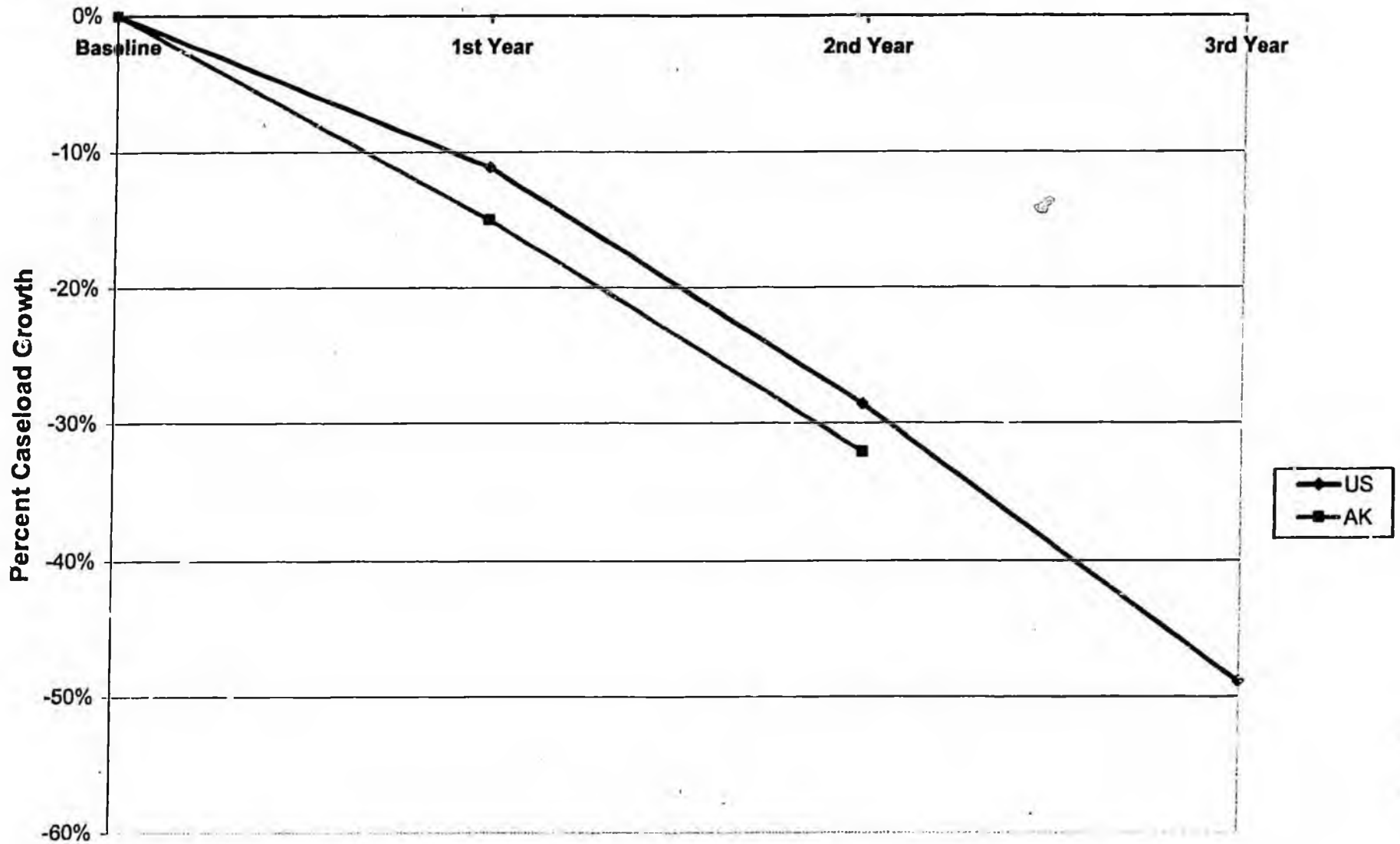
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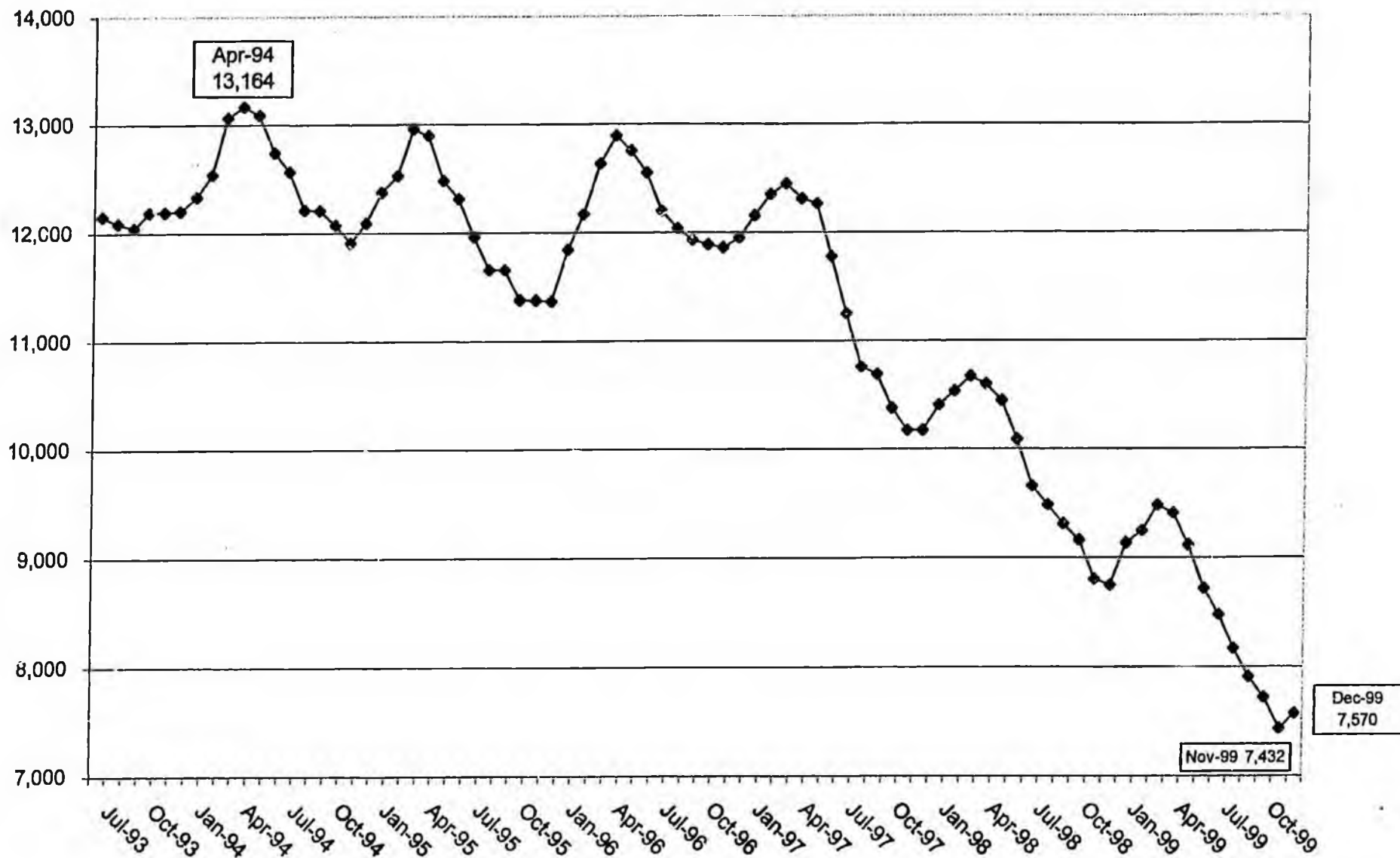
### Temporary Assistance for Needy Families Percent of the Caseload Growth by Program Year



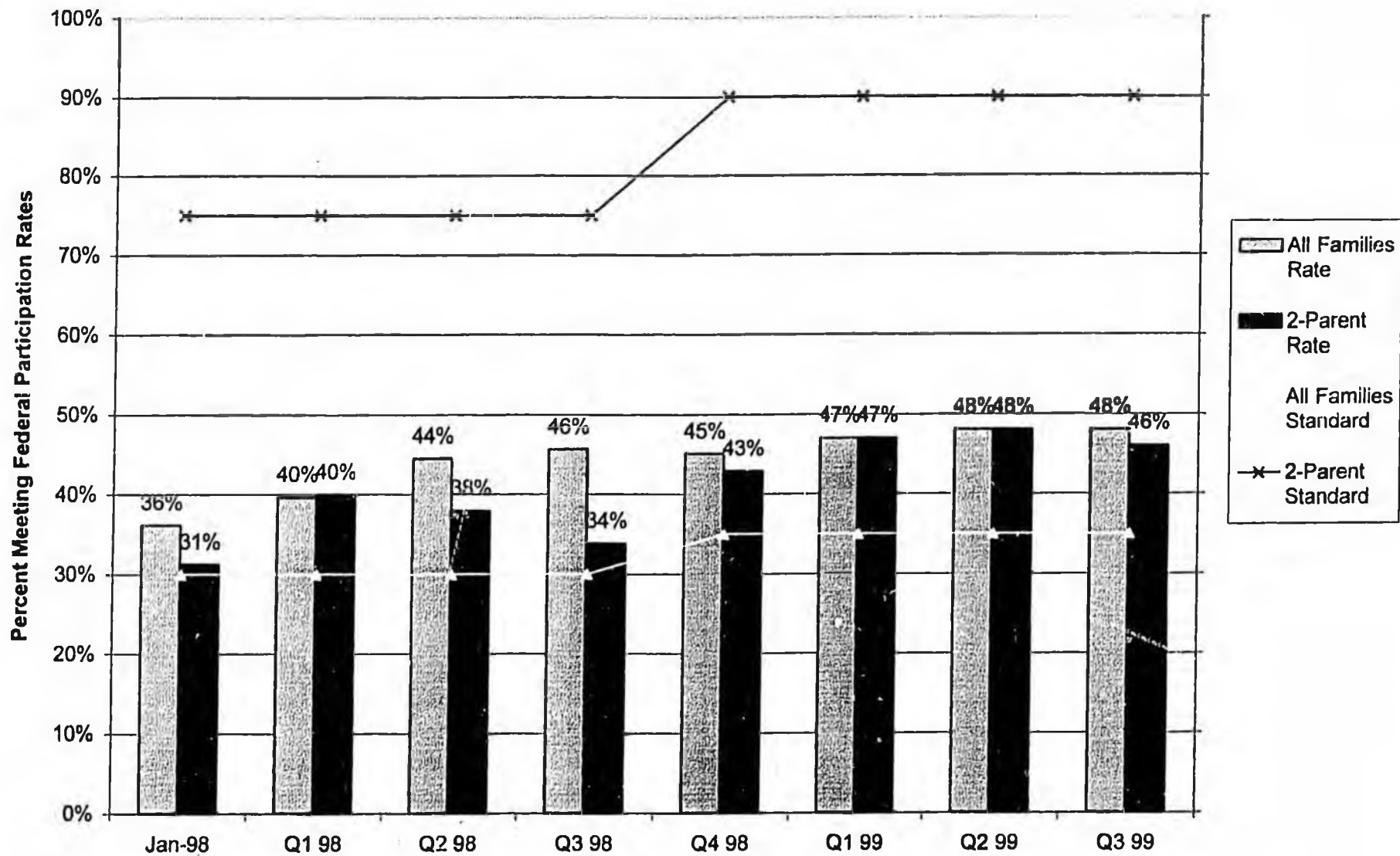
The baseline for the U.S. is from January 1996 and the baseline for Alaska is January 1997.  
The final year's data for both Alaska and the entire U.S. is from June 1999

1/25/00

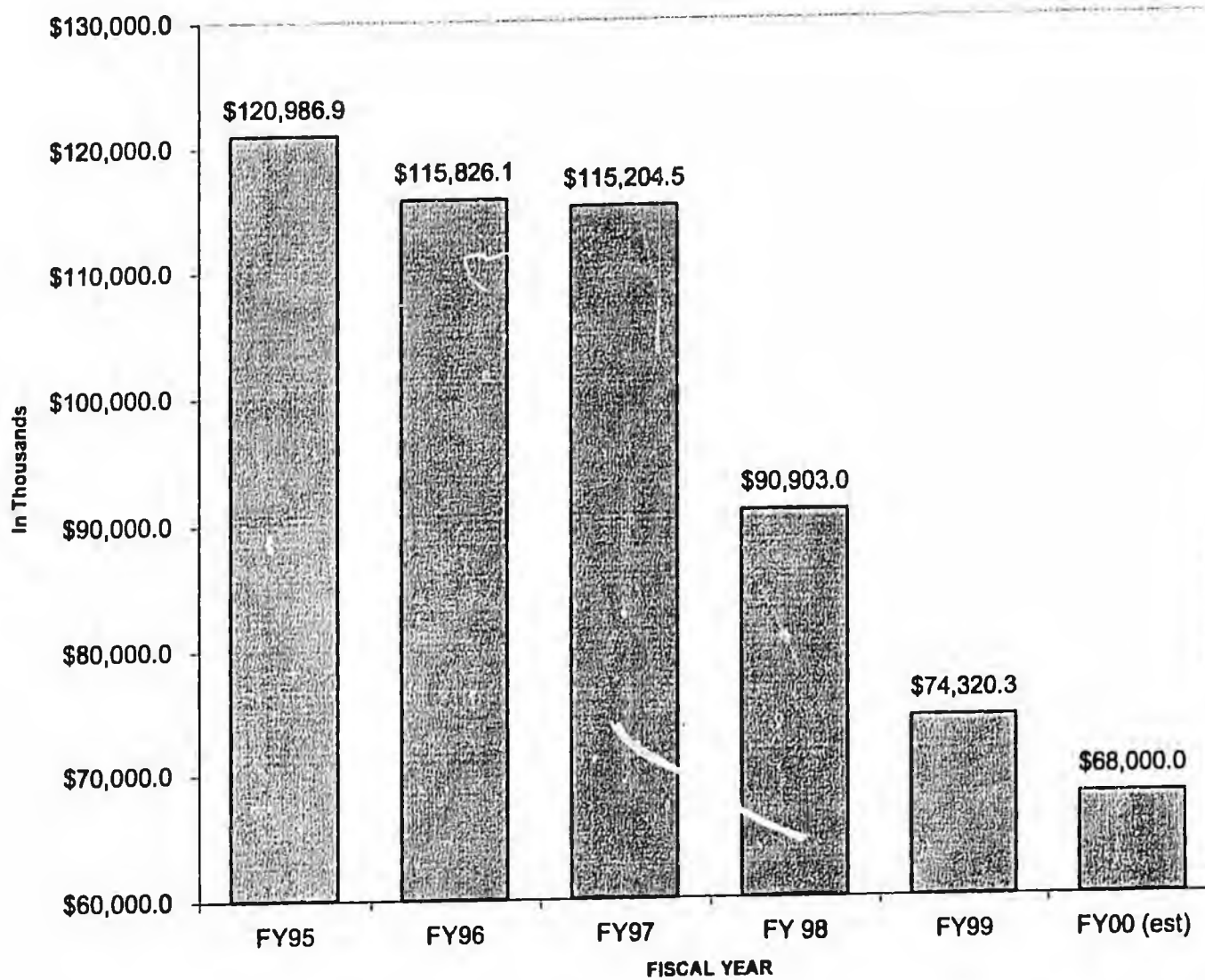
### AFDC/ATAP Caseload FY94 - Present



### Alaska Division of Public Assistance Performance Measures Federal Work Participation Rates



### AFDC/ATAP Cash Benefit Expenditures



1/25/00

DPA Monthly Caseload and Benefit Summary

December 1999

Page 2

TEMPORARY ASSISTANCE PARTICIPATION RATE			
RATE	FOR MONTH	YEAR TO DATE	FFY 00 REQUIRED
Overall	38%	40%	40%
Two-Parent	46%	45%	90%

1/25/00

Work Activity Assignments	Dec-99
Temporary Assistance Clients	
Unduplicated total of clients assigned to 'countable' work activities:	3,773
Types of activities assigned:	
Unsubsidized Employment	59%
Work Experience	2%
Contracted Job Search	14%
Community Work Experience	10%
Vocational Education	17%
High School/GED	2%
<i>Percentages may not add up to 100% because clients may be assigned to more than one work activity.</i>	

Months Remaining on the TANF Time Limit

Temporary Assistance Non-Exempt Families		
Months Remaining	Number of Families	Percent of Cases
0 - 6	0	0.0%
7 - 12	0	0.0%
13 - 18	0	0.0%
19 - 24	11	0.2%
25 - 30	22	0.4%
31 - 36	1,706	33.9%
37 - 42	519	10.3%
43 - 48	587	11.6%
49 - 54	820	16.3%
55 - 59	1,374	27.3%
Total	5,039	100.0%

Families exempt from the TANF Time Limit include Child Only families and Adult Included families currently living in Exempt Native Villages.

TEMPORARY ASSISTANCE CASELOAD BY DPA SERVICE/CENSUS AREA		
DPA SERVICE AREA	CENSUS AREA	CASES
NOME	Nome Census Area	207
BETH'EL	Bethel Census Area	409
	Wade Hampton Census Area	305
KENAI	Kenai Peninsula Borough	527
KOTZEBUE	Northwest Arctic Borough	129
KODIAK	Kodiak Island Borough	89
ALEUTIANS	Aleutians East Borough	14
	Aleutians West Census Area	7
BRISTOL BAY	Bristol Bay Borough	1
	Dillingham Census Area	132
	Lake & Peninsula Borough	30
PWC/COPPER	Valdez-Cordova Census Area	84
INTER-SOUTHEAST	Haines Borough	30
	Skagway-Hoonah-Angoon Census Area	48
	Yakutat Borough	7
	Wrangell-Petersburg Census Area	82
JUNEAU	Juneau Borough	264
SITKA	Sitka Borough	62
KETCHIKAN	Ketchikan Gateway Borough	199
PRINCE OF WALES	Prince of Wales/Outer Ketchikan Census Subareas	62
METLAKATLA	Metlakalla Indian Community Census Subarea	47
NORTHERN	Denali Borough	11
	North Slope Borough	28
	Yukon-Koyukuk Census Area	15
	Southeast Fairbanks Census Area	95
FAIRBANKS	Fairbanks North Star Borough	552
ANCHORAGE	Municipality of Anchorage	2,974
MAT-SU	Matanuska-Susitna Borough	805
TOTAL		7,215

TEMPORARY ASSISTANCE CASELOAD TYPES				
ONE PARENT	TWO PARENT	INCAPACITATED	CHILD ONLY	TOTAL ALL FAMILIES
4,922	1,003	89	1,201	7,215

**Division of Public Assistance**  
**Monthly Caseload and Benefit Summary**  
**December 1999**

PROGRAM CASELOAD	Current Month Dec-99	Last Month Nov-99	Last Year Dec-98	Percent Change 12/99 vs. 12/98	FY 97 Baseline (Pre-WR) Dec-96	Percent Change 12/99 vs 12/96
Alaska Temporary Assistance Program	7,215	7,068	8,388			
Athabaskan Self-Sufficiency Assistance Partnership	355	364	365			
Alaska TANF Programs Total	7,570	7,432	8,753	-13.5%	11,946	-36.6%
Adult Public Assistance	13,260	13,192	12,603	5.2%	11,550	14.8%
Food Stamps	13,189	12,774	14,363	-8.2%	16,375	-19.5%

PROGRAM EXPENDITURE	Current Year Dec-99	Prior Year Dec-98	Percent Change	FY 97 Baseline (Pre-WR) Dec-96	Percent Change 12/99 vs 12/96
Alaska Temporary Assistance Program	\$4,952.8	\$5,757.8	-14.0%	\$9,552.2	-48.2%
Adult Public Assistance	\$4,129.4	\$3,811.9	8.3%	\$3,693.0	11.8%
Food Stamps	\$3,791.5	\$4,248.6	-10.8%	\$4,382.6	-13.5%

**Temporary Assistance Families  
Receiving Child Care Assistance in November**

**Temporary Assistance Families  
Receiving Pass-Thru Payment  
Due to Child Support Collection in Month**  
  
**938 = 13%**

Child Care Expenditures	Families served in month	Families on wait list
PASS I (Temporary Assistance)	966	n/a
PASS II (Transition to work)	605	n/a
PASS III (At-risk)	2,494	593
<b>Total</b>	<b>4,065</b>	<b>593</b>

**Initial Applications by Region**

	CURRENT YEAR Dec-99					PRIOR YEAR Dec-98				
	Central	Coastal	Northern	Southeast	Total	Central	Coastal	Northern	Southeast	Total
Temporary Assistance	631	387	137	150	1,305	607	349	184	139	1,279
Adult Public Assistance	140	123	103	45	411	171	138	93	53	455
Food Stamps	1,005	661	387	268	2,321	1,083	631	380	299	2,393
<b>Total</b>	<b>1,776</b>	<b>1,171</b>	<b>627</b>	<b>463</b>	<b>4,037</b>	<b>1,861</b>	<b>1,118</b>	<b>657</b>	<b>491</b>	<b>4,127</b>

1/25/00

## DPA Welfare to Work Services Provided By Grantee and Contractors

To meet the challenges presented by welfare reform, the Division of Public Assistance (DPA) provides funds through grants, contracts and reimbursable service agreements (RSA) to community organizations, businesses, and partner agencies best situated to provide welfare to work services. The majority of the funding provided to these organizations purchases case management and Work Search services. DPA's new service delivery model ensures:

- A Work First! approach
- Community support and local involvement essential to the success of welfare reform.
- Application of local knowledge of the economy, businesses and culture that is best obtained through community based organizations
- Localized and de-centralized delivery of services that maximizes local knowledge and resources necessary to place clients into jobs or other meaningful work activities.

### Work First

- Guiding philosophy successful in moving welfare recipients into employment
- Motto "a job, a better job, a career" (Even minimum wage jobs can be the stepping stone to a better job)
- Emphasizes fundamental value of work to enhance self-esteem and provide a good role model for children.
- The best way to learn about work is on the job and the best way to succeed in the labor market is to join it
- Testing the labor market is the best assessment of employability
- Job search is a central activity.

### Work Search

- Cornerstone of DPA's "work first" approach to welfare reform
- Moves clients into the workforce as quickly as possible
- Activities conducted in group settings and model the day-to-day requirements of a job.
- Attendance is for four weeks, five days a week, up to eight hours per day
- Assesses skills, interests, aptitudes and employment barriers
- Uses workshops, lectures and other training modules to prepare clients to successfully find and keep employment
- Job club and peer mentoring
- Job search monitored by the Work Search provider
- Coaching, matching and placement of clients into employment

**Case Management:** The one-on-one interaction between a case manager and a client, in which the case manager is responsible for managing and arranging services that help the client move along the path from welfare to work. The case manager:

- Assesses client employability
- Helps develop the client's Family Self Sufficiency Plan (FSSP)
- Links clients to resources that support self-sufficiency
- Monitors family's progress in meeting self-sufficiency goals
- Assists in job referral
- Authorizes supportive services that assist clients in their efforts to prepare for, seek and retain employment.

DPA has defined three categories of Case Management:

- *Regular Case Management* is provided in service areas where Work Search is available to clients through another contract or grant. Regular case managers work with a caseload of clients who are either employed or unemployed.
- *Post Employment Case Management* is provided in service areas with Work Search and consists of a caseload of employed clients needing extra support to maintain their current jobs and/or to find better employment. Post employment case managers perform all the duties of the regular case managers, plus they assist employers who may need help with an individual client/employee.
- *Comprehensive Case Management* is provided where Work Search is not available for a caseload composed of both employed and unemployed clients. The comprehensive case manager performs all the duties of the regular and post employment case managers, plus appropriate functions that are part of Work Search.

# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education & Early Development  
State of Alaska

1/25/00

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**Division of Public Assistance**

**FY00 Community Case Management and Work Search Grants and Contracts**

Organization	FY00	Location	Service	Person Months	FY00 Total
<b>DPA Central Region</b>					
Cook Inlet Tribal Council	G	Anchorage	RCM	600	\$861,400
Nine Star	C	Anchorage	WS	110	\$297,000
University of Alaska, Anchorage	C	Anchorage	CWE	50	\$50,000
University of Alaska, Anchorage	C	Anchorage	WS	110	\$297,000
Cook Inlet Tribal Council	G	Anchorage	WS	75	\$202,500
Human Resources	C	Mat-Su	WS	86	\$232,200
Job Ready Inc.	C	Anchorage	PECM	300	\$435,000
University of Alaska, Anchorage	C	Anchorage	PECM	300	\$435,000
Human Resources	C	Mat-Su	PECM	240	\$348,000
<b>DPA Coastal Region</b>					
Aleutian/Pribilof Island Association	G	Aleutian/Pribilof	CCM	34	\$75,800
Association of Village Council Presidents	G	Bethel	CCM	450	\$816,400
DOLWD	RSA	PWS/Copper River	CCM	52	\$112,200
Copper River Native Association	G	PWS/Copper River	CCM	29	\$59,700
DOLWD	RSA	Homer	CCM	77	\$154,000
Maniilaq Manpower	G	Kotzebue	CCM	90	\$162,200
DOLWD	G	Nome	CCM	120	\$119,994
Department of Education	RSA	Seward	CCM	32	\$64,000
DOLWD	RSA	Kenai	PECM	120	\$174,000
DOLWD	RSA	Kenai	WS	46	\$124,200
Kodiak Borough	C	Kodiak	CCM	100	\$215,500
Bristol Bay Native Association	G	Bristol Bay	CCM	180	\$376,400
<b>DPA Northern Region</b>					
Adult Learning Programs of Alaska	C	Fairbanks	WS	89	\$240,300
DOLWD	RSA	Northern	CCM	109	\$234,700
DOLWD	RSA	Fairbanks	PECM	180	\$261,000
<b>DPA Southeast Region</b>					
Tlingit & Haida	G	Inter-SE	CCM	66	\$122,500
DOLWD	RSA	Inter-SE	CCM	57	\$123,100
Metlakatla Indian Corporation	G	Metlakatla	CCM	38	\$65,200
Southeast Regional Resource Center	C	Prince of Wales	CCM	45	\$97,200
Center for Community	C	Sitka	CCM	55	\$110,000
DOLWD	RSA	Juneau	PECM	50	\$72,500
DOLWD	RSA	Ketchikan	PECM	60	\$87,000
Tlingit & Haida	G	Juneau	RCM	93	\$136,100
Southeast Regional Resource Center	C	Juneau	WS	40	\$108,000
Southeast Regional Resource Center	C	Ketchikan	WS	20	\$59,400
<b>Total</b>					<b>\$7,329,494</b>

G = Grant

C = Contract

RSA = Reimbursable Service Agreement

WS = Work Search

CCM = Comprehensive Case Management

RCM = Regular case Management

PECM = Post-Employment Case Management



1/25/00

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## Donated car jump-starts welfare-work program

By MARTHA BRISTOW  
Staff Writer

It was a 45-below twist to a story with a happy ending: Lavoris Cofey was supposed to get a car Thursday, but the vehicle would not start because it had not been plugged in.

Still, Thursday was a superlative day for Cofey. It was her 36th birthday and the dawn of a new, independent life with a donated 1991 Ford Taurus—once it thaws—courtesy of Love In the Name of Christ.

The agency is a clearinghouse for local churches that matches needs in the community with volunteer services and donated goods.

"I thank God for the blessing of Love INC to be able to bless others," Cofey said during a brief ceremony at the agency's new, under-renovation headquarters at 1231 Noble St.

As ice fog swirled outside the window, Cofey accepted a symbol of Fairbanks car ownership: a new blue extension cord.

Cofey is a single mom who completed certified nursing assistant training through the Welfare to Work program. She is the first person to receive a car through a Love INC plan to help people join or rejoin the work force, said Terry Reichardt, the agency's executive director.

When Cofey first contacted the agency a year ago, she needed transportation to her classes. Later, when she got a job in an assisted-living home, she needed a ride to and from her 4-to-midnight shift. She also needed help getting her three kids to day care.

At first, Love INC plugged Cofey into a network of volunteer drivers who provide almost 600 rides every month, said Cornelia Stubblefield, the agency's transportation coordinator.

"We've found that transportation is such a problem for people who are making the transition to work," said Katie Zickmer, Love INC project coordinator. "These people on low income just pour their money into cabs."

Love INC started its transportation program six years ago and enlarged it about 18 months ago. Stubblefield constructs a schedule that matches the needs of 57 clients with shifts covered by 83 volunteer drivers. The drivers provide rides to work, medical appointments, job interviews and other important commitments.

The transportation is friendly and dependable, Cofey said. "I've never been late to work," she said.

The drawback to the volunteer-driven transportation program is that people become dependent on it, Reichardt said. "We've got to move people off of the transportation program and on to independence."



Sam Harrel/News-Miner

**GOOD TIMING**—Love In the Name of Christ Executive Director Terry Reichardt gives an extension cord to Lavoris Cofey to use with her car that Love INC gave her Thursday in the agency's new offices on Noble Street. The extension cord is important because the car, a 1991 Ford Taurus donated to Love INC, would not start since it was not plugged in the night before. "I thank God for the blessing of Love INC to be able to bless others," said Cofey, who celebrated her 36th birthday Thursday.

In the past year, Love INC launched the Vehicle Incentive Plan. Working with the Department of Public Assistance, the agency matches donated cars with people who need them.

People who donate cars to a nonprofit agency can de-

duct the donation from their income taxes, Reichardt said.

Although the people who receive the cars don't have to invest any money up front, they do have to invest some time and effort. Cofey, for instance, had to attend

See WELFARE, Page A-8

## WELFARE: To work

Continued from Page A-1  
a series of "Quality Life" workshops offered by Love INC to clients and to the general public. The workshops include "Stretching Your Money," "Cooking on a Tight Budget" and "Purchasing and Caring for a Car."

Cofey describes the workshops as "awesome," especially the ones about saving money.

"That, I needed. I really needed it," she said. "I've got money saved up, and I've never had money saved up before."

Over the next year, Cofey will meet with a volunteer mechanic who will teach her the fine points of vehicle maintenance and make sure her Ford Taurus is running well. At the end of a year, if Cofey

completes all of the training, Love INC will remove its lien from the vehicle title.

Having a car will make an immense difference in her life, Cofey said. For one thing, she'll save on cab fare. Even though she had rides through Love INC for work, she occasionally called a cab to transport herself and children. It's not unusual to spend \$30 for one outing, she said.

She'll also be able to take more university classes, to further her career.

"This is the beginning of a new year and it looks very promising," Cofey said.

## ***DPA TRAIN TO HIRE INITIATIVE***

### **Objective:**

To provide short-term training for demand occupations that encourage employers to hire Temporary Assistance clients.

### **Principles:**

1. Focus on demand occupations with potential for full time employment
2. Short-term training (between 2 to 12 weeks)
3. Employer assures hire of successful trainees
4. Small group training (5-10 participants)
5. Guarantee employer involvement through training designed to meet employers' needs
6. Employer-based training curriculum

### **Employer Incentives:**

1. Meets the demand for trained employees
2. Cost sharing of training with DPA
3. Potential Tax Credits
4. Good public relations for employers
5. Ongoing case management and other services to support working clients
6. Transitional services to clients when employment leads to case closure

### **Training Options:**

1. Employer training programs
  - Employer has formal training program
  - DPA pays training per capita training costs
2. Employer-based Vendor training
  - Employer(s) without formal training program
  - Collaborate with Vendor to develop and present curricula
  - DPA pays training per capita training costs
3. Subsidized OJT

### **Successful Models:**

#### Employer Training Programs

##### National Bank of Alaska

- 2 Training sessions provided by NBA
- Clients pre-screened and referred by DPA and Service Providers
- 14 clients attended the training - 11 hired by NBA.

##### Providence Hospital

- 5 Training sessions administered by Providence Hospital for Certified Nursing Assistants
- Clients pre-screened and referred by DPA and Service Providers
- 47 clients attended training, 34 completed training all were hired

1/25/00



M.A.S.C.O.T. buses will be making over **400 stops daily!!** Throughout Alaska's Mat-Su Valley, bus stop locations have been placed at many key locations. These include residential areas, medical facilities, senior centers, local businesses, health and social services, as well as recreational areas.

***M.A.S.C.O.T. is a Non-Profit organization in Alaska with the goal:***

To provide a reliable, accessible, cost efficient, and effective transportation system which will increase the mobility of Mat-Su Valley residents and visitors.

Our Commuter service has been established to encourage a reduction in the number of drive-alone trips, essentially decreasing the number of vehicles on our roadways.

This service makes connections twice daily with Anchorage People Movers buses at the Eagle River Transfer Center.

**All M.A.S.C.O.T. buses are wheelchair accessible!**



***M.A.S.C.O.T. has advertising space available on the inside as well as the outsides of our buses.***

**SCHEDULES:**

**Mat-Su Valley Service and Commuter Service**

**GENERAL INFO/CUSTOMER SERVICE**

**LINKS**

What can you offer?  
Here's a list of possible resources you or your team might offer through a Family Pathfinders team:

1/25/00

- help arrange for child care, housing or transportation;
- be a friend to talk things over with;
- provide tutoring for family members;
- provide computer tutoring;
- help a family organize its finances and budget;
- help provide clothing, grooming items and household articles;
- help complete job applications, resumes and help develop interview skills;
- help find and maintain a suitable job.



## Family Pathfinders

### Mission Statement

Family Pathfinders is a partnership of civic groups, businesses, congregations and state government agencies working with welfare families to help free them from dependence on public assistance.

### Contact:

Family Pathfinders  
Norma Carter, Coordinator  
Beyond Shelter Program  
3710 East 20th Avenue  
Anchorage, Alaska 99508-3418

(907) 276-3046 phone

(907) 276-2472 fax

CATHOLIC  
SOCIAL SERVICES



A collaborative project between:

- Catholic Social Services
- Lutheran Social Services
- State of Alaska
- Funded, in part, by the United Way of Anchorage

