

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 86/2

1559 SHESS SB 858 - SB 891

SUMMARY

The Department of Education is responsible for preschool programs in the State of Alaska. There are at least 185 early childhood programs in the state that provide preschool services.

This report shows that the Department of Education needs to better manage preschools, and needs to define which early childhood programs should be classified as preschools. The report also shows that the Department needs to set standards for preschools.

BETTER MANAGEMENT OF PRESCHOOL PROGRAMS IS NEEDED

The Department has certified only 28 early childhood programs as preschools, and has monitored even fewer. Historically, the Department has placed little emphasis on preschools. In addition, deciding which early childhood programs actually are preschools is difficult because the Department has not provided a definition of preschools. The lack of a definition causes confusion for those attempting to manage other child care programs.

STANDARDS FOR PRESCHOOLS SHOULD BE IMPROVED

The Department has not developed adequate preschool standards. And, although Alaska Statutes require that the Department of Education cooperate with the Department of Health and Social Services in regulating preschools, there has been little cooperation. Inadequate standards lead to inconsistent care for similar populations in preschool and daycare centers, and lessens the value of the preschool certification process.

RECOMMENDATIONS

To assure that the Department of Education meets their management responsibilities for preschools, we recommend the Commissioner require that:

- preschool programs in Alaska are regulated; and
- preschool programs are monitored to assure compliance with requirements.

To help eliminate the confusion in determining which early childhood programs are preschools, we recommend the Commissioner provide a definition of which early childhood programs are preschools.

To assure that the similar populations in preschool and daycare programs receive consistent care, we recommend the Commissioner of the Department of Education cooperate with the Commissioner of the Department of Health and Social Services in developing health, safety and developmental standards for preschools. We also recommend the Commissioner of the

Department of Education develop standards for the educational component of preschools.

DEPARTMENT COMMENTS

In response to our draft report, the Commissioner of the Department of Education and the Commissioner of the Department of Health and Social Services agreed with our recommendations and are taking action to improve management of early childhood programs. (See Appendices I and II)

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INTRODUCTION

There are at least 37,000 children 6 years old or younger in Alaska. Many of these children spend part of their time in organized early childhood programs, such as preschools. Research has produced abundant evidence that a good child development program has significant short and long term effects. Early childhood programs have been found to have a positive effect on a child's self respect, proficiency at learning, achievement and intelligence test scores, reduction of grade failure, and social development. According to a major economic study the benefits of a quality child development program provide a 248 percent return on the original investment.

In the State of Alaska, the Department of Education is responsible for setting preschool standards for a level of care that will insure safety, reduce predictable harm, and provide developmental opportunities. The Department of Health and Social Services is similarly responsible for daycare programs.

DEPARTMENT OF EDUCATION RESPONSIBILITIES

Alaska Statute 14.07.020 provides that the Department of Education, in cooperation with the Department of Health and Social Services, exercise general supervision over public and private preschools and over the educational component of daycare centers, and prescribe regulations that will assure healthful and safe conditions in the schools. The Departments' responsibility is defined in Section 4 of the Alaska Administrative Code 60.010 which requires the Department issue a certificate of approval after:

- conducting an investigation of preschool applicants;
- reviewing the proposed plan of education, mode of operation and supervision of children; and
- investigating whether the programmatic objectives of the preschool are being met.

This regulation also requires that preschools have:

- a valid Department of Education certificate displayed with effective dates;
- insurance;
- a Cumulative Health Record Form and records of immunization of children;
- records of physical exam and records of immunization for staff and volunteer workers;
- a disaster plan;
- documentation, on file with the Department of Education, showing inspections for public safety were made before certification and;
- provided programmatic requirements to the Department of Education.

DEPARTMENT OF HEALTH AND SOCIAL SERVICE RESPONSIBILITIES

The role of the Department of Health and Social Services is to license, investigate and supervise daycare centers; and to issue and enforce regulations. Facilities that are primarily educational are exempt from Department of Health and Social Service regulation.

OTHER STATE INVOLVEMENT IN PRESCHOOL AND DAYCARE PROGRAMS

The Department of Community and Regional Affairs contracts with local communities to provide daycare assistance to enable parents to work or enter training. In addition, the State, through the Department, provides funds to Federal Head Start programs in Alaska.

The Department of Commerce and Economic Development provides a revolving loan fund to enable daycare facilities to obtain loans when necessary to meet licensing standards.

In addition, the Department of Environmental Conservation and the Department of Public Safety review early childhood programs for compliance with fire and sanitation standards.

SCOPE OF THE REVIEW

We performed the following steps in reviewing Department of Education's role in exercising general supervision of Alaska's preschools:

- reviewed applicable statutes and administrative procedures;
- interviewed educators, Departmental administrators, and early childhood learning center staff;
- visited preschools;
- reviewed and analyzed documents of the Department of Education and preschools; and
- gathered information by questionnaires to similar programs in other states, and to preschool and daycare centers in Alaska.

BETTER MANAGEMENT OF PRESCHOOL PROGRAMS IS NEEDED

Historically, the Department of Education has taken little action to manage preschools and has not allocated resources for managing preschools. As a result, the Department has certified and monitored few preschools, which could expose the State to liabilities. In addition, the Department's failure to develop a definition which distinguishes between child care programs and preschools results in confusion for those attempting to manage other child care programs.

THE DEPARTMENT OF EDUCATION MAKES LITTLE EFFORT TO MANAGE PRESCHOOLS

Little staff time or funds are allocated to performing the Department's statutory obligation in early childhood education. The Department staff member responsible for early childhood education programs is also responsible for guidance and counseling, and private and denominational schools. Only about one eighth of her staff time is allocated to the early childhood program. In addition, the Department of Education budgets show that no funds have been allocated to early childhood programs in the last 5 years.

FEW PROGRAMS ARE CERTIFIED

The Department of Education certifies few preschool programs. Responses to questionnaires from 41 of Alaska's 52 school districts showed that there are at least 167 preschool programs in the State. Yet, during the past 5 years the Department of Education has certified only 28 programs. In addition, many of the 28 certificates were given without the necessary documentation on file in the Department. For example, of the 28 programs certified, the Department did not have a fire and sanitation inspection report on file for 12 of the programs, did not have documentation of insurance for 18 programs and did not have programmatic requirements for 18 of the programs.

In addition, many daycare centers are offering preschool programs without Department of Education supervision over the educational component. For example, of the 19 daycare programs surveyed, 18 stated they offered a preschool program but were not certified by the Department of Education.

FEW PROGRAMS ARE MONITORED

The Department is not making onsite visits to monitor the safety, medical records, insurance records or to see if the school is actually implementing a curriculum. The Department has made only about 15 onsite visits in the last 5 years. The early childhood coordinator stated that seven of the onsite visits occurred as a result of a crisis situation and the other reviews were performed on lunch hours while traveling for other reasons.

LIABILITY EXISTS FOR NONPERFORMANCE
OF STATUTORY RESPONSIBILITY

The concept of "State Certification" implies to the public that:

- the preschool is, in fact, an education institution; and
- the State, through the appropriate agency, has determined the preschool to be in compliance with appropriate laws and regulations.

In a November 1980 memo to the Department of Law, the Commissioner of Health and Social Services expressed concern about the number of unregulated preschools. The Commissioner stated in the memo that the problem of unregulated preschools causes unequal application of the law and has the following results:

1. Lowering respect for Alaska statutes in general.
2. Enforcement problems for this Department. Programs quickly call themselves pre-elementary schools when they learn that is a means of escaping regulations.
3. Risk to children in unregulated pre-elementary schools.
4. A large early childhood population subject to immunization regulations but not receiving the immunizations.

In response, the Department of Law noted that:

"This office understands that the Department of Education does not now investigate facilities applying for certification and does not supervise the physical examination of immunization requirements. Nor is the department involved in monitoring of other health and safety codes.

Even assuming that there are no certifiable pre-elementary schools in Alaska, the department's records should reflect that applications have been submitted and that investigations have taken place sufficient to determine that the Department of Education finds that no facility is a pre-elementary school or a day care facility with an education component."

The Department of Laws' advisor to the Department of Education told us that the Department of Education has been designated to perform a responsibility and currently is not performing it. Failure to perform where there is a duty to perform, can place the State in a position of exposure to liability.

PRESCHOOLS ARE NOT DEFINED

Alaska Statute 14.07.020 (8) provides that the Department of Education "...exercise general supervision over public and private pre-elementary

schools...when the school's primary function is educational." Alaska Statute 47.35.010-80 provides that the Department of Health and Social Services license..."an establishment providing care and services for any part of the 24-hour day for a child... but does not include any establishment whose primary purpose is educational." Neither of the statutes set criteria nor define what is to be considered a primarily educational facility versus a child care facility.

In 1975, the Department of Health, Education and Welfare (Federal Office of Child Development) commented in a letter to the Department of Health and Social Services that "Your statute is indeed weak, allowing for confusion and almost any interpretation..." The letter said that the most difficult job for the two Departments was the formulation of a clear and full definition of a facility whose function is "primarily educational", and the Departments should work towards better statutes and a clarification of the primarily educational function. The letter said a definition is needed so each applicant will know whether or not the law applied to their program and so each Department has a positive definition to use in deciding whether or not a facility is in their area of responsibility.

Even though the statute is weak, the Department could take action to establish standards and a definition of preschools, but they have not done so. In 1971, the Attorney General stated that a determination must be made whether a given school is actually primarily educational, and the "Department of Education...may define what type of program or programs is primarily educational."

RESPONSIBILITY FOR REGULATION IS NOT CLEAR

Because primarily educational has not been defined, neither the regulatory Departments, the facilities themselves, nor the public has a positive definition to use in deciding whether or not a program is a preschool or daycare program. As a result, any facility may choose to be classified as a preschool, and avoid the requirement to comply with daycare standards. For example, 8 of the 28 certified preschools provide daycare services but do not have to comply with daycare standards because they chose to be certified as preschools.

This problem also creates confusion for regulatory agencies. At locations where both preschool and daycare services are provided, the Department of Health and Social Services has found it difficult to determine compliance because two different standards are used. For example, children in the Department of Education regulated preschool program often intermingle with children in the Department of Health and Social Services regulated daycare program, thereby changing the acceptable staff pupil ratio.

In addition, the Municipality of Anchorage also has difficulty issuing accurate, legal and meaningful permits because some child care centers are providing services regulated by their ordinance and services regulated by the Department of Education.

The Department of Health and Social Services and the Municipality of Anchorage told us that the regulatory confusion also results in some early childhood programs being unregulated. For example, we found 36 early childhood programs unregulated by either the Department of Health and Social Services or the Department of Education.

STANDARDS FOR PRESCHOOLS SHOULD BE IMPROVED

The Department of Education's preschool standards do not assure that certified preschools provide quality educational programs in a safe and healthy setting. Alaska Statutes require that the Department of Education cooperate with the Department of Health and Social Services in regulating preschools, but cooperation has not occurred. In addition, the statutes do not give the Department authority to enforce standards. Inadequate standards lead to inconsistent care for similar populations in preschools and daycare centers. Also, the value of the preschool certification process is questionable because of the inadequate standards.

PRESCHOOL STANDARDS IN ALASKA ARE INADEQUATE

Preschool standards should assure that certified preschools provide quality educational programs in a safe and healthy setting. But, the Department of Education has not established educational standards for preschools. In addition, the Department's health and safety standards for preschools are lower than the standards the Department of Health and Social Services has established for daycare centers.

Standards are Needed to Assure Quality Preschool Programs

According to Federal and national association authorities in the field of child care and development, there are two levels of standards. First, there is licensing, which is the base level and assures that a program or facility meets health, safety and child development standards.

The second level generally supplements basic licensing and is designed to assure quality where a specialized service, such as education, is being offered. Thus, a facility providing child care should be licensed, while a facility operating as a preschool should have a child care license plus be certified as a preschool.

Educational Standards Have Not Been Developed

The Department of Education has not developed specific educational standards for preschools. The Department only requires that preschools provide written information concerning the schools philosophy and goals. Examples of standards that many states have set for preschools are those relating to teacher certification and space requirements.

Teacher Certification

According to education authorities the quality of the staff determines, to a high degree, the excellence of an educational program. For example, The Teacher Education Committee of the Association for

Childhood Education International has recommended that teachers of children three through eight years of age:

- should have study in the areas of physical and biological sciences, mathematics and philosophy, language and literature, the social and behavioral sciences, and the fine arts.
- should have a minimum of twenty-four semester hours of professional preparation in the field of early childhood education,
- should have supervisory experience with young children, and
- should be required to take refresher courses and to keep active affiliation with professional organizations.

In a recent survey of 26 states, 17 said they require separate certification, four said they require a separate early childhood endorsement, and five said they currently have no requirement on early childhood teacher certification.

Alaska is one of the five states surveyed that does not require any early childhood training as a prerequisite for teaching children under age six. The Department of Education allows any person 19 years old or over, or any student who is age 16 and enrolled in a training program, to be a staff member.

Space

National experts advise that an adequate amount of space available for children's activities is absolutely necessary to ensure a quality, developmentally-orientated child care program. For example, research has shown that space effects the quality of living and learning within a center:

"the higher the quality of space in a center, the more likely were teachers to be sensitive and friendly in their manner toward children, to encourage children in their self chosen activities, and to teach consideration for the rights and feelings of self and others. Where spatial quality was low, children were less likely to be involved and interested, and teachers more likely to be neutral and insensitive in their manner, to use large amounts of guidance and restriction, and to teach arbitrary rules of social living."

In addition, tendencies towards social versus aggressive behavior has been found to be effected by space and according to a research study report:

"Several studies have found that most social involvement appears to occur at medium density (35-50 sq. ft.), while aggressiveness occurs at higher densities (below 35 sq. ft.) and random behavior occurs in large, undifferentiated settings (over 50 sq. ft. per child)."

Eight of the ten states who responded to our survey on this question required a minimum of 35 square feet per child. The Department of Education has not established space requirements for preschools in Alaska.

Preschool Standards are Lower Than Daycare Standards

In Alaska, the Department of Education's standards for preschools are lower than the Department of Health and Social Services standards for daycare centers. For example, the only preschool standard equal to daycare standards is the immunization standard as shown in the following table.

COMPARISON OF DAYCARE AND PRESCHOOL STANDARDS

<u>STANDARD</u>	<u>DAYCARE</u>	<u>PRESCHOOLS</u>
License Renewal	Annual	5 yrs.
Agency Review	Annual	5 yrs.
Staff Pupil Ratio	1-10	no standard
Indoor Space	35 sq. ft.per child	no standard
Outdoor space	75 sq. ft.per child	no standard
Fire Inspection	Annual	5 years
Sanitation Inspection	Annual	5 years
Health Program	required	no standard
Prone Rest	required	no standard
Immunizations	required	required
Nutrition Program	required	no standard
Corporal Punishment	regulated	no standard

The Department of Health and Social Services also requires that daycare programs provide opportunities and experiences to promote the individual child's physical, emotional, social and intellectual growth, as outlined below:

- opportunities for balance of active/quiet play, group and individual, and indoor and outdoor play;
- opportunities for individual self expression in conversation. imaginative play and creative expressions;
- use of games, toys, books, sand, puzzles, for intellectual and social development;
- walking excursions/field trips; and
- equipment and furniture be of sufficient quality and quantity and appropriate to a child's use.

COOPERATION IN DEVELOPING PRESCHOOL STANDARDS HAS NOT OCCURRED

Alaska Statutes require that the Department of Education cooperate with the Department of Health and Social Services in the general supervision

and development of regulations for preschools. Officials of both Departments say they have not coordinated to develop standards or a monitoring system.

The Department of Health and Social Services, however, has attempted to cooperate but has received little or no response from the Department of Education. For example, in 1972 the Department of Health and Social Services made recommendations to the Department of Education on the content and need for clear, enforceable standards and a means of clarifying between a preschool and daycare facility. However, the Department of Education removed the regulatory language recommended by the Department of Health and Social Services and promulgated regulations without a clarification of preschools and daycare facilities.

The Department of Health and Social Services has since made three other attempts to cooperate with the Department of Education but little cooperation has occurred between the two Departments.

DEPARTMENT OF EDUCATION NEEDS ENFORCEMENT AUTHORITY

The Department of Education does not have power to close schools which do not meet standards. Because they have no enforcement power, the Department has limited power to correct problems. For example, in 1980 several problems, such as a lack of space, were noted in a preschool evaluation. However, according to two evaluators, correction of the problems was optional because the Department of Education does not have adequate standards and because there is no penalty for non-compliance even if there were standards.

In contrast, Alaska Statute 47.35.010-080 provides the Department of Health and Social Services with authority to close a facility and penalize the responsible party who does not comply with established standards. Anyone operating a child care facility without a license is guilty of a misdemeanor and subject to a fine.

According to a U.S. Childrens Bureau official, child care agencies in all but one other state have enforcement authority.

CARE IS INCONSISTENT

Because preschool standards are inadequate, similar populations are receiving inconsistent care. For example, we visited two programs that were certified as preschools and provided all day care. Since they were classified as preschools they were not required to meet daycare standards of 35 square feet per child, and a maximum of 10 children per staff member. One of the programs provided about 21 square feet per child, and had 20 children with one staff member. The other program provided about 17 square feet per child and had 32 children with only one staff member present.

In addition, some centers that operate all day, have a preschool in one room and in another room a daycare center. The two rooms are regulated by different agencies under different standards even though all day child care is provided in both rooms.

THE VALUE OF ALASKA'S PRESCHOOL
CERTIFICATION PROCESS IS QUESTIONABLE

Those who are aware of the Department of Education's standards for preschools generally consider the preschool certification process to be meaningless. For example:

- Many of the early childhood educators we interviewed said that because of the Department's inadequate standards, the preschool certificates issued by the Department do not assure a quality preschool program. Certification is, in fact, misleading to parent consumers.
- We interviewed instructors of two early childhood training programs and both teach their students that the Department's standards are not an acceptable standard to assure a quality preschool program.
- We visited one two-hour a day educationally oriented program that chose to be licensed as a day care center rather than a preschool because they thought parents would have no assurance of a quality preschool program if it only complied with the the Department's preschool standards.
- The legislature recently mandated that eligibility for a child care grant program is dependent on compliance with day care licensing standards. Those preschools certified by the Department of Education are not eligible for the grants unless they also have a daycare license.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

The Department of Education needs to better manage preschool programs. During the past 5 years, the Department certified only 28 preschools and visited for monitoring purposes only 15 preschools. But, our analysis shows that there are at least 167 preschools. And, 18 of 19 daycare programs surveyed said they provided preschool services. In addition, because the Department of Education has not provided a definition of preschools there is confusion for those attempting to manage other early childhood programs.

The Department of Education has not cooperated with the Department of Health and Social Services in developing standards for preschool programs. Currently, there is inconsistent care for similar populations in preschools and daycare programs because preschool standards are lower than daycare standards. Preschools programs should meet daycare standards and should meet additional standards for education.

RECOMMENDATIONS

To assure that the Department of Education meets their management responsibilities for preschools, we recommend the Commissioner require that:

- preschool programs in Alaska are regulated; and
- preschool programs are monitored to assure compliance with requirements.

To help eliminate the confusion in determining which early childhood programs are preschools, we recommend the Commissioner provide a definition of which early childhood programs are preschools.

To assure that the similar populations in preschools and daycare programs receive consistent care, we recommend the Commissioner of the Department of Education cooperate with the Commissioner of the Department of Health and Social Services in developing health, safety and developmental standards for preschools. We also recommend the Commissioner of the Department of Education develop standards for the educational component of preschool.

DEPARTMENT COMMENTS

Both the Department of Education and Department of Health and Social Services responded to a draft of this report. Their comments are summarized below and are included as appendices I and II of this report.

Department of Education

The Commissioner of the Department of Education agreed with our recommendations and listed actions the Department has taken or will take to resolve the problems associated with managing preschool programs. The actions include:

- Developing a tentative agreement with the Department of Health and Social Services and the Department of Community and Regional Affairs for coordination of early childhood programs.
- Introducing a request for statutory change to require all child care programs be licensed by the Department of Health and Social Services for base level standards.
- Development of standards for a voluntary education certification process in addition to the mandatory base level licensing.
- Establishing on site reviews for evaluation of the educational component of certified preschools. (See Appendix I)

Department of Health and Social Services

The Commissioner of the Department of Health and Social Services agreed with our recommendations and is also in agreement with the plans for improvement as presented by the Department of Education. (See Appendix II)

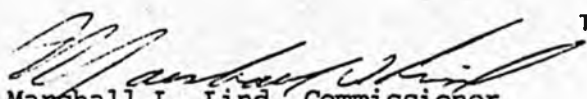
MEMORANDUM

State of Alaska

TO: John O'Meara, Director
Division of Internal Audit
Office of the Governor

DATE: February 2, 1982

FILE NO:

FROM: 
Marshall L. Lind, Commissioner
Department of Education

TELEPHONE NO: 465-2800

SUBJECT: Response to Draft
Report

Attached is our response to your draft report titled "The Department of Education Needs to Improve Management of Preschool Programs". As you will note in our response, we are planning a series of actions which will address the conditions described in your report.

You and your staff are to be complimented for the professional manner in which the review was conducted and the report presented. The findings and recommendations are proving useful to us in planning how to better meet our responsibilities for preschool programs.

RECEIVED
FEB 5 1982

Office of the Governor
Division of Internal Audit

RESPONSE TO
THE DEPARTMENT OF EDUCATION NEEDS TO
IMPROVE MANAGEMENT OF PRESCHOOL PROGRAMS

FEBRUARY 1982

STATE OF ALASKA
DEPARTMENT OF EDUCATION

INTRODUCTION:

The Department of Education is in basic agreement with the findings of the report by the Division of Internal Audit titled "The Department of Education Needs to Improve Management of Preschool Programs". In responding, therefore, we will make no effort to counter any of the findings of the report. We also believe that nothing would be gained by attempting to present reasons for our past activities in the management of preschool programs. Rather, we will present those actions which have been taken and those planned to address the conditions described in the report.

ACTIONS TAKEN:

During the past two months we have met several times with a representative from Health and Social Services and once with a representative from Community and Regional Affairs. These meetings have resulted in a tentative agreement between the three departments for the coordination of early childhood programs. We have also met with representatives from the Alaskan chapters of the National Association for the Education of Young Children to discuss plans for the role these chapters might play in the management of preschool programs. A presentation has also been made before the State Board of Education. At this meeting the board voted unanimously to endorse the early childhood education career ladder certification concept. The Board was also advised of tentative plans for carrying out Department of Education responsibilities for preschools.

ACTIONS PLANNED:

The tentative plan for managing preschool programs consists of the following steps. The conditions from the report, which will be addressed by each step, are presented following the description of each step.

PROPOSED STEP I:

All day care programs, including those claiming to be preschool programs, will be licensed by the Department of Health and Social Services. This base level of licensing will be mandatory and no programs should be exempt from the licensing requirement.

CONDITIONS ADDRESSED:

Requiring that all programs which provide services for preschool age children be licensed by Health and Social Services will clear up the confusion which currently exists for regulating agencies, and for the care providers. It will not be necessary to make a predetermination of whether or not a program is "primarily education." Programs will not be able to avoid basic licensing requirements by claiming to be educational programs. The plan will insure that all programs meet basic health, safety and child development standards, and will eliminate instances of inconsistent care for similar populations of children and differential treatment of care providers.

The plan will also negate the need for the Department of Education to obtain the enforcement authority giving it the power to close schools which do not meet basic health and safety standards, since Health and Social Services already has this authority and will be responsible for base level licensing which will insure adequate health and safety standards.

Implementing Step I of the plan will necessitate a change in statute. The Departments of Health and Social Services and Education are currently working cooperatively to determine those required changes. We anticipate that we will be introducing requests for statutory changes during this legislative session.

The change in licensing requirements will also greatly increase the staff load for Department of Health and Social Services licensing personnel. This will not correspond with a decrease for Department of Education personnel, since Department of Education personnel are not currently involved in licensing. Successful implementation will, therefore, require an increase in the Department of Health and Social Services licensing budget.

PROPOSED STEP II:

Day care centers wishing to have their educational programs certified will, on a voluntary basis, notify the Department of Education. An on-site review of these facilities will be conducted using a criteria for preschool programs. Those programs successfully meeting the criteria will be certified by the Department of Education.

CONDITIONS ADDRESSED:

This step will satisfy the Department of Education's statutory responsibility for certifying preschool programs. It will also provide a definition for preschool programs without making it a condition for base level licensing.

Since the certification process is voluntary only those programs choosing to go beyond base level licensing will do so.

It is anticipated that certification will be at two levels, a basic acceptance level and an exemplary level. We plan to develop an on-site review process which will involve persons from the regional chapters of the National Association for the Education of Young Children as members of the review teams. This will result in a peer monitoring process administered by the Department of Education.

The standards for preschool programs which will be used as the criteria for certification will be developed by a Task Force during the Spring of this year. The Task Force will be made up of persons from the state who are knowledgeable in the area of preschool education and who represent the various groups who will be impacted by the plan for managing preschool programs.

CONCLUSION:

These, then are the activities which have taken place and the plans for future activities which will enable the Department of Education to better manage preschool programs.

We feel that the plans represent a cooperative inter-departmental effort which will result in the coordination and better management of preschool programs as well as early childhood programs in general.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

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February 8, 1982

John O'Meara, Director
 Division of Internal Audit
 Office of the Governor
 Pouch AU
 Juneau, Alaska 99811

RECEIVED
 FEB 8 1982

Office of the Governor
 Division of Internal Audit

Dear Mr. O'Meara:

This is in response to your draft report titled "The Department of Education Needs to Improve Management of Preschool Programs." The Department of Health & Social Services is in general agreement with the findings of the audit. The document captures the essence of a serious problem and we are hopeful that the plan developed between the Departments of Education and Health & Social Services will provide corrective action. We have received the Department of Education's response to the audit which outlines that plan.

The Department of Health & Social Services is pleased to have been a participant in recent meetings between representatives of the Departments of Education, Community & Regional Affairs, and Health & Social Services. The dialogue which has begun is extremely useful and the tentative inter-departmental agreement establishes a new precedent of coordinating between three departments around concerns for young children and their families.

The Department of Health & Social Services is in full agreement with proposed Step 1 of the Department of Education's response, that all child care facilities now called Day Care Centers, Family Day Care Homes, and Preschools be licensed under one standard by the Department of Health & Social Services. A recognized principle of government is responsibility to provide equal protection and opportunity to all citizens. For young children who spend part of the day away from their families, the State fulfills this responsibility in part, through licensing to assure a basic level of care and protection, adequate program, and opportunity for development. Licensing under one standard will eliminate the disparity between the care children receive in day care facilities and preschools.

The Department of Health & Social Services is in full agreement that a change of statute is necessary to implement Step 1. In the ten years since the statutes were changed, the disparity has increased rather than decreased. A clear legislative mandate is required to correct a problem of this long standing.

The Department of Health & Social Services will require an increase in staff to perform the licensing studies. Without additional staff the Department of Health & Social Services could not accept the responsibility for an estimated 167 additional programs.

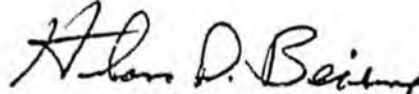
The Department is aware that some programs not now regulated may be fearful that Department of Health & Social Services regulation would result in closure of needed programs. The Department, should it receive the authority, fully intends to implement carefully and in as a supportive manner as possible. Every person or organization whose activities are regulated through licensing has the right to notice of the requirements and an opportunity to comment on them. When there are findings of non-compliances, information for correcting areas of non-compliance will be provided and reasonable time limits for meeting the new standards will be established. It is the Departments' belief that in regulating a new area, two years may be required for full implementation.

The Department of Health & Social Services believes that proposed Step 2 in the Department of Education's response, the certification of educational programs on a voluntary basis, will be well received by providers of early childhood programs. Our experience with day care centers is that directors want to have the educational component of their programs recognized. We are also in agreement that peer monitoring through regional chapters of the National Association for the Education of Young Children is an appropriate role for a professional organization to take and are therefore, in agreement with the Department of Education's plan to use this model.

It is the intent of the Department of Health & Social Services to fully cooperate with the Department of Education in implementing the proposed plan in a timely manner. It is also our intent to continue work on the inter-departmental agreement between the Departments of Education, Community & Regional Affairs, and Health and Social Services for the coordination of Early Childhood programs.

The Division of Internal Audit is to be commended for the careful study given to this important area.

Sincerely,



Helen D. Beirne
Commissioner

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POSITION PAPER

SENATE BILL NO. 860

"An Act creating a Department of Corrections; and providing for an effective date."

Senate Bill No. 860 would have the effect of removing criminal justice system functions from the Department of Health and Social Services by creating a Department of Corrections which would assume those same duties. All Division of Adult Corrections' responsibilities would be merged with the Youth Corrections component of the Division of Family and Youth Services, and the new Department would oversee functions of the Alaska Parole Board.

The FY '83 Governor's Budget would provide DH&SS \$51,246,600 and 844 full-time employees to complete those responsibilities which would be transferred to the proposed Department of Corrections. This represents 38.7% of all DH&SS employees (844 of 2180) and over 21% of DH&SS general fund operating requests. A comparison of operating budgets for all departments, as listed in the FY '83 Executive Operating Budget, indicates that the proposed Department of Corrections would have a larger budget than 7 of the 14 other departments; and a greater number of employees than 8 of the 14 other departments. If the Youth Corrections component were not to be included in this bill, the proposed department would have a larger budget than 4 of the 14 other departments; and a greater number of employees than 7 of the 14 departments.

Within the criminal justice system, the proposed Department, excluding Youth Corrections, exceeds the Judicial Branch and Department of Law, both in number of employees and in size of budget. Corrections is exceeded in size only by the Department of Public Safety. All criminal justice system agencies, including the Division of Adult Corrections, are budgeted together in the Administration of Justice category for appropriations. Corrections is in practice and responsibility a full partner in the criminal justice system. However, Public Safety and the court system organization are such that administrative heads are selected due to a refined knowledge in their specialized fields. The Director of the Division of Adult Corrections possesses that expertise; however, those in the DHSS Commissioner's Office must advocate for a broad range of human services, including corrections. For the benefit of the criminal justice system, the increasing complexity of corrections makes it important that top administrators be expert corrections practitioners; they should not have their attention segmented to the other human service needs.

Briefly, departmentalization of Corrections would (1) ensure that Corrections is in fact a full partner in the criminal justice system; (2) enable the needs and problems of Corrections to be routinely presented to the Governor; (3) enable the agency to actively and effectively support its budget request throughout the administrative and legislative process; (4) provide continual professional guidance based on sound correctional experience, training, and management expertise in correctional systems from top departmental administrators; and (5) streamline the organizational structure for more effective correctional management.

If the Division of Adult Corrections remains a part of the Department of Health and Social Services, many of the benefits just discussed could be addressed by the establishment of a new Deputy Commissioner for Corrections position. The Deputy Commissioner could direct attention to specific Corrections needs and serve to streamline procedures and coordinate departmental activities regarding criminal justice issues.

While, generally, Corrections and other divisions would be likely to benefit from the result of this bill, the effect of separation would not be entirely beneficial to components of Department of Health and Social Services. The dual constitutional mandate for protection of the public and rehabilitation of the offender makes it essential that a human service emphasis be included among the highest Corrections' goals and objectives. Since most of the State's social and human support services are available from agencies within the Department of Health and Social Services, there is some cause to continue Corrections as a component agency within this department. While needed Department of Corrections' services could be secured from Department of Health and Social Services' agencies by negotiated agreement, there is great value in providing these services within the departmental planning and policy development structure in order to most effectively integrate social and human support services within the State. Creation of a separate department would not entirely relieve other Department of Health and Social Services' divisions and agencies from Corrections demands for services since the need will continue to exist and the demand will simply be made by a separate department rather than by another division within this same department.

In terms of administrative support, the creation of a Department of Corrections could be beneficial to both the criminal justice component of DH&SS, as well as to the remaining divisions and offices of the Department. The urgency and nature of Corrections' issues require an increasingly larger portion of the efforts and attention of top DH&SS administrators. Not only are the other human service programs impacted by more top administrative time being directed to corrections issues, but also by an increasing portion of the Department's fiscal resources being committed to address Corrections urgent needs. It must be remembered that the basic human services programs are not incidental, but rather are vital programs impacting every Alaskan. It is not likely that the demands of Corrections will slow significantly in future years. Each new institution will require a large number of new employees and pending litigation offers the prospect for committing the state to continued policy and program development, extensive renovation of existing facilities, and the need for even more fiscal resources to support expanded operations.

The Department of Health and Social Services is opposed to the inclusion of programs dealing with delinquent minors within the proposed department. Since December 1980, confinement, rehabilitation, and probation programs for delinquent minors have been administered by the Division of Family and Youth Services in conjunction with other programs serving youth and families.

The removal of programs for delinquents from administration by the Division of Corrections, and the organization of all juvenile services within one agency was recommended by the Division of Legislative Audit in its September 1979 report on a performance review of juvenile confinement programs. The advantages of placing responsibility for all juvenile services in the Division of Family and Youth Services are several: (1) Improved coordination and efficiency of efforts to provide a continuum of services to youth and families; (2) Increased efficiency and effectiveness in the development and utilization of private resources; (3) Improved coordination and efficiency in the development of policy and procedures affecting services for youth; (4) Improved staff development through the utilization of combined training programs for social services' workers and juvenile corrections' personnel; (5) Greater capacity to provide a range of services, particularly in rural areas, with greater cost effectiveness through cross training of staff; (6) Development of comprehensive planning for children, youth, and families; (7) Development of a singular program budget for services to youth and families; and (8) Increased cost effectiveness of single administrative responsibility for development of regulations, and licensing of foster homes and child care facilities.

In summary, the Department of Health and Social Services believes the creation of a Department of Corrections would allow increased focus on the critical problems inherent in the operation of programs for adult offenders, would increase the effectiveness of the criminal justice system as a whole, and would be generally beneficial to the operation of other offices and divisions within DH&SS. However, we oppose the inclusion of programs for delinquent minors within the proposed Department as the problems, needs, and resource requirements of the adult and juvenile offender programs are sometimes incompatible, and in combination result in less effective and less efficient administration to the detriment of both programs.

It is the position of the Department of Health and Social Services that the proposed effective date of July 1, 1982 is wholly inadequate. It will be a time-consuming process to effect the complicated administrative reorganization required by this bill. To unduly speed the creation of the proposed department would be somewhat counterproductive to the intended effect of this bill which would be to provide for the most effective administration of correctional services. Alternative strategies were considered; however, it was determined that a change in mid-fiscal year would be financially impossible and, therefore, it is recommended that this bill, if passed, have an effective date of July 1, 1983.

The Department has prepared a fiscal note representative of implementation costs beginning in FY '83, if the effective date is July 1, 1982. In addition, we have prepared a fiscal note to accommodate a July 1, 1983 effective date which would establish within DHSS in FY '83 the Deputy Commissioner for Corrections position in order to facilitate the necessary transition process which would allow for an orderly and efficient transfer of responsibilities.

Recommended by:

Robert S. Hatrak K.W.V.
Robert S. Hatrak, Director
Division of Adult Corrections

Date:

April 12, 1982

Approved:

Helen D. Beirne
Helen D. Beirne, Commissioner

Date:

April 13, 1982

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

I. REQUEST

Bill/Resolution No. Senate Bill 860
 Title An Act Creating A Department of Corrections
 Requested by State Affairs Committee

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Administration of Justice
 BRU, Program, Or Subprogram(s) Affected Admin.&Support - Director's Off.
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-0-	1,042.9	1,136.8	1,239.1	1,350.6	1,472.2
200 TRAVEL	-0-	57.6	62.8	68.4	74.6	81.3
300 CONTRACTUAL	-0-	231.0	251.8	274.5	299.2	326.1
400 COMMODITIES	-0-	3.9	4.2	4.6	5.0	5.4
500 EQUIPMENT	-0-	19.2	19.2	5.0	5.0	5.0
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	1,354.6	1,474.8	1,591.6	1,734.4	1,890.0

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	1,354.6	1,474.8	1,591.6	1,734.4	1,890.0
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	24.0	24.0	24.0	24.0	24.0
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

As there is insufficient time available to transfer positions and costs from the current Department of Health & Social Services budget structure to the new Department of Corrections budget structure, we request that the current structure be appropriated as a single appropriation to allow the new department to transfer the necessary positions and costs to the new budget structure after the beginning of the new fiscal year, FY 83.

SEE ATTACHED CHARTS FOR:

- A) New Positions Chart
- B) Transfer Positions chart
- C) Transfer Reduction Sheets for:
 Management and Budget BRU
 Administrative Services BRU
- D) Proposed BRU structure for the Department of Corrections and Current BRU structure for the Div. of Corrections in the Department of Health & Social Services
- E) New Request Total for Corrections Admin. & Support, Director's Office

IV. DATE April 9, 1982 PREPARED BY Marsha Hubbard, Director, M&B

Original: Legislative Finance PHONE 465-3331

cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CHART A

DEPARTMENT OF CORRECTIONS
NEW POSITIONS

<u>DIV</u>	<u>TITLE</u>	<u>R/S</u>	<u>SALARY</u>	<u>BENEFITS</u>	<u>PER. SVS</u>	<u>TRAVEL</u>	<u>CONTRACT</u>	<u>COMMOD.</u>	<u>EQUIP.</u>	<u>TOTAL POS. COST</u>
CO	Commissioner	*	66,900	15,509	82,409	7,200	5,460	160	800	96,029
CO	Secretary III	12B	23,352	7,511	30,863	0	5,460	160	800	37,283
CO	Deputy Commissioner	28A	60,780	14,492	75,272	7,200	5,460	160	800	88,892
CO	Secretary II	11B	21,984	7,200	29,184	0	5,460	160	800	35,604
CO	Information Officer II	17A	31,668	9,404	41,072	1,800	5,460	160	800	49,292
CO	Special Assistant I	21A	41,700	11,319	53,019	3,600	5,460	160	800	63,039
CO	Clerk Typist III	8B	18,360	6,375	24,735	0	5,460	160	800	31,155
CS	Director	26A	56,700	13,813	70,513	7,200	5,460	160	800	84,133
CS	Secretary I	10B	20,712	6,910	27,622	0	5,460	160	800	34,042
IS	Clerk Typist III	8B	18,360	6,375	24,735	0	5,460	160	800	31,155
AS	Director	26A	56,700	13,813	70,513	7,200	5,450	160	800	84,133
AS	Secretary I	10B	20,712	6,910	27,622	0	5,460	160	800	34,042
IS	Clerk Typist III	8B	18,360	6,375	24,735	0	5,460	160	800	31,155
AS	Supply Officer III	18A	34,056	9,947	44,003	3,600	5,460	160	800	54,023
AS	Personnel Officer III	20A	38,988	10,868	49,856	1,800	5,460	160	800	58,076
AS	Accounting Clerk III	10A	20,076	6,765	26,841	0	5,460	150	800	33,261
AS	Accounting Clerk III	10A	20,076	6,765	26,841	0	5,460	160	800	33,261
AS	Facility Planner II	21A	41,700	11,319	53,019	7,200	5,460	160	800	66,639
AS	Facility Planner I	20A	38,988	10,868	49,856	3,600	5,460	160	800	59,876
AS	Facility Planner I	20A	38,988	10,868	49,856	3,600	5,460	160	800	59,876
AS	System Analyst II	20A	38,988	10,868	49,856	3,600	5,460	160	800	59,876
AS	System Analyst I	18A	34,056	9,947	44,003	0	5,460	160	800	50,423
AS	EDP Programmer III	17A	31,668	9,404	41,072	0	5,460	160	800	47,492
AS	Data Entry Clerk II	9A	18,936	6,506	25,442	0	5,460	160	800	31,862
AS	OBSCIS Development	---	0	0	0	0	100,000	0	0	100,000
NEW POSITION TOTALS			812,808	230,131	1,042,939	57,600	231,040	3,840	19,200	1,354,619

CHART B

 DEPARTMENT OF CORRECTIONS
 TRANSFER POSITIONS FROM
 DEPARTMENT OF HEALTH AND SOCIAL SERVICES

<u>DIV</u>	<u>TITLE</u>	<u>R/S</u>	<u>PCN</u>	<u>DIV</u>	<u>LOC</u>	<u>(100)*</u>	<u>(200)</u>	<u>(300)</u>	<u>(400)</u>	<u>(Total)</u>
AS	Budget Analyst V	22A	0047	MB	AWA	53,326	1,200	300	160	54,986
AS	Personnel Officer I	16D	0056	AS	EBA	39,135	600	300	160	40,195
AS	Personnel Asst. I	12B	0095	AS	AWA	28,484	0	300	160	28,944
AS	Clerk Typist II	7D	0046	AS	EBA	22,956	0	300	160	23,416
AS	Supply Asst I	12B	0025	AS	AWA	28,484	0	300	160	28,944
AS	Clerk Typist III	8C	0058	AS	EBA	23,566	0	300	160	24,026
AS	Mail Carrier II (PPT)	7B	0094	AS	EBA	10,905	0	300	160	11,365
AS	Accounting Clerk II	9R	0021	AS	AWA	24,233	0	300	160	24,693
AS	Accounting Clerk III	10A	0014	AS	AWA	24,857	0	300	160	25,317
AS	DP Chargeback	--	----	AS	AWA	0	0	15,000	0	15,000
TOTAL						255,946	1,800	17,700	1,440	276,886

* Vacancy and Turnover Calculated at 1.5%

CHART C

TRANSFER REDUCTION SHEET FOR AFFECTED BRUs

BRU: Management and Budget

<u>LINE ITEM</u>	<u>GOV AMD REQUEST</u>	<u>TRANSFERS</u>	<u>NEW TOTAL</u>
100	466.2	<53.3>	412.9
200	9.8	<1.2>	8.6
300	54.1	<.3>	53.8
400	1.6	<.2>	1.4
500	.8	0.0	.8
TOTAL	532.5	<55.0>	477.5

BRU: Administrative Services
COMPONENT: Personnel

<u>LINE ITEM</u>	<u>GOV AMD REQUEST</u>	<u>TRANSFERS</u>	<u>NEW TOTAL</u>
100	513.5	<90.6>	422.9
200	3.7	<.6>	3.1
300	26.0	<.9>	25.1
400	2.7	<.5>	2.2
500	0.0	0.0	0.0
TOTAL	545.9	<92.6>	453.3

BRU: Administrative Services
COMPONENT: Supply

<u>LINE ITEM</u>	<u>GOV AMD REQUEST</u>	<u>TRANSFERS</u>	<u>NEW TOTAL</u>
100	321.9	<63.0>	258.9
200	0.0	0.0	0.0
300	19.4	<.9>	18.5
400	1.4	<.5>	.9
500	0.0	0.0	0.0
TOTAL	342.7	<64.4>	278.3

BRU: Administrative Services
COMPONENT: Finance

<u>LINE ITEM</u>	<u>GOV AMD REQUEST</u>	<u>TRANSFERS</u>	<u>NEW TOTAL</u>
100	842.2	<49.1>	793.1
200	1.4	0.0	1.4
300	56.2	<.6>	55.6
400	3.2	<.3>	2.9
500	0.0	0.0	0.0
TOTAL	903.0	<50.0>	853.0

BRU: Information Systems
COMPONENT: Data Services

<u>LINE ITEM</u>	<u>GOV AMD REQUEST</u>	<u>TRANSFERS</u>	<u>NEW TOTAL</u>
100	1,122.0	0.0	1,122.0
200	30.9	0.0	30.9
300	2,834.5	<15.0>	2819.5
400	10.0	0.0	10.0
500	0.0	0.0	0.0
TOTAL	3,997.4	<15.0>	3,982.4

CHART D

CURRENT BRU STRUCTURE
HEALTH & SOCIAL SERVICES

Adult Confinement

Palmer Corr. Center
Anch. State Corr. Center
Juneau Corr. Center
Fairbanks Corr. Center
Ketchikan Corr. Center
Anch. Annex Corr. Center
Eagle River Corr. Center
AK Women's Facility
Nome Corr. Center
Juneau Women & Juv. Fac.
Ridgeview Men's
Anchorage Pre-Trial
Statewide Services
Prison Industries
Out of State Contractual
Major Medical & Guard Hire

Adult Prob. & Community Based Programs

Adult Probation 1st Jud. Dist.
Adult Probation 2nd Jud. Dist.
Adult Probation 3rd Jud. Dist.
Adult Probation 4th Jud. Dist.
Community Based Programs

Corrections Admin. & Support

Director's Office
Career Enhancement Training

Parole Board

Youth Correctional Services

Administration
First District
Third District
Second and Fourth District
McLaughlin Youth Center
Fairbanks Youth Facility
Nome Youth Facility
Jun. Women's & Juv. Fac.
Ketchikan Facility

PROPOSED BRU STRUCTURE
DEPT. OF CORRECTIONS

Institutional Services

Southcentral Region
Other Region
Statewide Services

Community Services

First Jud. Dist.
Second & Fourth Jud. Dist.
Third Jud. Dist.
Statewide Services

Support Services

Commissioner's Office
Deputy Commissioner's Off.
Administrative Services

Parole Board

CHART E

CORRECTIONS ADMINISTRATION & SUPPORT

DIRECTOR'S OFFICE

LINE ITEM	GOV AMD REQUEST	+	FISCAL NOTE	+	TRANSFERS	=	NEW TOTAL ALLOCATION LEVEL TO REFLECT IMPACT OF SB 860
100	1,026.4		1,042.9		256.0		2,325.3
200	78.8		57.6		1.8		138.2
300	236.9		231.0		17.7		485.6
400	16.9		3.9		1.4		22.2
500	<u>5.0</u>		<u>19.2</u>		<u>0.0</u>		<u>24.2</u>
TOTAL	1,364.0		1,354.6		276.9		2,995.5

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

I. REQUEST

Bill/Resolution No. Senate Bill 860 with proposed amendment by DHSS
 Title An Act Creating A Department of Corrections
 Requested by State Affairs Committee

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health
 BRU, Program, Or Subprogram(s) Affected Commissioner's Office H&SS
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-0-	104.5	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	7.2	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	10.9	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	.3	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	1.6	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	124.5	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	124.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	2.0	-0-	-0-	-0-	-0-
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

In order to prepare for an effective date of 7/1/83, the Department of Health and Social Services would need an additional Deputy Commissioner and support staff.

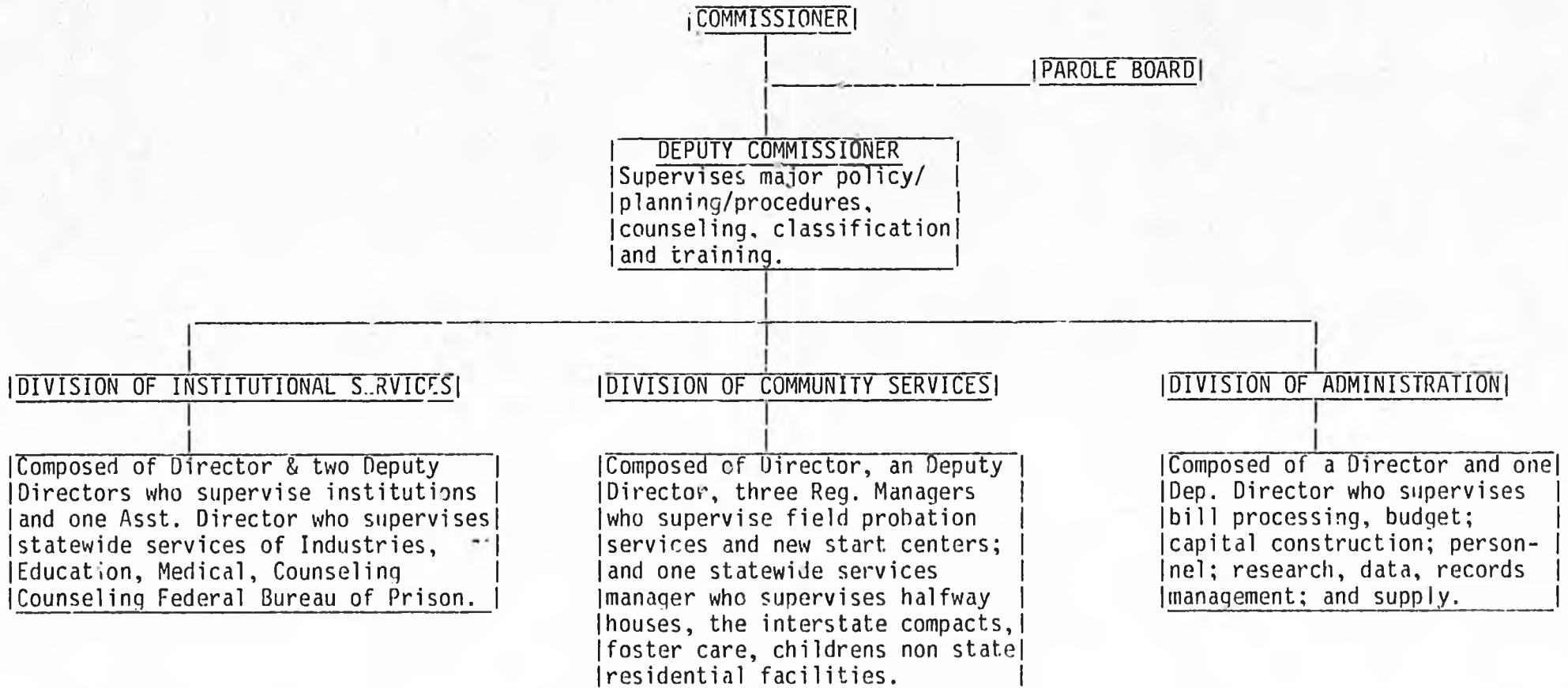
IV. DATE April 9, 1982 PREPARED BY Marsha Hubbard, Director, M&B
 AGENCY Dept. of Health and Social Services
 Original: Legislative Finance PHONE 465-3331
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

PB-#48
4/9/82

NEW POSITIONS

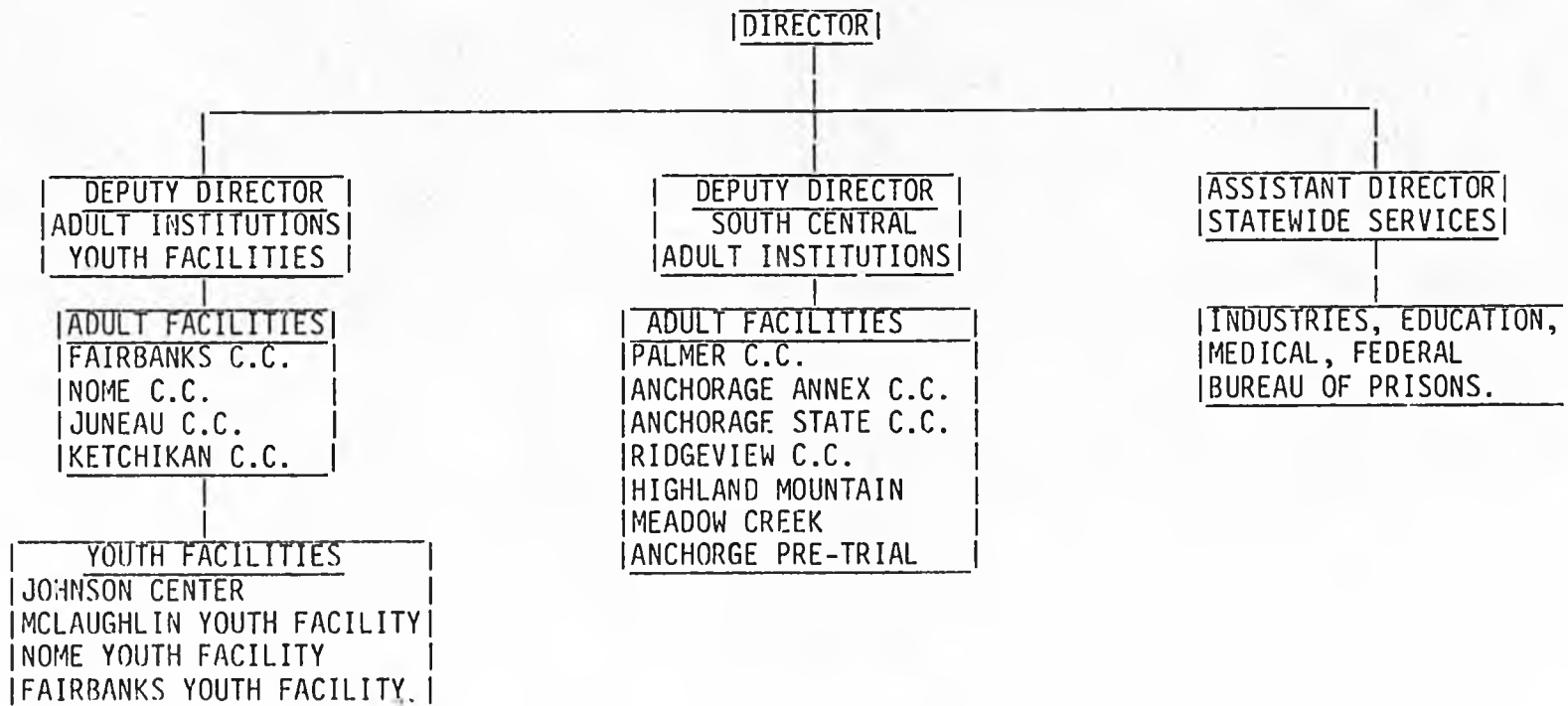
<u>DIV</u>	<u>TITLE</u>	<u>R/S</u>	<u>SALARY</u>	<u>BENEFITS</u>	<u>PER. SVS</u>	<u>TRAVEL</u>	<u>CONTRACT</u>	<u>COMMOD.</u>	<u>EQUIP.</u>	<u>TOTAL POS. COST</u>
CO	Deputy Commissioner	28A	60,780	14,492	75,272	7,200	5,460	160	800	88,892
CO	Secretary II	11B	<u>21,984</u>	<u>7,200</u>	<u>29,184</u>	<u>0</u>	<u>5,460</u>	<u>160</u>	<u>800</u>	<u>35,504</u>
	TOTAL		82,764	21,692	104,456	7,200	10,920	320	1,600	124,496

DEPARTMENT OF CORRECTIONS



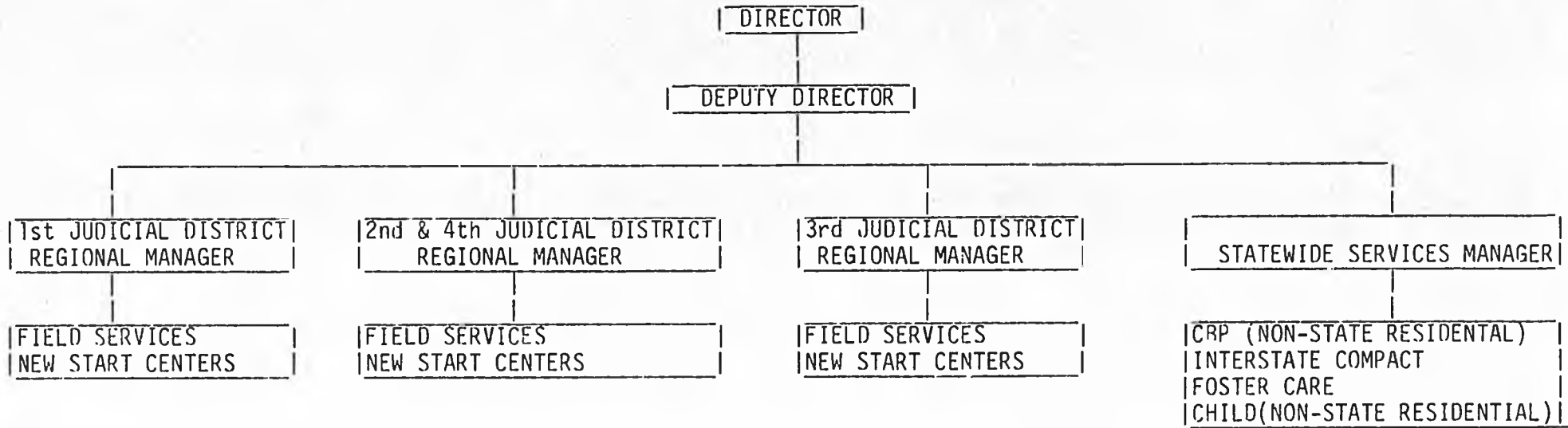
DEPARTMENT OF CORRECTIONS

DIVISION OF INSTITUTIONAL SERVICES

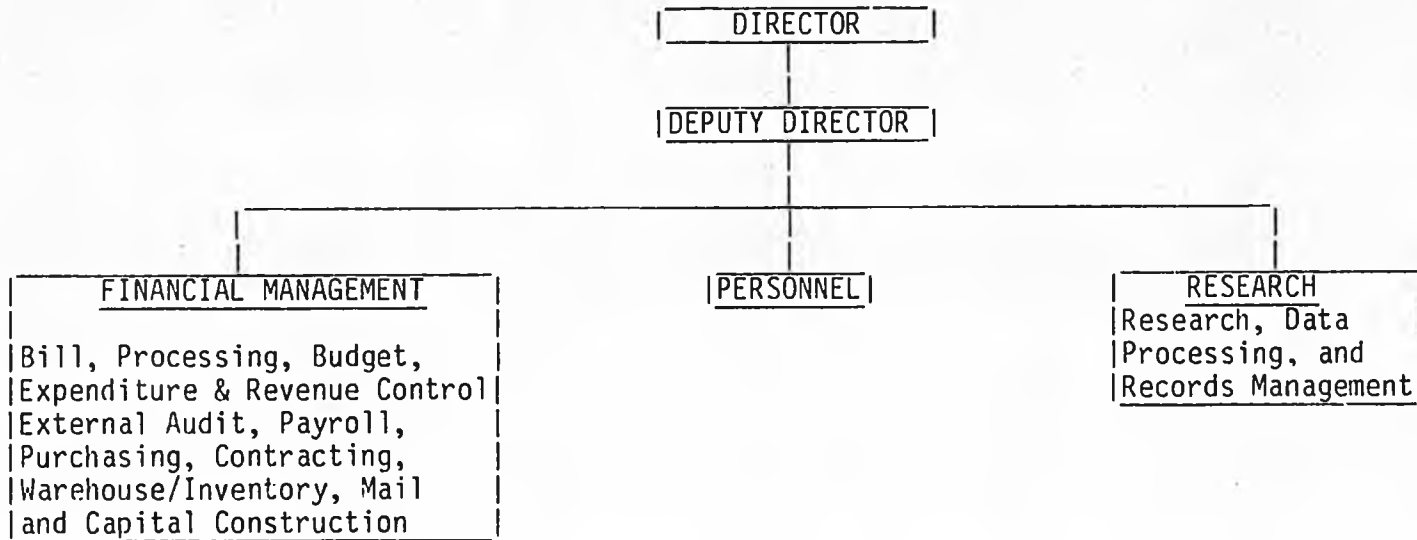


DEPARTMENT OF CORRECTIONS

DIVISION OF COMMUNITY SERVICES



DEPARTMENT OF CORRECTIONS
DIVISION OF ADMINISTRATION AND SUPPORT



S

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COMMITTEE REPORT
SENATE

3/30/82

FURTHER: Finance

Date: 4-14-82

Mr. President: HEALTH, EDUCATION &
The Committee on SOCIAL SERVICES has had SB 868

establishing a Committee on Employment and Productivity as part of the University of Alaska

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s) same title
- replace with CS for _____ new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

SCR 51 & SB 868Concept outline from Discussion with Tom Lane (Institute of Social and Economic Research, Univ. of Ak.)

The concept as discussed involved transmitting research finding from the University into pilot projects based on the research and then after refinement providing practical models which are based on the research as well as the pilot projects which can be used by business and industry to increase productivity.

The intent is to have the costs of the "applied research" covered by the industries which would benefit. The initial "seed" money would only be necessary in the first years of the program, after which, no state funding will be sought.

This project will be guided by a committee of one member of ISER, two members of the academic community and two members of the business community.

A PROPOSAL FOR THE CREATION OF AN ALASKA
COMMITTEE ON EMPLOYMENT AND PRODUCTIVITY (CEP)

February 1982

Institute of Social and Economic Research
University of Alaska

Background and Need

Simply stated, most manpower programs operate exclusively on the public side of the labor market. The unemployed and disadvantaged worker is provided with some mix of basic education, job-related skill training, and work experience to make him or her "employable"; that is, to make him or her both able (capable of doing the work) and willing (equipped with the necessary work discipline) to successfully hold a regular unsubsidized job. Our experience in working with Alaska Natives and American Indian manpower programs during the past decade gives us reason to believe that this emphasis on public solutions to the problems of persistent, high unemployment and low labor-force participation among Native males may be contributing to the unsatisfactory results many of them have reported.

Large numbers of Native men are either unwilling or unable to conform to the traditional 40-hour week for 50 weeks per year. Faced with conventional job definitions, work rules, and employment practices, many males apparently choose to remain outside of or marginal to the labor force. This marginal attachment to the labor force is characterized by a pattern of short periods of employment and several different jobs held during the work year. This is accompanied both by frequent periods of unemployment and total withdrawals from the labor force.

It is our contention that when the hiring practices and work rules of private employers are sensitive to important Native cultural values (such as community cooperation versus individual competition), they have a significant effect on the labor-force participation of the Native males. This implies a cooperative effort to (1) document Alaska employment experiences, (2) make the information available to private employers, and (3) assist private employers in implementing this information into demonstrations of successful, unsubsidized Native employment.

The Alaska Committee on Employment
and Productivity (CEP)

To accomplish this, we propose the formation of an Alaska Committee on Employment and Productivity (CEP). The formation of the committee is a recognition that the next decade will witness a significant expansion in Alaska's labor markets. New patterns of employment will emerge, and new occupational requirements will be demanded. The purpose of the CEP is to engage in cooperative efforts with private employers directed toward ensuring that (1) all Alaska residents have the opportunity of participating in the benefits of economic growth through the employment of their production abilities and (2) Alaska businesses are able to grow and expand through the hiring of reliable, productive Natives and other resident workers.

The CEP will organize and direct its efforts toward the following objectives:

- Improving the full employment efficiency of the Alaska economy.
- Providing Alaska's private employers with motivated Native workers.
- Providing economic security for Alaska workers.
- Enhancing the human ecology of Alaska labor markets.

CEP will be a committee attached to the Institute of Social and Economic Research (ISER) of the University of Alaska. It will act as a clearing-house to direct efforts designed to further its purposes and objectives. Annual guidelines will be issued, and both solicited and unsolicited projects will be considered.

CEP will be chaired by Theodore Lane, Professor of Economics of ISER, and will contain seven (7) voting members, including the chair, distributed as follows:

Government (including Native corporations) 2
Business and Industry 3
University Research Community (including ISER) 2

It is our intent to have CEP become a permanent committee attached to ISER. To do this, we will solicit endowments from government, business, industry, and private foundations to create a permanent endowment fund. Income from the permanent endowment fund will be used by CEP to fund its ongoing program. This ongoing program will mature with time as findings accumulate, new issues emerge, and improved hypotheses are developed. We anticipate CEP's eventual agenda will involve all of the following topics:

- Understanding and anticipating major trends in the industrial and occupational structure of the Alaska labor market.
- Studying methods by which public policy can more effectively link the work of school with the world of work.
- Investigating methods to enhance and stabilize job opportunities by better coordination of training and economic development programs.
- Understanding the special labor market needs of the Alaskan elderly, youth, and disadvantaged populations.
- Improving the labor force participation and work site performance of Alaska Natives through research into the relationship of cultural norms, traditional values, and work place structures.

Only the final topic, "Improving the Labor Force Participation Work Site Performance of Alaska Natives," however, will be addressed during CEP's first year. This will involve the work plan described on the following pages.

First-Year Work Plan

OBJECTIVES

The objectives of this proposed project are twofold: (1) to document the influence on the low labor force participation rate of Alaska Native men of work rules and hiring practices that conflict with their Native cultural patterns and (2) to work jointly with

industry to demonstrate how modified work rules and employment practices can contribute to the successful performance of Alaska Native males in the state's labor markets, thereby enhancing their local job opportunities while contributing to the success of private economic development initiatives in rural Alaska.

Recent studies of the Alaska economy show that the gaps between rich and poor, rural and urban, and Native and non-Native are widening. This has occurred partially not only because of the differential impacts inflation has on low-income groups but also because significant numbers of the poor, rural, and Native population remain outside the labor force.

Aggregate statistics describing the labor force behavior of Native males show their participation rate to be 49 percent (compared to 86 percent for Alaska non-Native males and 76 percent for all U.S. males) and their measured unemployment to be approximately 20 percent. Approximately two-thirds of those employed are in manual and service occupations, and less than one-fifth are employed in white-collar occupations.

Three major explanations have been offered for the low labor force participation rate of Alaska Natives: (1) Alaska Natives have inadequate skills or formal education; (2) they live in areas outside of effective labor markets; and (3) they suffer from racial discrimination. However, secondary school enrollments have improved dramatically since statehood, and by 1974, Alaska Native youth were attending secondary schools at the same rate that non-Native youth were. Although the quality of the Natives' education may not yet be comparable to that of non-Natives, undeniable improvement has occurred in the formal education of young Alaska Natives.

Second, the State of Alaska is increasingly decentralizing the delivery of state services which has the direct effect of creating jobs in rural areas. Federal, state, and local governments employ

approximately one-third of the work force directly and larger proportions through various contract services. Consequently, many new job opportunities have been and will continue to arise in rural Alaska.

Third, the Civil Rights Act of 1974 and the Equal Employment Opportunity Act have both had significant impacts on reducing employment discrimination based on race. Public and private employers now actively recruit qualified minorities. This is not to suggest that racial discrimination towards Alaska Natives does not persist as a barrier, rather that it has been significantly mitigated.

Passage of the Alaska Native Land Claims Settlement in 1971 endowed Alaska Native people, through their profit-making corporations, with 962.5 million dollars and 48 million acres of land. Notwithstanding the economic significance of the Settlement Act, research has shown that the benefits resulting from increased Native employment would far exceed Settlement Act benefits in terms of Native per capita income. While the Settlement Act is a significant factor in the development of rural Alaska, Native people will benefit even more if they can successfully join the labor force and take advantage of the state's expanding economic base.

RELEVANCE

Economic development requires the creation of a disciplined industrial labor force. As an industrial labor force emerges from the indigenous population, however, the problem arises of how it is to be integrated with traditional societal (or cultural) norms. This problem has been solved in a variety of ways. The range of these solutions is illustrated by the experience of England, Germany, and Japan. During the industrial revolution in England, traditional codes of authority were rapidly swept away and replaced by new laissez-faire capitalist institutions (E.P. Thompson, The Making of the English Working Class, Random House, 1963). In Germany, an ideology of nationalism was coupled with the modeling of industrial organization

after military patterns to assert authority over non-industrial modes of social organization (H. Hartman, Authority and Organization in German Management, Princeton University Press, 1959). Japanese employers used traditional symbols and practices, grounded in familial ideologies, to gain worker acquiescence of their new employment practices (R.E. Cole, Work, Mobility, and Participation, University of California Press, 1979).

In all successful developing countries, tradition was used to devise new solutions to the emerging problems of industrialization. As pointed out by Neil J. Smeloes ("The Relevance of Economic Sociology for Economics," 1976), ". . . The complex of changes we refer to variously as 'growth,' 'development,' or 'modernization' involves, above all, the growth of more differentiated roles and social structures." It is our hypothesis that the degree to which these "new roles and social structures" are derived from traditional cultural norms determines the success of an indigenous population's short-run adaptation to the process of industrialization.

This hypothesis is supported by a variety of information. Some of it is based on casual (i.e., nonscientific) observation. The Makah Indians of northwest Washington State found that tribal members actively competed for jobs with the tribe's fishing fleet (a traditional activity) even though it meant giving up jobs in the forest products industry and taking a substantial loss in real income (Al Zwintz, personal communication). The Navaho Nation's training and employment programs were improved significantly by the inclusion of an orientation program linking the skilled trades to traditional Navaho activities (Tom Brose, personal communication). Dorothy Jones, Adjunct Professor, ISER, reports a link between successful participation in "cash" activities and traditional fishing and hunting activities in several Aleut and Eskimo villages. The Bureau of Land Management's employment of Athabascan fire fighters appears to have become much more successful after they began using the work tradition of

structured competition among teams from the same village (Judy Kleinfeld, personal communication).

Some formal research studies have systematically examined the effects of adapting employer work rules to the cultural situation of Indian and Eskimo groups. They suggest that culturally sensitive work scales are promising both in terms of meeting employers' needs for a stable work force and also meeting Native people's needs for culturally relevant employment and increased income.

The most careful study of the effects of changed work rules was done by Kupfer and Hobart, who examined an innovative Inuit (northern Eskimo) work program conducted by Gulf Oil Canada in 1972-73.¹ Rather than importing oil exploration workers from southern Canada, Gulf representatives contacted an entire Inuit community and offered employment in their MacKenzie Delta drilling program. About half the male work force of the community (55 men) worked for Gulf under a schedule where they worked for 14 days, 12 hours per day, and were then returned to the community for a 1-week break while other villagers replaced them.

A team of anthropologists examined the impact of the innovative employment program in terms of earnings, expenditure patterns, subsistence hunting, family life, and community problems. The research reported such findings as:

- Good working relationships between Gulf and the Inuit community and the expectation that the employment program would continue.
- Almost unanimous approval of the work program by Inuit men, women, and children interviewed.
- Only one instance of a respondent rejecting employment for the coming winter although many community members reported loneliness.
- Increased interest in similar employment among workers' children.

¹Kupfer and C. Hobart, "Impact of Oil Exploration Work on an Inuit Community," Arctic Anthropology, 15:1 (1978), pp. 5867.

In short, this study showed predominantly positive community effects of changed work rules, at least in the short term.

Similar conclusions were reached in another Canadian study which examined the effects of a Canmar exploratory drilling program in the Beaufort Sea.² Canmar developed a special employment and training program for the residents of the community of Tuktoyaktuk during the drilling session. As a result, 127 Natives were employed, drop-out rates were low, and about \$367,000 was added to the local community. The experience was considered to be highly positive by both the company and the community.

To our knowledge, no comparable studies have been done in the United States on these issues. The experience of Alaska Natives in obtaining employment on the trans-Alaska pipeline has been studied, but this situation emphasized Native preference in hiring. It did not involve any special employer adaptation to Native cultural patterns.³ The results were disappointing. While an extremely large number of Natives were hired (5,770), over half worked for only eight weeks or less, and one-quarter worked for two weeks or less. Thus, the majority did not exhibit successful labor force performance patterns, and the substantial social investment in recruitment and education did not have commensurate returns.

Over the years, employers in Alaska have experimented with a variety of work situations in order to increase the stability of Native workers in their organizations. The experiences, for example, of the Public Health Service, Bureau of Indian Affairs, and rural school districts will be a rich source of information. These experiences suggest that alterations of work routines to reflect cultural

²"Assessment made of Social and Economic Impacts of Canmar Program," Beaufort Sea, February 1977, p. 5. Full report available from Mary Collins Consultants, Ltd.

³"Alaska Native Hire on the Trans-Alaska Oil Pipeline Project," Alaska Review of Social and Economic Conditions, 15 (February 1978): 20 pp.

values are positively associated with the "success" of private economic development projects in employing Alaska Natives.

Studies by the Institute of Social and Economic Research have also provided an opportunity to examine the effects of changed work rules on one Native group, the North Slope Eskimo.⁴ One study involved the Native-organized North Slope Borough which has removed many work barriers usually believed to impede Native participation in employment. For example, subsistence hunting leave is official policy, and people are reemployed despite what non-Natives would view as "unjustified" absences from work. Based on interviews in six villages with 80 percent of the North Slope population and the collection of detailed work histories and employment preferences, these data suggest that different work structures are desired by Native population groups differing in sex, age, and education levels.

The scattered information presently available does suggest a few preliminary conclusions. More extensive analysis will refine these tentative notions and suggest others.

Adapting work situations to Native cultural patterns and values is likely to be a tricky enterprise and much more complicated than allowing time off to pursue subsistence activities and other matters. Successful programs have structured flexibility into the work situation (e.g., Gulf's one-week time off) but retained clear expectations about necessary work time.

External group support for sustained work may be important. In many social contexts, it is much easier to increase individual motivation through influencing significant membership groups. Groups also provide important emotional support for individuals confronted with difficult and unfamiliar work roles.

While most employers assume workers prefer career ladders leading to positions of more authority and pay, such aspirations may not be prevalent among certain Eskimo and Indian groups. In the cultural context of these groups, strong

⁴This research was part of the Man-in-the-Arctic Program funded by the National Science Foundation.

criticism is leveled against people who boss others around.⁵ While such cultural norms are changing as modernization increases, they may remain important determinants of Native labor force performance.

TASK NO. 1: DOCUMENT NATIVE EMPLOYMENT EXPERIENCE

The documentation of Native employment experiences and the lessons to be learned from these experiences will come from a variety of sources. A major source will be the Man-in-the-Arctic Program (MAP). This is a multiyear study of social and economic changes in Alaska funded by the National Science Foundation. As part of this study, a major survey of Alaska Natives on the North Slope Borough was undertaken. It contained approximately 1,500 observations, and these data are available at ISER.

The Alaska Public Forum, funded by the Alaska Legislature, conducted a major survey in Kotzebue. Discussions have already been held, and we are assured of the cooperation of the Alaska Public Forum in making all survey data available to us. We are currently holding further discussions with the Public Forum staff to try to develop procedures for obtaining their data in a format compatible with that used in Barrow and the North Slope.

Several of the Native organizations have conducted needs assessment surveys among their people. Probably the best of these is the Tlingit and Haida Central Council's study of "Southeast Alaska Urban Native Needs." The survey had 507 responses, of which 301 were returned by mail and 206 were administered through interviews.

⁵See, for example, R. Nelson, Hunters of the Northern Ice (Chicago: University of Chicago Press, 1969).

Another major source of data will be the so-called 2(C) Report, "Federal Programs and Alaska Natives." Lee Gorsuch, currently director of ISER, was project director for this four-volume study, and through him, we have available all of the basic data.

A wealth of additional reports are available which contain information about the functioning of Alaska Native males in the private labor force. These range from "Profile of Native People in Alaska," developed by the Bureau of Indian Affairs, to such ISER reports as "Native Claims and Native Manpower" by Judith Kleinfeld, Peter Jones, and Ron Evans.

TASK NO. 2: DEVELOP BUSINESS APPROACH TO NATIVE HIRING

The information gathered in Task No. 2 will be presented to CEP for its review, discussion, and consensus interpretation. Tabular and graphic presentations will be used to the maximum extent feasible. Quantitative analysis (in the sense normally used by economists) will not be used.

After consensus is reached, CEP's business and industry participants will be asked to set up meetings and workshops with major Alaska employers to get their review of CEP's consensus approach to making work rules culturally sensitive. We will be particularly interested in identifying institutional barriers to implementing such an approach, such as labor management contracts. This information will be used to refine CEP's consensus approach to Native hire.

TASK NO. 3: DEMONSTRATE WORKABILITY OF BUSINESS APPROACH

Through CEP's business and industry participants and through the meetings and workshops with major Alaska employers, one or two firms will be identified as wishing to voluntarily participate in implementing (on a limited basis) CEP's consensus approach to successful native hiring practices. We will attempt to obtain firms which are fairly

large, both for their potential as large employers and for their ability to isolate a single work unit in which to conduct the demonstration. We will also seek a firm(s) which is (are) contemplating significant resource development investments in "bush" Alaska since this is the location of greatest job opportunity need among Alaska Natives. ~~Up to \$50,000 of the proposed project funding will be used to compensate the private employer(s) for capital expenditures and training in the demonstration.~~

TASK NO. 4: EVALUATION AND DISSEMINATION OF RESULTS

The private sector demonstration on Native hiring practices will be documented and evaluated for the CEP by ISER. CEP will disseminate these findings to Alaska's business and industry community. It will also provide technical assistance to business firms wishing to consider the CEP approach to Native hire if the demonstrations show an ability to produce cost-effective results.

PARTICIPANTS

ISER faculty will comprise the core of the staff supporting the CEP. The project's manager will be Theodore Lane, professor of economics. His efforts will be augmented by ISER staff including Lee Gorsuch, Director of ISER; Dorothy Jones, adjunct professor of sociology; Lee Huskey, assistant professor of economics; Judith Kleinfeld, professor of educational psychology; and George Rodgers, adjunct professor of economics. The resumes attached at the end of this proposal adequately reflect their education and competence to carry out the staff responsibilities for this project.

Business, industry, and Native participation in the CEP will be fully identified immediately upon CEP's organization.

ISER Organizational Qualifications

The Institute of Social and Economic Research has, since its inception in 1961, been devoted to the conduct of research on significant policy issues affecting Alaska. The principal focus of its research, as its name suggests, is on the developmental issues surrounding the human and natural resources of Alaska. The health and well-being of Alaska's Native people continue to be a major concern of the Institute, and much of its attention over the years has been devoted to the problems and opportunities confronting and/or impinging upon Alaska Natives.

Currently, the Institute is under contract to the Alaska State Manpower Services Council to provide an overview of the Alaska labor market and to analyze the role CETA performs within the labor market. For the State Office of Vocational Education, the Institute is contrasting the socio-economic characteristics and the work socialization experiences of employed Alaska Natives to the unemployed in an attempt to improve the design of employment training programs. Both of these research projects are scheduled for completion early this fall.

The Institute has for the past several years been intensively engaged in assessing the impacts of oil and gas development in Alaska. Referred to as the Man-in-the-Arctic Program (MAP), this project, sponsored by the National Science Foundation, has special relevance to manpower planners. First, the project developed statewide and regional econometric models which generate projections not only of population and income but also employment by industry and occupation. With some additional refinement, this powerful tool could be used to support long-term manpower planning efforts. Second, the project has generated through the use of survey research invaluable data

on the North Slope Eskimos' response to development (specifically to high-paying job opportunities). This important data should reveal useful insights into the types of jobs preferred, the time trade-offs people are willing to make, particularly work versus subsistence, and the terms and conditions under which people are willing to work or choose not to work.

Other work the Institute has performed which is relevant to this project is illustrated by the following sample of publications which has culminated from ISER activities:

Manpower Related

A Forecast of Industrial and Occupational Employment in Alaska (ISEGR Report No. 43). Prepared by Theodore Lane for ISEGR's Man-in-the-Arctic Program. 1974: Fairbanks, 219 pp.

Mr. Lane presents statewide forecasts (1973-1983) for twelve industry categories as well as for total employment, civilian labor force, and total population.

Land Claims and Native Manpower (ISEGR Report No. 36). Judith Kleinfeld, Peter Jones, and Ronald Evans. 1973: Fairbanks, 52 pp.

The authors assess the upcoming occupational needs of the Alaska Native corporations as a result of the Native Claims Settlement Act.

Manpower Needs in Alaska State and Government (ISEGR Report No. 26). Judith Kleinfeld and Thomas A. Morehouse. 1970: Fairbanks, 83 pp.

Dr. Kleinfeld and Dr. Morehouse examine the manpower needs in Alaska state and local government and relate these needs to the unemployment and manpower training of Alaska Natives.

Urban Men and Women - Differences in Their Work Adaptations (ISER Occasional Paper). Dorothy M. Jones. 1976: Fairbanks, 45 pp.

This study, based on interviews with Native men and women, seeks to understand why Native women adapt better to low-status, low-paying jobs than Native men.

"Employment, Social Service, and Income Maintenance Programs (for Alaska Natives)." Dorothy Jones. In Federal Programs and Alaska Native Well-Being prepared for the U.S. Department of the Interior. 1974: Fairbanks.

In this series of articles, Dr. Jones descriptively analyzes the impact five major federal employment and income assistance programs have had on Alaska Native well-being.

Education Related

Alaska Natives in Higher Education (ISEGR Report No. 40). Karen Kohout and Judith Kleinfeld. 1974: Fairbanks, 49 pp.

The authors examine the threads of Alaska Natives' participation and success in higher education.

"Increasing the College Success of Alaska Natives," Judith Kleinfeld. In Journal of American Indian Education, 1974 13(3), 27-31.

Dr. Kleinfeld presents a study of the characteristics of Native students who succeed in college.

Some Instructional Strategies for the Cross-Cultural Classroom, Judith Kleinfeld, for Alaska Department of Education. 1972: Juneau, 22 pp.

In this article, Dr. Kleinfeld summarizes for the Alaska Department of Education rural teachers' suggestions on effective teaching techniques.

Institutional Styles and the Intellectual Performance of Indian and Eskimo Students, Judith Kleinfeld, for U.S. Office of Education. 1972: Washington, D.C., 58 pp.

In this report, Dr. Kleinfeld explores effective methods of cross-culture teaching.

Culture Related

"Patterns of Migration, Urbanization and Acculturation," Arthur E. Hippler. In Proceedings of the Twentieth Alaska Science Conference, American Association for the Advancement of Science, Alaska Division, 99-108. 1970: College.

Dr. Hippler analyzes the dynamics surrounding migration into towns by Alaska Natives and stresses the significance of cultural backgrounds and the nature and extent of job opportunities as factors influencing the difficulties of adjusting to changes.

Alaskan and Other Eskimo Acculturation: A Selected Annotated Bibliography of Alaskan and Other Eskimo Acculturation Studies by Arthur E. Hippler (ISEGR Report No. 28). 1970: Fairbanks, 215 pp.

A selected, annotated bibliography of sources related to Alaska Eskimo culture change.

Service Related

"Agency-Community Conflicts" by Dorothy Jones in Science in Alaska, Twentieth Alaska Science Conference, American Association for the Advancement of Science, Alaska Division, pp. 145-158. 1970.

In this paper Dr. Jones analyzes the community and agency representatives' attitudes toward social programs for Natives and the areas in which the attitudes are disparate.

ISER's past experience has included both classroom instruction as well as training and technical. The Director of the Institute, Lee Gorsuch, has worked with ten of the twelve Alaska Native regional corporations, offering various short courses and training programs for both their leaders and staff. Theodore Lane, the proposed principle investigator, has an extensive background in the design and development of manpower training and technical assistance programs as well as labor market research.

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Programs to Create Jobs for
Washington State Department of

nt and Training Programs in
State Employment Security

Performance Indicators for
for the U.S. Department of

Demand Forecasting System"
of Washington and Hawaii.

TA/DHEW Manpower Program
of Health, Education, and

"Secondary and Indirect Labor Market Impacts of Constructing the
Trans-Alaska Pipeline System (TAPS)" for the U.S. Department of
Labor, Region X.

Representative Regional Economic
Studies Where Principal Investigator

"Population, Employment, and Economic Impacts of Developing and
Operating the Mt. Tolman Copper-Molybdenum Mine on the Colville
Indian Reservation" for the AMAX Mining Company.

"An Assessment of the Economic Impact of Implementing the Clean
Water Amendments of 1972 (PL 92-500) on the Yellowstone River and
Puget Sound Water Basins" for the National Commission on Water
Quality.

"A Comprehensive Economic Development and Environmental Plan for
the Northwest" for the Pacific Northwest Regional Commission.

"A Cost/Trade-Off Analysis of Washington State's Long-Term
Growth" for the Washington State Office of Program Planning and
Fiscal Management.

"A Socio-economic Assessment of Alternative Waste Management
Treatment Options" for the Municipality of Metropolitan Seattle
(METRO).

"A Study of Methods and Techniques for Influencing the Rate,
Composition, and Location of Economic Growth" for the Washington
State Department of Commerce and Economic Development.

December 1981

THEODORE LANE

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Employment History

Partner, Lane/Langley and Associates: Economic Consultants,
Seattle, Washington, 1979-1981.

Senior Economist, The White House Conference on Balanced National
Growth of Economic Development, Washington, D.C., 1978.

President, Human Resources Planning Institute, Inc., Seattle,
Washington, 1969-1977.

Executive Vice-President, Consulting Services Corporation,
Seattle, Washington, 1967-1968.

Assistant Professor of Economics, University of Wisconsin,
Milwaukee, Wisconsin, 1965-1966.

Education

Ph.C., Economics, University of Washington, 1966.

M.A., Economics, University of Illinois, Champaign-Urbana,
Illinois, 1958.

B.A., Economics, Temple University, Philadelphia, Pennsylvania,
1956.

Awards and Honors

Teaching Fellow, University of Illinois
Teaching Fellow, University of Washington
Pre-Doctoral Associate, University of Washington
Appointed by Mayor of Seattle to the Pioneer Square Historic
Preservation Board

Representative Labor Market and Manpower
Economics Studies Where Principal Investigator

"The Use of State Financial Incentive Programs to Create Jobs for Unemployed Residents" for the Washington State Department of Commerce and Economic Development."

"Linking Job Creation to Employment and Training Programs in Rural Areas" for the Washington State Employment Security Department.

"Creating Operating Standards and Performance Indicators for Federally Funded Manpower Programs" for the U.S. Department of Labor, Region X.

"The Development of an Occupational Demand Forecasting System" for the community college agencies of Washington and Hawaii.

"An Analysis of Potential CETA/DHEW Manpower Program Coordination" for the U.S. Department of Health, Education, and Welfare, Region X.

"Secondary and Indirect Labor Market Impacts of Constructing the Trans-Alaska Pipeline System (TAPS)" for the U.S. Department of Labor, Region X.

Representative Regional Economic
Studies Where Principal Investigator

"Population, Employment, and Economic Impacts of Developing and Operating the Mt. Tolman Copper-Molybdenum Mine on the Colville Indian Reservation" for the AMAX Mining Company.

"An Assessment of the Economic Impact of Implementing the Clean Water Amendments of 1972 (PL 92-500) on the Yellowstone River and Puget Sound Water Basins" for the National Commission on Water Quality.

"A Comprehensive Economic Development and Environmental Plan for the Northwest" for the Pacific Northwest Regional Commission.

"A Cost/Trade-Off Analysis of Washington State's Long-Term Growth" for the Washington State Office of Program Planning and Fiscal Management.

"A Socio-economic Assessment of Alternative Waste Management Treatment Options" for the Municipality of Metropolitan Seattle (METRO).

"A Study of Methods and Techniques for Influencing the Rate, Composition, and Location of Economic Growth" for the Washington State Department of Commerce and Economic Development.

Publications

Lower Cook Inlet Petroleum Development: Economic and Demographic Analysis (with Barbara Withers), Bureau of Land Management, Alaska Outer Continental Shelf Office, Technical Report No. 42, February 1980.

Industrial and Occupational Employment In Alaska, 1974, Institute of Social and Economic Research, Fairbanks.

"The Urban Base Multiplier: An Evaluation of the State of the Art," Land Economics, Vol. 42, No. 3, August 1966.

"The Local Service Sector and the Structure of Income Growth" (with Charles M. Tiebout), Strategies for Regional Development, 1965, University of Iowa Press, Ames.

The Use of Cost-Benefit Analysis to Evaluate Open Space Recreational Projects, 1964, Puget Sound Governmental Conference, Seattle.

"The Effect of Common Market on the Relative Growth of European Economics," Current Economic Comment, Vol. 20, No. 2, May 1958.

Papers Presented

"National and Regional Labor Markets," delivered to the Pacific Northwest Regional Development Conference, Seattle, Washington, May 1978.

"An Overview of the White House Conference," delivered to the Conference on Urban and Regional Development, SUNY, Binghamton, New York, January 1978.

"Inter-regional Manpower Planning as Part of the Development Process," delivered to the Pacific Rim Regional Science Association, Vancouver, British Columbia, Canada, August 1977.

"The Role of Labor Market Analysis in Post-Secondary Education Planning" (with Marc Reeder), delivered to the Annual Meeting of the Conference of College and University Planners, Seattle, Washington, August 1977.

"The Structure of the Alaskan Economy: An Economic Analysis," delivered to the Alaska Science Conference, Fairbanks, Alaska, March 1975.

"Long-Run Growth Prospects for the Pacific Northwest," delivered to the Northwest Regional Economic Growth Conference, Washington State University, Pullman, Washington, 1974.

"An Econometric Model for the State of Alaska" (with Eric Swanson and Rajanikant N. Joshi), delivered to the Western Regional Science Association, Monterey, California, February 1973.

"The Need for Information in the Social Planning Process: A Case Study" (with Rajanikant N. Joshi), delivered to the Western Regional Science Association, - San Diego, California, February 1972.

"Manpower Planning and Operations: A New Approach" (with Ronald W. Bodley), delivered to the Pacific Northwest Economic Growth Conference, Washington State University, Pullman, Washington, May 1971.

"Urban Ghetto Formation: A Problem in Human Capital Formation," delivered to the Northwest Regional Economic Growth Conference, Portland State University, Portland, Oregon, April 1969.

"Migrant Farm Workers and Public Policy in the Labor Market," delivered to the Western Conference of Employment Security Agencies, Portland, Oregon, May 1968.

"Migratory Labor Markets: A Cross-Sectional Labor Study," delivered to the Western Regional Science Association, Las Vegas, Nevada, January 1967.

"The Local Service Sector and the Structure of the Income Growth" (with Charles M. Tiebout), delivered to the Conference on Research Strategy and Regional Development, University of Iowa, Ames, Iowa, October 1964.

Professional Affiliations

American Economic Association
Western Economic Association
Western Regional Science Association

References

Available on request.

Personal Information

Date of Birth: July 17, 1934
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Home Address: 752 W. 16th Avenue
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COMMITTEE REPORT
SENATE

4/20/82

FURTHER: Finance

Date: 4-26-82

Mr. President: HEALTH, EDUCATION &
SOCIAL SERVICES
The Committee on _____ has had SB 891

issuance of g.o. bonds in the amount of \$38,000,000 for cost of construction & improvements to hospital facilities

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS.

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Tom Kelly - No Rec

[Signature]

CHAIRMAN

3.0 SUMMARY OF CORDOVA FACILITY

Cordova Community Hospital is a combined acute care and long-term care facility with 22 beds. It was constructed in 1956 and has served the community for 25 years. The facility is housed in a non-fire rated wood frame structure which is substandard.

Because Cordova is not conveniently close to any of Alaska's major health care facilities, its hospital must provide medical services which are complete enough to meet the needs of Cordova area residents and those of the summertime influx of fishermen and tourists. A long-range plan for the facility through the year 1995 is now being prepared by Edward Freedman Associates, Inc. A planned replacement facility is being programmed and designed by the architectural firm of Skidmore Owings and Merrill.

3.1 Recommendations

A. Immediate Corrections/Recommendations

1. Make immediate non-code related corrections to the 10 kw and 100 kw engine generators, and cap the fuel piping in the existing building. (See Section 12.1 for detailed description).
2. Construct a replacement hospital and long-term care facility on a new site to be selected.

B. Long-Range Recommendations

1. Periodically update the long-range health facilities master plan for Cordova.

3.2 Cost

A. Immediate Corrections (Non-Code)	\$ 4,000
B. Construct replacement facility	\$ <u>12,600,000</u>
TOTAL	\$ 12,604,000

3.0 SUMMARY OF SOUTH PENINSULA FACILITY

South Peninsula General Hospital is a facility in need of additional space. It also has certain general, mechanical and electrical deficiencies which should be corrected to improve its compliance with the provisions of governing codes and standards. A Certificate of Need application was filed by the hospital with the State of Alaska's Office of State Health Planning and Development, Department of Health and Social Services. This application was approved on October 29, 1980. In light of this approval, our recommendations are as follows:

3.1 Recommendations

- A. Make needed corrections to general, mechanical and electrical systems to address code, operational, and energy deficiencies. (Specific corrections are enumerated in Section 12 of this report).
- B. In accordance with the approved Certificate of Need application, proceed with the planned hospital expansion. Conduct a life-cycle analysis of planned unfinished shell space, and of available building alternatives, as the cost of electrical power has risen sharply, adversely affecting building operation costs.

3.2 Costs

A. Immediate Corrections - Code-Related Items

General	\$	39,500
Mechanical		85,700
Electrical		28,000
Sub-total	\$	153,200
Design Contingency		15,300
Contingency		7,700
TOTAL		176,200

B. Other Immediate Recommendations - Non-Code Items

Sub-total	\$	25,000
Design Contingency		2,500
Contingency		1,300
TOTAL	\$	28,800

C. Energy Efficiency Recommendations

Sub-total	\$	24,000
Design Contingency		2,400
Contingency		1,200
TOTAL	\$	<u>27,600</u>

D. Long-Range Recommendations

Addition to existing facility:

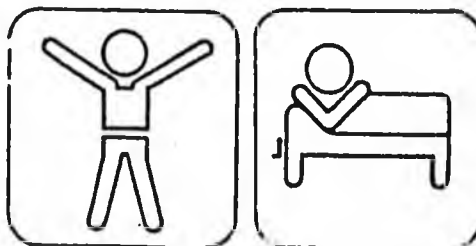
General	\$	2,416,000
Mechanical		1,646,800
Electrical		680,050
Sub-total	\$	<u>4,742,850</u>
Contingency		237,143
TOTAL	\$	<u>4,979,993</u>

The approved Certificate of Need also includes a new addition to the medical office building:

General	\$	1,012,500
Mechanical		684,000
Electrical		423,938
Sub-total	\$	<u>2,120,438</u>
Contingency		106,022
TOTAL	\$	<u>2,226,460</u>

TOTAL IMMEDIATE \$ 232,600

TOTAL LONG-RANGE \$ 7,206,453



3.0 SUMMARY OF PETERSBURG FACILITY

Petersburg General Hospital is a 13-bed acute care center which was constructed in 1953. A 12-bed long-term care wing was subsequently added to it in 1967.

The original building is a one-story wood frame structure that can no longer function cost-effectively as an acute care facility because of its serious code deficiencies and outmoded design. This report recommends that the original building be replaced with a new, larger facility.

The long-term wing is a concrete and steel building. While it will require some remodeling to be brought up to code compliance, it can then continue to function as a long-term health care facility.

A Certificate of Need application filed in January, 1981 was approved by the State's Department of Health and Social Services to remodel the 7850 S.F. long-term facility, and to provide a 17,000 S.F. addition to it for a new acute care center. Since the time when this approval was granted, additional detailed planning has been done by the John Graham Co. of Seattle. This firm is recommending that the hospital addition be approximately 23,700 S.F., and that the facility's beds be increased to a total of 28 (16 long-term, 12 acute). This report and the cost estimates attached to it use 27,150 S.F. as the recommended quantity of space to be built in the new addition.

3.1 Recommendations

- A. Construct a larger replacement facility (27,150 S.F.) to house the hospital's acute care functions.
- B. Remodel/renovate the existing long-term care facilities to bring them up to code requirements, basically maintaining their present long-term-care function.
- C. Minimally remodel the existing acute care hospital building to fit it for use by health-related agencies.

3.2 Summary of Costs

A.	Construct a new 27,150 square foot acute care facility.	\$ 8,552,250
B.	Remodel long-term care wing for continued long-term care use.	675,460
C.	Minimally remodel portion of present acute care space for use by health-related agencies.	<u>57,500</u>
	TOTAL	\$ 9,285,210



3.0 SUMMARY OF WRANGELL FACILITY

Wrangell General Hospital and Long-Term Care Facility is the only health care facility on Wrangell Island. The closest alternative facilities to those in Wrangell are 40 miles away. Wrangell General faces space shortages in most of its treatment, staff and ancillary areas. Its existing building has some building and life safety code violations, many of which are occasioned simply because space is short and storage areas are inadequate. The existing building also has certain mechanical and electrical conditions which violate pertinent codes, and which should be corrected as part of the hospital's planned expansion/remodel, or separately if plans for the expansion/remodel are delayed for any significant period.

3.1 Recommendations

A. Immediate Recommendations

1. Prepare a detailed long-range master plan of health facilities needs in Wrangell.
2. Construct a new addition to house the hospital's acute care functions. (17,500 S.F.)
3. Remodel the existing acute care facility for use as an outpatient facility, and for health-related program offices, and support space for both acute and long-term care buildings. Correct deficiencies noted in Sections 11.1-11.5.
4. Do limited remodeling of the present long-term care wing, correcting code-related and other deficiencies to make it function well with the new addition.
5. If plans for the remodel/addition are delayed for any significant period, make code-related and other general, mechanical, and electrical corrections to the existing facility. (These items are enumerated in Section 12.1.)

B. Long-Range Recommendations

1. Periodically update the long-range master plan for health care facilities in Wrangell as needed to remain abreast of significant changes affecting the validity of such a plan.

3.2 Costs

A. Immediate Recommendations

1. Long-range master plan \$ 70,000

2. Construct 17,500 S.F.
addition for acute care
use.

General	\$ 2,625,000
Mechanical	1,837,500
Electrical	<u>787,500</u>

Sub-total	\$5,250,000
Contingency	<u>262,500</u>

TOTAL \$5,512,500

3. Remodel existing
hospital for out-
patient area, health
related agencies
and support space.
(9,400 S.F.)

General	\$ 752,000
Mechanical	582,800
Electrical	<u>291,400</u>

Sub-total	1,626,200
Contingency	<u>81,310</u>

TOTAL \$1,707,510

4. Limited remodel of
existing long-term
care facility:

General	\$315,900
Mechanical	251,100
Electrical	<u>129,600</u>

Subtotal	696,600
Contingency	<u>34,830</u>

TOTAL \$731,430

5. Correct code and other deficiencies in existing long-term care building if remodel/addition plan delayed significantly.

General	\$ -0-
Mechanical	28,000
Electrical	<u>6,300</u>

Sub-total	\$34,300
Contingency	1,715
Design Contingency	<u>3,430</u>
TOTAL	

\$ 39,445

TOTAL, ITEMS 1,2,3,4

\$8,021,440

TOTAL, ITEMS 1,2,3,5

\$7,329,455

B. Long-Range Recommendations

1. Update long-range master plan periodically

Not costed



3.0 SUMMARY OF KODIAK ISLAND FACILITY

Kodiak Island Borough Hospital is a relatively new facility which unfortunately is already too small and which needs major remodeling in all areas -- architectural, mechanical and electrical, in order to function efficiently. Nearly every space in the facility needs to be reworked and rearranged. Its slab-on-grade construction will make the necessary plumbing and mechanical alterations expensive, and interior layout must be reconfigured at substantial expense. The facility has a number of code deficiencies and unacceptable operational conditions which should be rectified immediately.

3.1 Recommendations

Make immediate code deficiency corrections to the building. (The corrective actions to be taken immediately are enumerated in Section 12.1 of this report.)

Two viable alternatives will overcome the serious problems in this facility:

1. Develop a complete replacement facility, using the existing building for other purposes; or
2. Remodel the existing facility and build an addition.

These two alternatives appear to be very close in benefits and costs. We recommend detailed master planning to assure that the direction elected will provide for proper results. In summary, these two options are as follows:

1. Construct a replacement facility for the hospital portion of Kodiak Island Borough Hospital. According to our estimates, such a new facility would occupy 36,624 square feet of space. This figure was arrived at as described in Section 12.2 of this report, and is a combination of the existing hospital space plus needs as enumerated in the hospital's long-range plan.
2. Remodel the existing facility and construct an 8,464 square foot addition. This figure is based on needs articulated by the hospital's Long-range Planning Committee, and includes space for circulation and services.

3.2 Costs

A. Corrections - Code Related

General	\$	32,000	
Mechanical		184,300	
Electrical		<u>95,700</u>	
Sub-total			\$ 312,000
Design Contingency			31,200
Contingency			<u>15,600</u>
TOTAL			\$ 358,800

B. Corrections - Non-Code

General	\$	<u>17,000</u>	
Sub-total			\$ 17,000
Design Contingency			1,700
Contingency			<u>850</u>
TOTAL			\$ 19,550

C. Energy Efficiency Recommendations

General & Mechanical	\$	<u>5,500</u>	
Sub-total			\$ 5,500
Contingency			<u>550</u>
TOTAL			\$ <u>6,050</u>
TOTAL OF CORRECTIONS			\$ <u><u>384,400</u></u>

D. Recommendation Costs

Option 1. Replacement Hospital Construction
(36,624 square feet)

General	\$ 5,328,900	
Mechanical	3,845,700	
Electrical	<u>1,648,100</u>	
Sub-total		\$10,822,700
Congingency		<u>541,200</u>
TOTAL FOR REPLACEMENT HOSPITAL		\$11,363,900

Remodel of Existing Facility
For Other Use.

General	\$ 2,133,000	
Mechanical	1,706,400	
Electrical	<u>900,600</u>	
Sub-total		\$ 4,740,000
Contingency		<u>237,000</u>
TOTAL TO REMODEL EXISTING FACILITY		\$ 4,977,000
TOTAL, OPTION I		<u>\$16,340,900</u>

Option 2. Remodel Existing Facility as
Hospital (31,600 square feet).

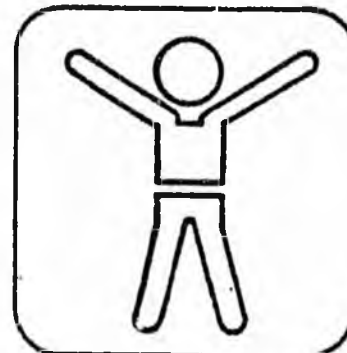
General	\$ 3,384,360	
Mechanical	3,586,600	
Electrical	<u>1,914,960</u>	
Sub-total		\$ 8,885,920
Contingency		<u>444,300</u>
TOTAL FOR REMODEL		\$ 9,330,220

Construct Addition to Existing
(13,924 square feet).

General	\$ 2,127,300	
Mechanical	1,535,300	
Electrical	<u>658,000</u>	
Sub-total		\$ 4,320,600
Contingency		<u>216,000</u>
TOTAL FOR ADDITION		\$ 4,536,600

TOTAL, OPTION 2 \$14,245,700*

*Phasing costs not included above will have to be added to Option 2, (but not Option 1). Such costs will make these options very comparable in price. The above also includes costs for corrections which are necessary to keep the existing building in use.



WRANGELL GENERAL HOSPITAL
and
LONG TERM CARE FACILITY
P.O. Box 80
Wrangell, Alaska 99929

Wrangell General Hospital and Long Term Care Facility's short and long range plans to provide the health care needs of our community have sited the need for the following:

Remodeling parts of 1975 Long Term Care Facility to meet unmet needs for storage, activities, dining, and update physical therapy department.

Remodeling and/or replacement of 1967 Hospital building to correct present structural problems of ventilation, plumbing, insulation, electrical "nurse call system", sanitation, heating system, and address energy conservation and cost containment principles. Enlarge, in order to provide space for items needed to comply with Life Safety Codes, proper storage of all equipment and supplies, install new time and cost saving equipment provide area for Public Health, Alcohol, Mental Health and Hearing Clinics, which also are in need of updated, enlarged clinic area. Incorporate birthing room concept, and addition of Ultra Sound service.

Request a State Grant for 7-10 million to fund this project. Planning money to be advanced by 1982 with construction to take place in 1983.

VISITING MASONS WELCOME

*JUSTICE
F. A. P. HILL
5/21/81*

STATE OF ALASKA

PUBLIC NOTICE

The State Health Planning and Development Agency, Department of Health and Social Services, has received and analyzed an application from Wrangell General Hospital for a Certificate of Need to renovate and expand. In determining its findings and recommendation for approval of the application, the State Health Planning and Development Agency gave serious consideration to the findings and recommendations submitted by Southeast Alaska Health Systems Agency.

After review of all findings and recommendations of the State Health Planning and Development Agency, the findings and recommendations submitted by Southeast Alaska Health Systems Agency, the record of any public meeting held and consideration of federal laws and regulations and the current state health plan, the application submitted is hereby approved and the Certificate of Need granted as follows:

In accordance with the provisions of AS 18.07.031—18.07.111, and 7 AAC 07.010—030, it has been determined that Wrangell General Hospital has met the applicable criteria and findings set forth in sections 123.409 and 123.410 of 42 CFR to the satisfaction of Southeast Alaska Health Systems Agency and the State Health Planning and Development Agency.

A Certificate of Need for the renovation and expansion of the hospital is hereby granted. The maximum capital expenditure for the renovation and expansion which is approved under this Certificate of Need is \$6,870,000.

Published August 11, 1981

AO-06-NP-011

AID

WRANGELL GENERAL HOSPITAL

and

LONG TERM CARE FACILITY

P.O. Box 80

Wrangell, Alaska 99929

January 3, 1981

*This
Letter sent to All
Parties we hope to obtain
help from.*

Dear

I wish, at this time, to advise you regarding some of the long range plans and goals set by the Board for Wrangell General Hospital and Long Term Care Facility, and ask for your comments and letter of support, if possible, to attach to the "Certificate of Need" we are preparing.

Ackley, Jensen Architects, Inc. in Juneau have been hired to do the preliminary work of conceptual design options, the construction costs and the relative operation and maintenance cost of each and assist in the preparation of a "Certificate of Need" for remodeling and/or expanding the facility.

Following are the areas under consideration and those noting the need of upgrading:

Items written up in the Department of Health and Social Services survey for Certification and Licensure as being in non compliance:

- Laundry too small and does not have correct area for dirty and clean linen
- Operating room floor conductivity testing not working
- No shower provisions for outpatient surgery patients
- Ventilation system does not provide 90% efficiency filter system for critical care areas (O.R., O.B., Nursery)
- Electrical bed in C.C.U. is not type which is safe for electrically susceptible patients.
- Dishwasher leaks and does not maintain proper water temperatures
- Need for office area and added freezer in dietary department
- No proper dressing rooms, showers, for nurses and doctors opening directly into surgery
- Inadequate storage all areas.

Items noted in State Architects Survey done November, 1980, all of above items plus:

- Improper storage X-ray film files (in waiting room)
- Lack of space for medical records and security measures
- Inadequate employee parking
- No area for maintenance and repairs of equipment
- No garage for Van used to transport patients and supplies
- Lack of space for meetings, inservice training and office space
- No standby water supply and present city water is not filtered, causing problems with machinery due to "muskeg" content

Noted in State Energy Audit done:

- Replacement of light fixtures with lower energy users
- Improper insulation
- Old poor operating furnaces and boiler, that do not have any energy saving devices

- Need to have other types of fuel possibilities investigated, i.e. (electricity, wood, sawdust, etc)

Increased work area and equipment needs for Laboratory noted by Pathologist Consultant: i.e.

- Addition of Coagulation Timer (Fibrometer), Clinical incubator, Photometer, Chloride meter, Channel analyzer, Coulter Counter-S, and CO₂ Incubator, plus additional refrigeration space.

Radiologist Consultant noted need of ultrasound machine and area to install it and area for viewing X-ray film and dictation equipment.

American Sterilizer Company inspection noted need for improved ventilation in Central Supply room and proper venting of Ethelene Oxide Sterilization equipment to outside of building

State Fire Marshall noted poor storage of oxygen supplies, combustible items and inadequate storage in all areas.

Areas noted by the Hospital staff to help working conditions and improve level of care to the patients:

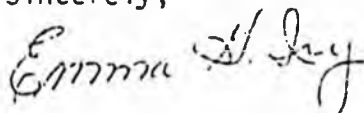
- Increase dining room area
- New nurse call system - updated and add to Physical Therapy, X-ray department and other areas not connected. (Hospital portion of call system is 12 years old obsolete and new parts can not be obtained)
- Upgrade C.C.U. - add telemetry "holder monitor"
- Up-date O.B. suite by removing one wall and locating special equipment behind folding doors so birthing concept can be utilized as much as possible
- Add small room for use as barber/beauty shop
- Add treatment room for care of patients; i.e. dressing, special treatments, burn care, etc. to relieve congestion of E.R. and better sanitation methods
- Enlarge day room and add folding doors to provide area for Activities, Recreation and Crafts. Larger room needed as 90% of Long Term Care residents are in wheel chairs and all meals are eaten in present room
- Add 4 new private rooms and make other rooms private that are now used as semi-private. No change in bed capacity but would improve utilization of 9 acute care beds by solving patient mix problem
- Enlarge employee locker area
- Enlarge office space and obtain needed equipment, i.e. Microfiche reader printer, copy machine, computer module to tie into present city owned computer, etc

Investigate possible Health Center Concept with addition of office space for other health related organizations in town - Clinic space, soundproof hearing testing module, etc. Hospice services for terminal cases. Space for accomodation of mental patients on temporary basis.

Funding for the project we hope to obtain through legislation from the State.

Please let me hear from you by the 15th of January, in the enclosed stamped self addressed envelope.

Sincerely,



Emma G. Ivy, R.N.
Administrator
EGI/bk - encl

PETERSBURG GENERAL HOSPITAL

- NEED:
- Certificate of Need granted August of 1981
 - building is 25 years old
 - has been cited repeatedly by State Licensure Section for physical plant violations which can only be corrected by total reconstruction
 - has maintained Licensure only through Federal Emergency Access Hospital Provisions.

Petersburg is a very small jurisdiction. The hospital serves this population as well as a large area outside the municipal boundaries. The need is documented however, the tax base of Petersburg is not sufficient to support the capital expenditure to replace this facility.

Along with Cordova and Wrangell, Petersburg is a highest priority need for replacement and assistance.



Alaska State Legislature

House of Representatives

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

April 22, 1982

Senator Charlie Parr
Pouch V
Juneau, Alaska 99801

Dear Charlie:

This is a request that SB 891 be amended to include:

1. An \$8 million appropriation for replacement of Petersburg Hospital and Long Term Care Facility and
2. A \$9 million appropriation to Wrangell General Hospital for design and construction.

Both of these facilities have received Certificates of Need from the Department of Health and Social Services and rank in the top priorities as determined in a recent Department survey.

Further, they are in small communities and are not able to otherwise finance these critical capital needs. Petersburg has been informed that it could lose its Medicare and Medicaid certification if licensure standards are not soon met.

Sincerely,

Ernie

Rep. E.J. "Ernie" Haugen

EJH/pg

cc: Senator Eliason