

**Employment Security Division**

# **Resource Book**

**FISCAL YEAR 2013**



**ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT**

**Available online at [labor.alaska.gov/esd](http://labor.alaska.gov/esd)**



This resource book covers fiscal year 2013, which ended June 30, 2013.

This report provides an overview of programs administered by the Employment Security Division and statistics and other information related to those programs.

## **A Note from the Director**

This resource book provides programmatic information and performance data for fiscal year 2013, July 1, 2012 – June 30, 2013. I hope you find the information useful and enlightening.

This report demonstrates each employee's commitment in carrying out the functions of our mission and through our core values below.

**Mission:** Provide labor exchange, employment and training services, and unemployment insurance to Alaskans and Alaska businesses, thereby advancing opportunities for employment and providing economic stability for communities in Alaska.

### **Core Values:**

- Integrity
- Teamwork
- Respect
- Customer service
- Communication
- Excellence
- Training
- Creativity

Whether you are looking for information on Unemployment Insurance, Job Centers, Adult Basic Education, or one of the myriad of other programs we operate in service to Alaskans, I am confident that you will see that our employees are committed to providing top-tier service to Alaskans.

James E. Harvey  
Director  
Employment Security Division

**Executive Summary**

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## Overview

### Employment Security Division

The Employment Security Division (ESD) provides services to connect employers with a skilled workforce, keep workers in Alaska, and sustain communities through the delivery of unemployment insurance.

### Programs Administered by the Employment Security Division

#### Adult Basic Education

- General Educational Development

#### Employment & Training

- Alaska Career Ready
- Alaska Youth First
- Disability Employment Initiative
- Employment Service
  - Job Seeker and Employer Services
- Fidelity Bonding
- Foreign Labor Certification
- Job Training
  - Workforce Investment Act
  - State Training and Employment Program
- Mature Alaskans Seeking Skills Training
- Rapid Response
- Reemployment Services/Reemployment Eligibility and Assessment
- Trade Adjustment Assistance
- Veterans' Employment and Training Services
- Work Opportunity Tax Credit
- Work Services

#### Unemployment Insurance

- Appeals
- Benefit Payment Control
- Claim Centers
- Extended Benefit Programs
- Quality Control (Benefit Accuracy Measurement)
- UI Tax

## Key Contacts

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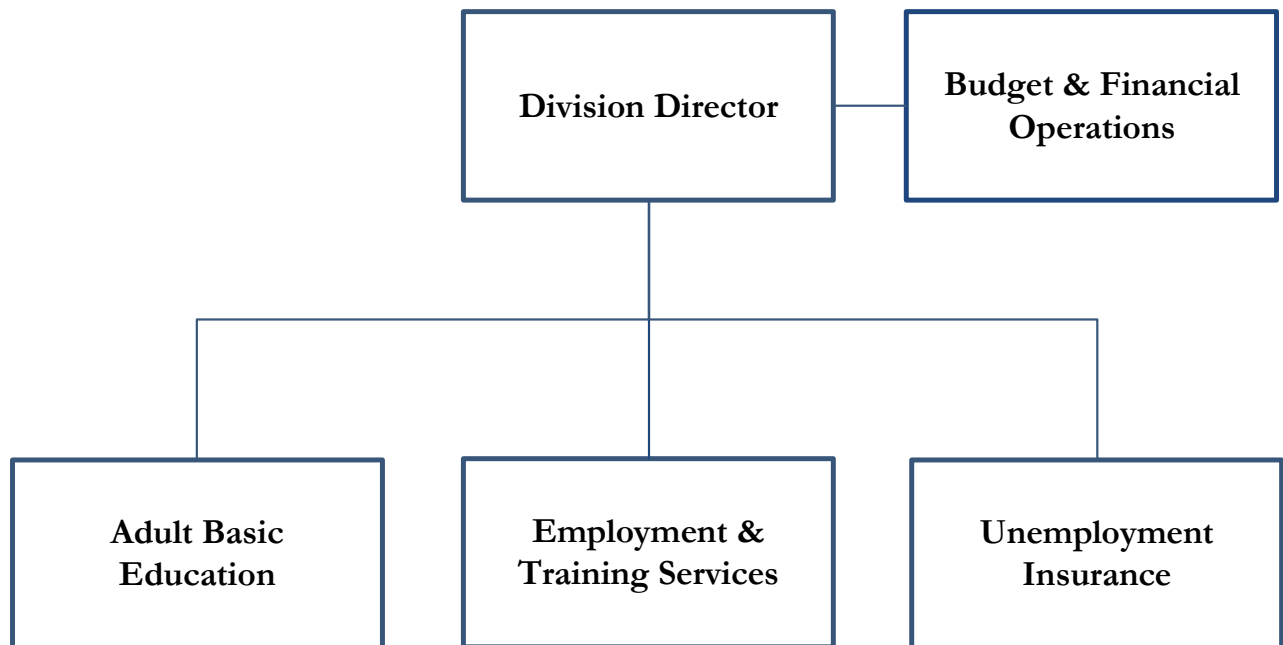
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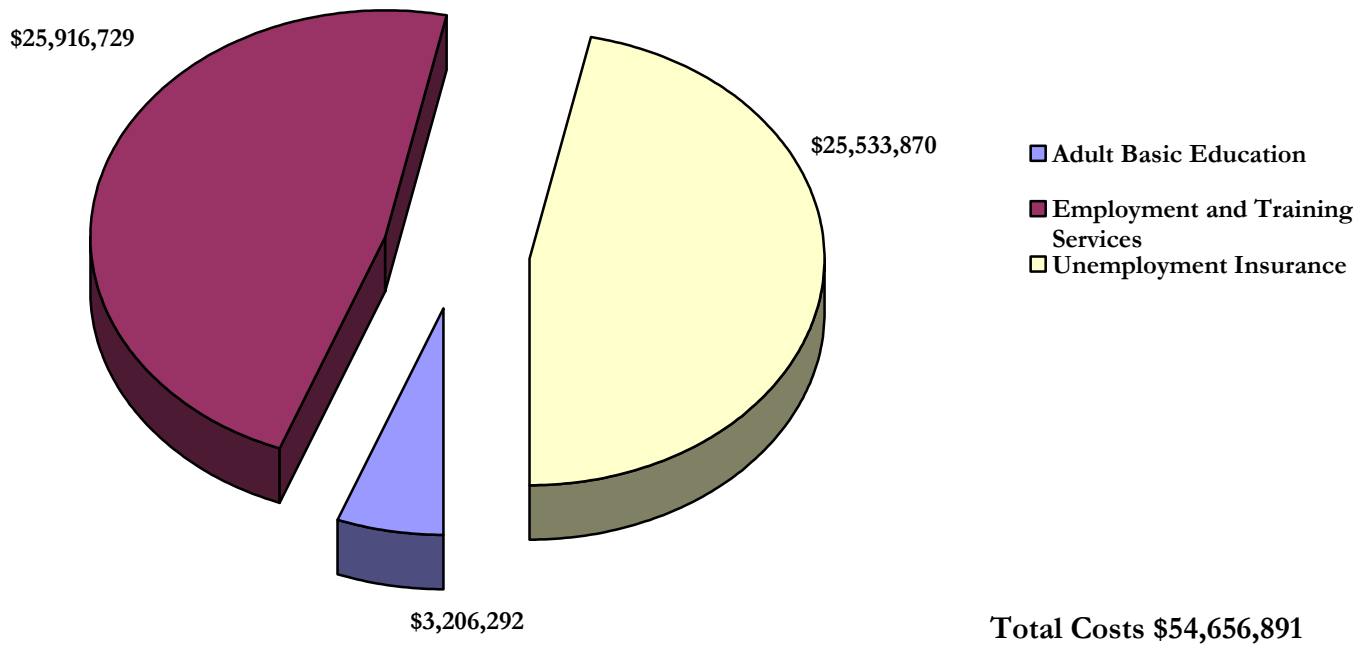
Home Page: [Labor.Alaska.Gov/esd](http://Labor.Alaska.Gov/esd)  
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## Employment Security Division Program Organization





## Employment Security Division Component Costs



## Overview

### **Budget and Financial Operations Unit**

The Budget and Financial Operations Unit is directed by an Administrative Operations Manager with a staff of seven supporting the Employment and Training Services, Unemployment Insurance, and Adult Basic Education components in the Employment Security Division. Staff prepare the division's annual operating budget, provide financial management, develop and maintain internal controls to ensure compliance to state and federal policies, act in an oversight capacity for personnel documents and serve as liaisons to other state agencies.

### **Programs Administered by the Budget and Financial Operations Unit**

- Budgetary Activities
- Office of Management and Budget Performance Missions and Measures
- Policies and Procedures
- Unemployment Insurance Trust Fund Accounting
- Procurement
- Financial Management
- Personnel Activities

## *Adult Basic Education*

## **Overview**

### **Adult Basic Education**

The Adult Basic Education (ABE) program serves adults who need a high school diploma, have math and reading skills below the 12th grade level, or need to study English as a second language. The ABE program helps adults prepare for transition into the labor market, higher academic or vocational training. The desired outcome of all ABE program activities is that adult learners reach a higher level of self-sufficiency as an individual, community member, and employee.

### **Programs Administered by Adult Basic Education**

- Adult Basic Education
- General Educational Development (GED) Testing in Alaska

## Retrospect

The Adult Basic Education (ABE) program continued to serve adults who need a high school diploma, have math and reading skills below the 12th grade level, or need to study English as their second language.

Following are highlights of major accomplishments of the ABE program during fiscal year 2013:

- The ABE program admitted 6,025 students seeking educational assistance.
- Of those students, 2,967 (49%) studied in the programs for 12 or more hours.
- Of the 2,967 full-time students:
  - 1,905 (64%) tested as having reading and/or math skills at the 8<sup>th</sup> grade level or below.
  - 266 (9%) tested as having reading and/or math skills at the 9<sup>th</sup> to 12<sup>th</sup> grade level.
  - 796 (27%) tested on the Basic English Skills Test (BEST) and studied English as a Second Language.
- Of the 2,967 full-time students, 1,275 were post-tested and 51% of them showed educational gain.
- Department of Labor and Workforce Development awarded 1,624 General Educational Development (GED) diplomas. The Alaska Department of Education and Early Development reports that in school year 2012-2013, 7,847 high school diplomas were awarded. The 1,624 GED diplomas represent 17% of all diplomas awarded in that year.
- ABE staff began preparing for changes that GED Testing Service, the private company which owns the GED test, is making. Beginning in 2014, the tests will be given only on computers at sites designated by GED Testing Service.

## **Organization Overview**

Adult Basic Education (ABE) provides adult learners with instruction in the basic skills of reading, writing, mathematics, English as a Second Language (ESL), or General Educational Development (GED) preparation. The intent is to prepare adults for transition into the labor market or higher academic or vocational training.

GED testing is provided through official GED Testing Centers.

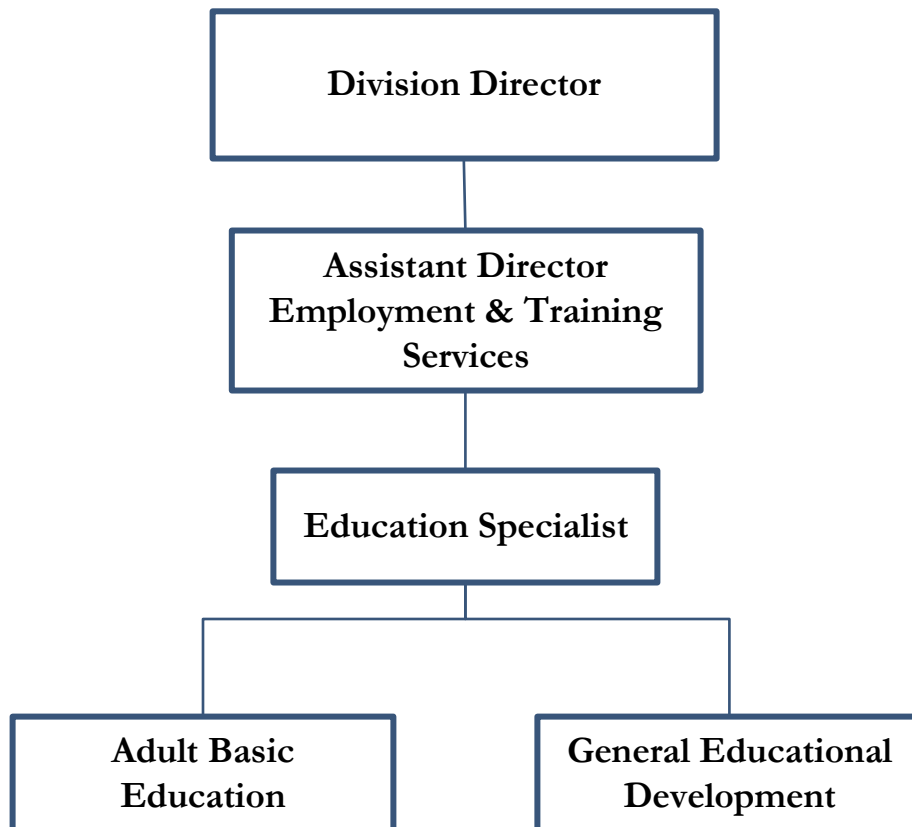
### **Adult Basic Skills Instruction**

Regional grantees provide adult learners with instruction in reading, writing, mathematics, GED preparation, and English as a Second Language. Workplace literacy is taught and includes an emphasis on the basic skills necessary for employment. Focused math courses are available for learners wishing to enter apprenticeship programs. Instruction in English literacy and civics is offered for learners preparing for citizenship testing.

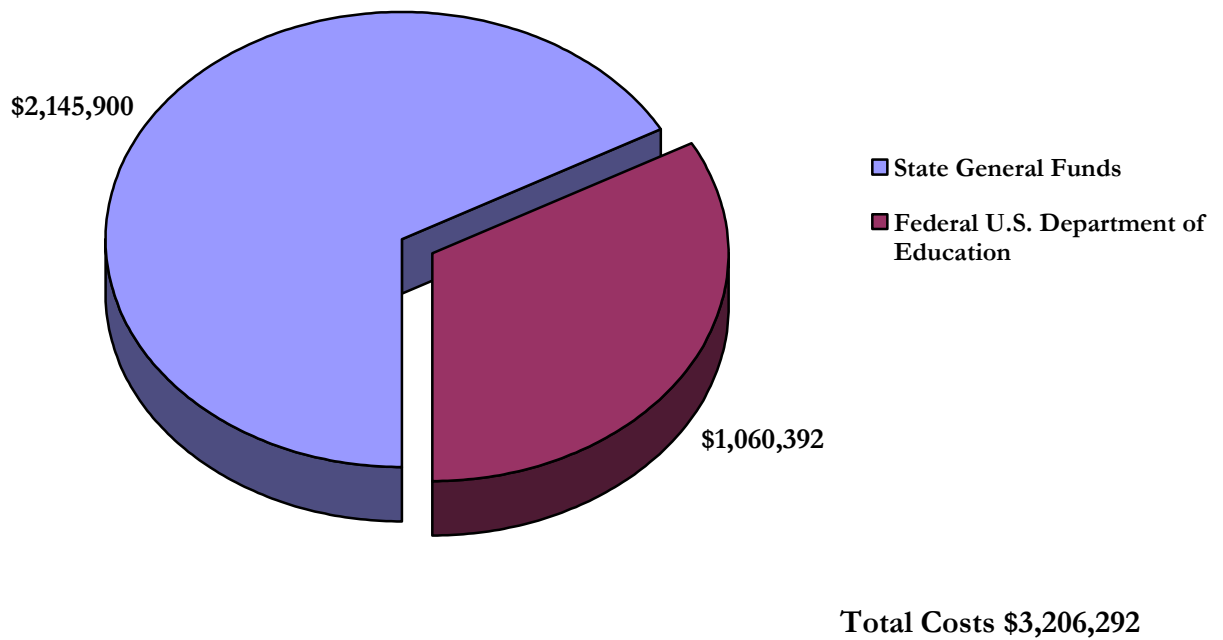
### **General Educational Development**

GED tests are taken by adults who have not graduated from high school and who wish to demonstrate a level of educational achievement sufficient to earn a high school credential. The tests measure achievement in subjects associated with a high school program of study: language arts-reading, language arts-writing, mathematics, science, and social studies. The tests are administered regularly at 18 official GED Testing Centers in Alaska, and at addendum sites associated with these testing centers.

## Adult Basic Education Functional Organization



## Adult Basic Education Component Costs





## Adult Basic Education

### Description

The Adult Basic Education (ABE) program provides adult learners with:

- Instruction in the basic skills of reading, writing, and mathematics
- English as a Second Language (ESL)
- General Educational Development (GED) test preparation in order to prepare adults for transition into the labor market or higher academic or vocational training

ABE funds 13 regional ABE programs, three Volunteer Literacy programs, one ABE/GED grant with the Department of Corrections, and one statewide English Literacy and Civics Education program.

Collectively, these programs provide the following ABE services and activities:

- Instruction in the skills of reading, writing, and mathematics
- Workplace literacy instruction to prepare for employment
- Focused instruction in math skills to enter an apprenticeship program
- Instruction and practice testing in preparation to take GED tests
- Instruction of English literacy skills in preparation for citizenship testing

ABE Grantees:

| <b>Regional ABE Programs</b>           | <b>Grantee</b>   |
|--|--|
| Aleutian-Pribilof                      | Nine Star Enterprises, Inc.                                  |
| Anchorage                              | Nine Star Enterprises, Inc.                                  |
| Barrow                                 | Ilisagvik College  |
| Bethel                                 | University of Alaska Fairbanks (UAF) Kuskokwim Campus        |
| Bristol Bay                            | UAF Bristol Bay Campus                                       |
| Fairbanks                              | Adult Learning Program of Alaska                             |
| Kenai Peninsula                        | University of Alaska Anchorage (UAA) Kenai Peninsula College |
| Kodiak                                 | UAA Kodiak College   |
| Kotzebue                               | Northwest Arctic Borough School District                     |
| Mat-Su Regional ABE                    | Nine Star Enterprises, Inc.                                  |
| Nome                                   | Kawerak, Inc.  |
| Prince William Sound                   | UAA Prince William Sound                                     |
| Southeast Alaska                       | Southeast Regional Resource Center                           |
| <b>Statewide ABE Program</b>           | Alaska Department of Corrections                             |
| <b>Volunteer Literacy Programs</b>     |  |
| Anchorage                              | Alaska Literacy Project                                      |
| Fairbanks                              | Literacy Council of Alaska                                   |
| Juneau                                 | Southeast Regional Resource Center                           |
| <b>English Literacy/Civics Program</b> |  |
| Statewide                              | Nine Star Enterprises, Inc.                                  |

Continued on next page

**Costs**

|                                      |                           |
|--------------------------------------|---------------------------|
| State General Funds                  | \$2,145,900               |
| Federal U.S. Department of Education | <u>1,060,392</u>          |
| <b>Total</b>                         | <b><u>\$3,206,292</u></b> |

|                                 |     |
|---------------------------------|-----|
| Staffing (full-time equivalent) | 3.0 |
|---------------------------------|-----|

**FY 2013 Statistics**

|                        |       |
|------------------------|-------|
| ABE full-time students | 2,967 |
| GED diplomas awarded   | 1,624 |

| <b>GED Testing Center</b>              | <b>Graduates</b> |
|--|------------------|
| Anchorage                              | 383              |
| Alaska Military Youth Academy          | 196              |
| Aleutian/Pribilof                      | 3                |
| Barrow                                 | 10               |
| Bethel                                 | 109              |
| Bristol Bay                            | 11               |
| Department of Corrections              | 185              |
| Fairbanks                              | 142              |
| Homer                                  | 37               |
| Joint Base Elmendorf-Richardson (JBER) | 17               |
| Kodiak                                 | 30               |
| Kotzebue                               | 27               |
| Mat-Su                                 | 168              |
| Nome                                   | 25               |
| Prince William Sound                   | 25               |
| Seward                                 | 8                |
| Soldotna                               | 103              |
| Southeast                              | 123              |
| Out-of-state Alaskans*                 | 22               |
| <b>Total</b>                           | <b>1,624</b>     |

\*Alaskan residents who are out-of-state with the military or with a correctional institution.

*Employment and  
Training Services*

## Overview

### Employment and Training Services

Employment and Training Services (E&TS) promotes long-term employment to Alaska's workforce and economic stability to the state by providing employment and training services to employers and job seekers and facilitating connections between the two.

### Programs Administered by Employment and Training Services

- Alaska Career Ready
- Alaska Youth First
- Disability Employment Initiative
- Employment Service
  - Employer Service
- Fidelity Bonding
- Foreign Labor Certification
- Job Training
  - Workforce Investment Act
  - State Training and Employment Program
- Mature Alaskans Seeking Skills Training
- Rapid Response
- Reemployment Services/Reemployment Eligibility and Assessment
- Trade Adjustment Assistance
- Veterans' Employment and Training Services
- Work Opportunity Tax Credit
- Work Services

## Retrospect

As in previous years, fiscal year 2013 was busy and challenging for Employment and Training Services (E&TS) or the component. The E&TS continues to strengthen long-term employment among Alaska's workforce and economic stability for the state by providing employment and training services to employers and job seekers and facilitating connections between the two.

Following are highlights of major accomplishments of E&TS during fiscal year 2013:

- Job posting on ALEXsys increased 21% in FY13 to 64,729, a five year high. The percentage of ALEXsys registrants that entered employment after receiving services through the Alaska Job Center Network increased by over 4% to 39,003, a four year high.
- The Alaska Department of Labor & Workforce Development (DOLWD) was a grantee of the Alaska Mobility Coalition for a veteran transportation project. The project funded 353 transportation passes statewide. The passes covered employment and training related transportation via bus or taxi; 325 passes were issued in May and June of this year and exhausted the grant.
- The annual "Hiring Our Heroes" event on November 12, 2012 produced 129 employers, education, training and apprenticeship providers who served more than 1,200 veterans and their families.
- The Anchorage Youth Job Center career guides have developed a partnership with the Alaska Military Youth Academy (AMYA), working with approximately 300 youth-aged cadets per year. The cadets are being tested with WorkKeys and in August 2012, 62 youth earned a National Career Readiness Certificate (NCRC), and in February 2013, 71 youth earned a NCRC.
- E&TS continues to streamline the Alaska Labor Exchange system (ALEXsys). This includes a project that will update and streamline the employer section of ALEXsys. The goal is to improve the functionality and usability for employers and staff.
- The ALEXsys Help Desk Virtual Call Center (VCC) Pilot Project became operational December 2012. Currently, the Help Desk VCC covers 15 job centers and 289 Alaska prefixes. The VCC receives approximately 15-20 calls a day for assistance with registrations, resumes, and password assistance as well as various workforce related questions which alleviates job center staff time.
- The Disability Employment Initiative program is continuing to provide services to person with disabilities and Ticket-to-Work ticket holders. There are five Employment Networks in Alaska: Juneau Job Center; Fairbanks Job Center; Midtown and Muldoon Job Centers in Anchorage; and Peninsula Job Center in Kenai.
- The Reemployment Services (RES) model of service delivery consists of an orientation and career tracks that are accessible by all job seekers online via ALEXsys or from workshops in the job centers. There were 7,019 Unemployment Insurance recipients required to review the online orientation to maintain UI benefits. Also, out of 9,962 EUC recipients who were required to complete the online orientation, 9,229 completed it. There were 10,655 job seekers who voluntarily reviewed the orientation.
- Mature Alaskans Seeking Skills Training (MASSI) placed 61.1% of participants into unsubsidized employment which exceeds the federal requirement by more than 200%. Of those placed, 76.5% were still employed in those jobs six months later.
- E&TS is working on a project to automate the Work Opportunity Tax Credit system. This project will replace the current manual system and establish an online portal where employers who apply for tax credits can easily register and submit applications in a timelier manner.

## Organization Overview

Employment and Training Services (E&TS) is composed of two units that provide administrative, programmatic, and service delivery functions as follows:

### Grants and Program Support

The Grants and Program Support unit is led by an Assistant Director and a team composed of an Education Specialist, Employment and Training Technical Unit Manager, and three Program Coordinators. The unit administers the following programs:

- Mature Alaskans Seeking Skills Training
- Alaska Career Ready
- Disability Employment Initiative
- Fidelity Bonding
- Foreign Labor Certification
- Trade Adjustment Assistance
- Veterans' Employment and Training Services
- Work Opportunity Tax Credit programs

The unit also provides guidance and technical support for:

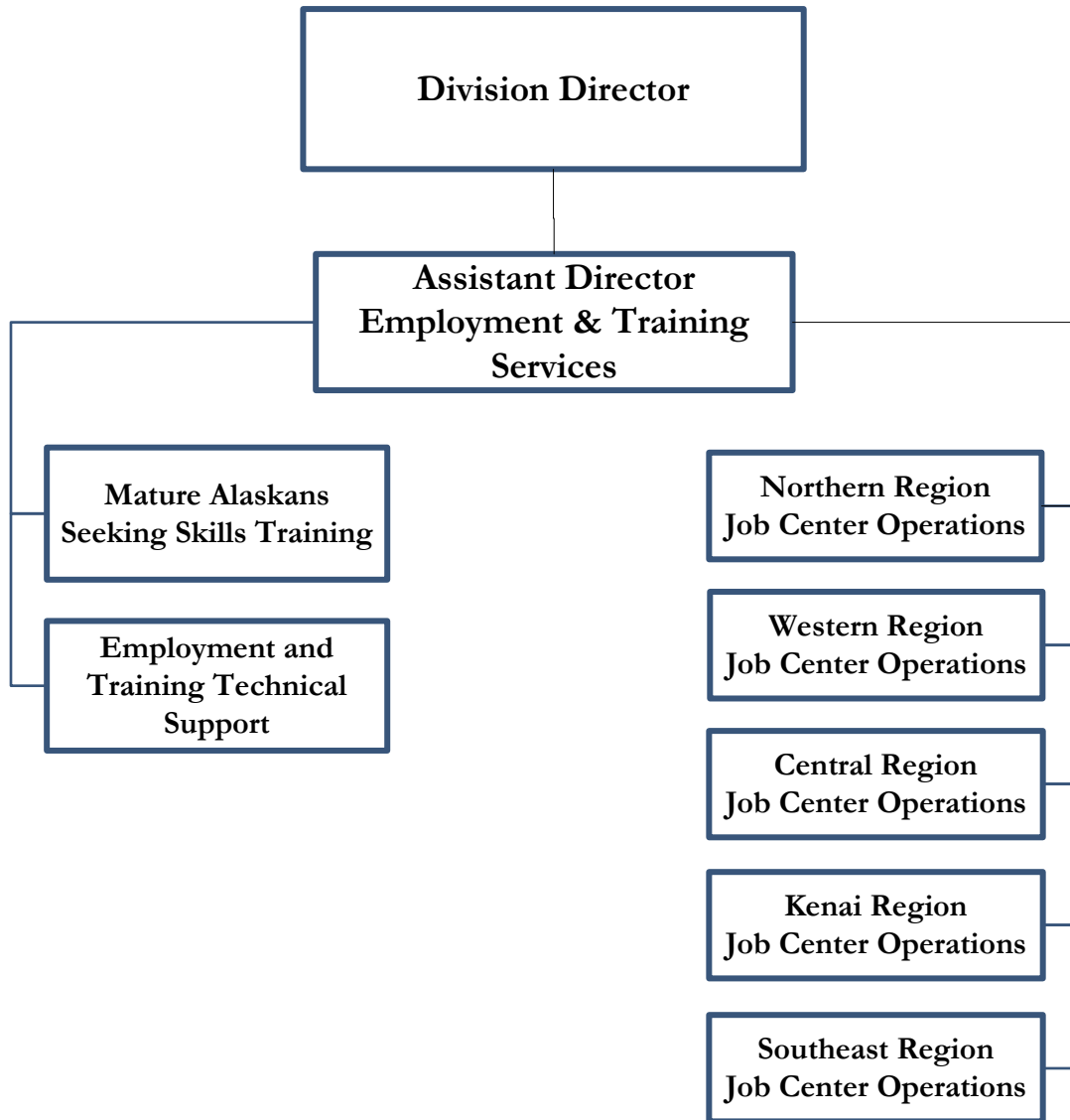
- Wagner-Peyser employment services
- Workforce Investment Act job training activities
- Work Services
- Proposed federal and state legislation, regulations, policies, and procedures impacting E&TS programs
- The Alaska Labor Exchange system (ALEXsys)
- Negotiating annual reimbursable services agreements for job training and Alaska Youth First programs
- Seeking new grant opportunities, preparing applications, and administering the implementation of new grants when they are awarded

### Job Center Operations

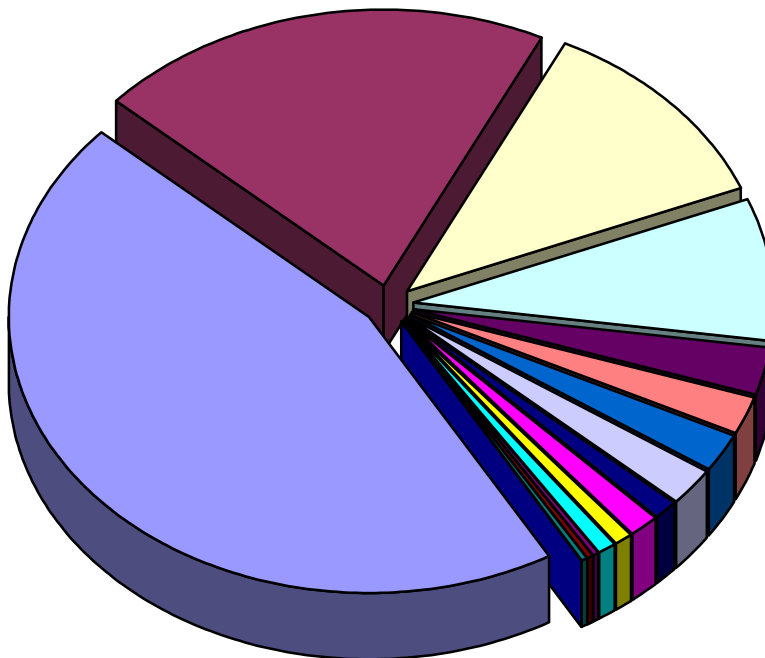
Working primarily under the One-Stop concept of the Workforce Investment Act (WIA), this unit of E&TS is composed of field staff stationed in 21 job centers throughout the state. One-stop job centers offer a full range of free services designed to assist the job seeker and employer. Staff deliver one or more of the employment and training programs to Alaska job seekers and assist employers with meeting their needs for qualified personnel.

The major programs delivered through the job centers cover the core, intensive and training categories defined in the Workforce Investment Act and include Employment Services, Veteran Services, Job Training Services, Youth First, Mature Alaskans Seeking Skills Training, and Work Services. Additional E&TS programs may be accessed through referral or direct delivery as appropriate based upon need and eligibility. Job center staff ensures that Alaskans are connected with other partner agencies that provide assistance in various ways to help Alaskans meet their employment goals.

# Employment and Training Services Organization



## Employment and Training Services Component Costs



- Employment Service - \$11,653,943
- Job Training - \$5,344,437
- Work Services - \$3,032,854
- MASST - \$2,159,087
- DEI - \$699,617
- Alaska Youth First - \$610,054
- MA - \$565,966
- VETS - \$524,323
- RES/REA - \$345,487
- Other - \$333,867
- Alaska Career Ready - \$227,135
- TAA - \$194,627
- Rapid Response - \$100,067
- WOTC - \$64,743
- FLC - \$59,542
- Fidelity Bonding - \$980

**Total Costs \$25,916,729**

**DEI:** Disability Employment Initiative  
**FLC:** Foreign Labor Certification  
**MA:** Management Administration  
**MASST:** Mature Alaskans Seeking Skills Training  
**Other:** Not otherwise listed in this book such as General Funds, Valdez Public Assistance, Job Fair Receipts, PAN for TSA Testing and Veterans Transport Project  
**RES/REA:** Reemployment Services/Reemployment Eligibility and Assessment  
**TAA:** Trade Adjustment Assistance  
**VETS:** Veterans' Employment and Training Services  
**WOTC:** Work Opportunity Tax Credit



## Alaska Career Ready

### Description

The Alaska Career Ready (ACR) program allows adult job seekers and students to evaluate their readiness for work, college, and occupation training, and to improve basic skills valued by employers and educators. ACR is a partnership between the Alaska Department of Labor and Workforce Development (DOLWD) and the Alaska Department of Education and Early Development.

ACR is composed of Career Ready 101/KeyTrain, WorkKeys®, the National Career Readiness Certificate, and Job Profiling. WorkKeys assessments and Career Ready 101 courseware are available to job seekers and employers at no cost to help assess skills critical to job success.

DOLWD has two ACT trained Workkeys Profilers that analyze a job or curriculum to identify benchmark WorkKeys skill level scores as key performance indicators for an individual's success. When businesses hire employees who meet these skill levels they reduce recruiting, training and turnover costs and speed up time to full productivity.

### Costs

Federal Wagner-Peyser \$227,135

Staffing (full-time equivalent) 1.0

### FY 2013 Statistics

|  |       |
|--|-------|
| Career Ready 101/KeyTrain registrants  | 3,612 |
| WorkKeys assessments                   | 3,591 |
| National Career Readiness Certificates | 1,170 |
| Employer profiles                      | 7     |

## Alaska Youth First

### Description

The Alaska Youth First (AYF) program prepares Alaska's youth for entry into state designated priority occupations and industries such as health care, energy, and construction. Career guides in job centers establish working relationships with partner agencies and employers to promote career planning and development for youth. Career guides work to provide assistance and support to youth training academies around the state which prepare youth for the workforce, provide certification which enhances job opportunities, and often result in youth gaining apprenticeships, employment, or experience applicable towards their career pursuit. Career guides assist youth with increasing their employability skills by delivering training on workplace etiquette and communications, appropriate work behaviors, current labor market outlook, job searching, interviewing, and resume writing. A major component of the program is outreach to partner agencies to target the at-risk youth population (such as the Alaska Military Youth Academy, juvenile detention centers, and homeless shelters).

Alaska Military Youth Academy (AMYA) students are now receiving regularly scheduled career guide services as part of their curriculum. A series of workshops are presented throughout each cycle which include: introduction to AKCIS and career exploration, introduction to Career Ready 101 and practice testing, resume development, interviewing skills, ALEXsys registration, job searching, construction and healthcare employment/training opportunities, mock interviews, and WorkKeys testing.

### Costs

State General Funds\* \$610,054

\*Funds are secured through a Reimbursable Services Agreement with the DOLWD's, Division of Business Partnerships.

Staffing (full-time equivalent) 6.25

### FY 2013 Statistics

|  |       |
|--|-------|
| Youth served   | 7,911 |
| AMYA students who received career guide services                   | 480   |
| AMYA students who received a National Career Readiness Certificate | 213   |
| Participated in Job Clubs (includes in-school and summer sessions) | 205   |
| Earned high-demand occupational certifications                     | 250   |
| Job Club/Construction Academy participants                         | 170   |
| Attained certifications in the construction industry               | 255   |
| Attended healthcare academy courses                                | 990   |
| Attained certifications in the healthcare industry                 | 189   |

## Disability Employment Initiative

### Description

The Disability Employment Initiative (DEI) is a three-year federal grant funded program that improves education, training, employment opportunities, and employment outcomes for individuals who are unemployed, underemployed and/or receiving Social Security disability benefits. This program has been extended for another six months through March 2014.

Social Security's Ticket-to-Work program supports career development for people with disabilities who want to work. The program offers beneficiaries with disabilities improved access to meaningful employment with the help of specialized coordinators. The Ticket program and Work Incentives allow beneficiaries to keep their benefits while exploring employment, receiving vocational rehabilitation, or gaining work experience.

During FY13, there were five Employment Networks in Alaska: Juneau Job Center; Fairbanks Job Center; Midtown and Muldoon Job Centers in Anchorage; and Peninsula Job Center in Kenai. An updated (April 2013) Memorandum of Agreement with the Alaska Department of Labor and Workforce Development's Division of Vocational Rehabilitation (DVR) has improved communication and partnership efforts.

Continued activities in FY14 include:

- Complete training of all Employment Security Division (ESD) staff for Disability Resource Coordinator I's, and promote training for interested staff to become Disability Resource Coordinator II's
- Establish online training for all new ESD staff
- Continued meetings with the DVR to solidify the "Partnership Plus"
- Increase ticket assignments through Partnership Plus and outreach efforts

Agencies that are partners include with ESD include the Alaska Workforce Investment Board (AWIB), Division of Public Assistance, Governor's Council on Disabilities and Special Education, Social Security Administration, Alaska Housing Authority, and DVR.

### Costs

|                   |                  |
|-------------------|------------------|
| Federal DEI grant | \$690,217        |
| Ticket to Work    | <u>\$9,400</u>   |
| Total             | <u>\$699,617</u> |

Staffing (full-time equivalent)

9

### FY 2013 Statistics

|   |         |
|---|---------|
| Payments received from the Social Security Administration       | \$9,400 |
| Beneficiaries with ticket-to-work assigned to ESD               | 11      |
| Beneficiaries with ticket-to-work pending to ESD                | 1       |
| Number of beneficiary ticket-to-work holders currently employed | 7       |

## Employment Service

### Description

The One-Stop delivery system collaborates with partners to create a seamless system of service delivery that will enhance access to services and improve long-term employment outcomes for individuals receiving assistance.

The Employment Service program is the foundation of the One-Stop delivery system in Alaska that provides universal access to labor exchange, employment services, and training services. The goal of universal access is the provision of services to workers, job seekers, and employers under one roof from easy-to-find locations. The delivery points for employment services are within the 21 job centers located throughout the state and online at [www.Jobs.Alaska.Gov](http://www.Jobs.Alaska.Gov).

As part of the One-Stop service delivery system, the Employment Service provides a variety of employment-related labor exchange services, including job search assistance, job referral and placement assistance for job seekers, re-employment services to unemployment insurance claimants, and recruitment services to employers with job openings. Services are delivered in one of three modes including self-service, facilitated self-help services, and staff-assisted service delivery. Depending on the needs of the labor market, services may be available such as job seeker assessment of skill levels, abilities and aptitudes, career guidance when appropriate, job search workshops, and referral to intensive and training services.

Apprenticeship specialists in the job centers provide information to employers on sponsoring an apprenticeship program. Apprenticeships allow employers to establish the standards of proficiency, while developing a local and loyal workforce. Any business that requires skilled employees can benefit from an apprenticeship.

The department's efforts in providing prisoner re-entry services has proven to be successful in assisting prisoners transitioning back into communities. We are partnering with the Department of Corrections in coordinating and developing job placement assistance and services for those individuals.

Services offered to employers, in addition to referral of job seekers to available job openings, include:

- Assistance in development of job order requirements
- Matching job seeker experience with job requirements, skills and other attributes
- Assisting employers with special recruitment needs
- Coordinating job fairs
- Helping employers analyze hard-to-fill job orders
- Helping employers minimize or avoid layoffs or business closures
- Establishing USDOL recognized apprenticeship programs

### Costs

|                            |                            |
|----------------------------|----------------------------|
| Federal Wagner-Peyser*     | \$7,306,147                |
| UI Modernization           | 3,645,300                  |
| Training and Building      | 659,900                    |
| One-Stop Veteran Reporting | <u>42,596</u>              |
| <b>Total</b>               | <b><u>\$11,653,943</u></b> |

\*Net of Alaska Career Ready and Fidelity Bonding

Staffing (full-time equivalent) 66.5

### FY 2013 Statistics

|  |           |
|--|-----------|
| Online labor exchange visits (ALEXsys) | 1,840,681 |
| Job center visits                      | 254,908   |
| Job listings in ALEXsys                | 61,487    |

See the Employment Services Activity (Appendix A) for detailed information

## Fidelity Bonding

### Description

The Fidelity Bonding program is an employer-hire incentive program that provides insurance protection. It facilitates at-risk job applicants, including felons, to get and keep a job. Bonding provides an opportunity for employers to hire from a larger pool of qualified applicants without putting themselves at financial risk.

Employers may also use bonding to promote a current employee to a more responsible position within the company without exposing the company to risk.

The Department of Labor and Workforce Development secures bonds from the Travelers Property Casualty Insurance company as needed. Bonds are issued to employers that agree to hire at-risk applicants.

### Costs

Federal Wagner-Peyser \$980

### FY 2013 Statistics

| Bond Category | Employers |
|---------------|-----------|
| \$5,000       | 9         |
| \$10,000      | 0         |
| \$15,000      | 1         |
| \$20,000      | 0         |
| \$25,000      | 0         |
| <b>Total</b>  | <b>10</b> |

## Foreign Labor Certification

### Description

The Foreign Labor Certification (FLC) program ensures that the admission of foreign workers into the United States will not adversely affect the job opportunities, wages, or working conditions of United States workers.

FLC allows employers to apply for permission to hire foreign nationals to work in Alaska, in positions that cannot otherwise be filled by U.S. workers. The Employment Security Division facilitates a portion of the application process for two visa categories:

- H-2A (Temporary Agricultural)
- H-2B (Temporary Non-Agricultural)

### Costs

|                                 |          |
|---------------------------------|----------|
| Federal USDOL Grant             | \$59,542 |
| Staffing (full-time equivalent) | .75      |

### FY 2013 Statistics

| Type of Foreign Labor Certification application | Applications submitted for Foreign Labor Certification* | Total Positions |
|---|---|-----------------|
| H-2B Seafood industry                           | 49  | 431             |
| H-2B Non-seafood industry                       | 10  | 95              |
| H-2A Temporary agricultural                     | 1   | 20              |

\*An application for certification can be for one or more positions.

## Job Training

### Description

Career Support and Training Services (CSTS) case managers, located in job centers, work with participants and employment service partners to develop individual training accounts, resulting in sustainable employment. CSTS uses various funds to cover training costs. Necessary supportive service expenses may also be funded. To make use of all available funding, the trainee may be concurrently enrolled in other programs for which the trainee qualifies. Post-training job placement and follow up assistance is also provided.

Job training programs funded through:

- Workforce Investment Act (WIA)
- State Training Employment Program (STEP)

These programs support vocational training, on-the-job training, and apprenticeship-related instruction to help Alaskans qualify and obtain high-demand jobs that lead to economic self-sufficiency. Training services are available to youth, adults, and dislocated workers through Alaska job centers and selected training providers and partners across the state.

### Costs

|  |                           |
|--|---------------------------|
| Federal Workforce Investment Act Base Grant            | \$3,196,673               |
| State General Funds, State Training Employment Program | 2,050,455                 |
| State General Funds, Film Training                     | <u>97,309</u>             |
| <b>Total</b>   | <b><u>\$5,344,437</u></b> |

Funds are secured through Reimbursable Services Agreements with the DOLWD, Division of Business Partnerships.

## FY 2013 Statistics

| Programs              | Participants | Exits        | Staffing FTE* |
|-----------------------|--------------|--------------|---------------|
| WIA Admin             |              |              | 2.90          |
| WIA Adult             | 2,638        | 2,558        | 10.71         |
| WIA Dislocated Worker | 283          | 102          | 8.66          |
| WIA Youth             | 27           | 10           | .92           |
| STEP Admin            |              |              | 2.86          |
| STEP                  | 581          | 208          | 8.99          |
| <b>Total</b>          | <b>3,529</b> | <b>2,878</b> | <b>35.04</b>  |

\*Full-time equivalent budgeted



## Mature Alaskans Seeking Skills Training

### Description

The United States Department of Labor's Community Service Employment Program for Older Americans, also known as the Senior Community Service Employment Program (SCSEP) is known in Alaska as Mature Alaskans Seeking Skills Training (MASST) is authorized by Title V of the Older Americans Act. The program is operated through Alaska's 21 one-stop job centers and its sub-recipients' organizations. The program serves the neediest unemployed older Americans who are low-income and not work ready with barriers to employment. MASST representatives work with host agencies to develop community service employment assignments that provide participants with on-the-job training and skills development that participants need to pursue local employment opportunities.

MASST strategies include identifying competencies that workers must have to do their jobs effectively, helping workers build specific skills, and assessing their work to ensure that they have the capacity to perform duties or tasks competently. Many of the participants' former work skills are transferable; however, most participants need computer training to be able to apply for work and transition into today's workforce. The types of employment that MASST participants are training in and accepting are: office and administrative support, food preparation and service, retail, sales, custodial, transportation, community and social services, and healthcare.

### Costs

|  |                           |
|--|---------------------------|
| Federal USDOL, Senior Community Service Employment Program | \$1,897,396               |
| State Matching Funds                                       |                           |
| State Training Employment Program (STEP)                   | 210,791                   |
| General Funds (GF)   | <u>50,900</u>             |
| <b>Total</b>   | <b><u>\$2,159,087</u></b> |

|                                 |     |
|---------------------------------|-----|
| Staffing (full-time equivalent) | 3.0 |
|---------------------------------|-----|

### FY 2013 Statistics

|  |         |
|--|---------|
| Quarterly average earnings made            | \$9,284 |
| Older workers assisted                     | 295     |
| Employment retention                       | 77.9%   |
| Participants exited into unsubsidized jobs | 61.1%   |

## Rapid Response (Layoff Services)

### Description

Rapid Response layoff services provide proactive customized strategies, support, and assistance to businesses, communities, families, and laid-off workers to minimize the impact of job loss and business closure. Rapid Response works with employers to identify resources that can help avert a potential layoff. If layoffs are imminent, Rapid Response helps transition existing workers into new employment prior to a layoff occurring.

Rapid Response services include:

- Information on filing for unemployment insurance
- Employment services such as resumé writing, interviewing techniques, labor market information, and job searching tips and resources
- Information on job training opportunities
- Employment counseling
- Information and access to federal, state, and local programs and funds
- Access to employment, training, and other job search and support services
- Connections to support services such as financial management, health insurance, housing, and childcare
- Trade Adjustment assistance as applicable

### Costs

Federal USDOL Workforce Investment Act\* \$100,067  
(Dislocated Worker sub-allocation)

\*Funds are secured through a Reimbursable Services Agreement with the DOLWD's, Division of Business Partnerships.

Staffing (full-time equivalent) 2.0

### FY 2013 Statistics

Businesses engaged 71  
Workers affected 1,888

| Top 10 Rapid Response events     | Location  | Workers Affected |
|----------------------------------|-----------|------------------|
| CH2MHill                         | Kenai     | 300              |
| Anchorage School District        | Anchorage | 100              |
| Fairbanks Comm Behavioral Health | Fairbanks | 100              |
| Williams Inc.                    | Juneau    | 85               |
| Interstate Brands                | Kenai     | 84               |
| Rum Runners                      | Anchorage | 70               |
| Archer Drilling                  | Kenai     | 44               |
| TriWest/TriCare                  | Statewide | 31               |
| Alaska Railroad                  | Anchorage | 29               |
| SE Regional Health Consortium    | Sitka     | 27               |

## Reemployment Services (RES)/Reemployment Eligibility and Assessment (REA)

### Description

Federal legislation enacted in February 2012 led to significant changes to the employment security system and to unemployment insurance claimants. The legislation, called the Middle Class Tax Relief and Job Creation Act of 2012, extended the deadline for federally-funded Emergency Unemployment Compensation (EUC) through December 2012 and set forth new requirements for State Workforce Agencies and EUC claimants. Since March 23, 2012, claimants filing for EUC have been required to document weekly work searches for continued unemployment insurance benefits eligibility. Claimants are also required to participate in reemployment services at an Alaska job center.

Required reemployment services:

- Receive labor market information
- An orientation of the online and in-person reemployment services available to them
- A work skills assessment
- An in-person review by Employment Security staff of the claimant's work search log and resume

All 21 one-stop job centers ensure that claimants can schedule themselves for a EUC-required workshop via ALEXsys for in-person review of their work search logs and resumé. Reports from statewide job center staff are encouraging as the requirement resulted in increased claimant awareness and usage of Alaska job center employment and training resources.

### Costs

Federal EUC RES/REA Grant \$345,487

Staffing (full-time equivalent) 1  
(Job center staff are funded under RES/REA when facilitating EUC workshops)

### FY 2013 Statistics

|                                   |       |
|-----------------------------------|-------|
| Selected participants for RES/REA | 9,962 |
| Claimants who completed RES/REA   | 6,483 |
| Number of workshops               | 9,229 |

## Trade Adjustment Assistance

### Description

The Trade Adjustment Assistance (TAA) program assists workers who were laid off because of foreign competition or out-sourcing regain employment. Workers who are eligible for TAA benefits in Alaska primarily worked in petroleum, timber, or fishing industries.

TAA benefits include:

- Employment services
- Career development
- Case management
- Relocation assistance
- Trade readjustment assistance
- Occupational training

### Costs

|   |                         |
|---|-------------------------|
| Federal Case Management and Training            | \$168,967               |
| Federal Administrative                          | 21,510                  |
| RTAA (Readjustment Trade Adjustment Assistance) | <u>4,150</u>            |
| <b>Total</b>                                    | <b><u>\$194,627</u></b> |

|                                 |     |
|---------------------------------|-----|
| Staffing (full-time equivalent) | 1.0 |
|---------------------------------|-----|

### FY 2013 Statistics

|   |          |
|---|----------|
| Six-month average earnings rate, first full quarter after exit from the program | \$20,543 |
| Employment retention rate, first full quarter after exit from the program       | 80%      |
| Entered employment rate   | 90%      |
| Active participants   | 40       |
| Individuals in training   | 15       |

## Veterans Employment and Training Services

### Description

The Employment Security Division provides priority of service to veterans and promotes veteran hire to employers throughout Alaska. Priority of service means that veterans and eligible spouses are given priority over all other job seekers to secure employment and training services at Alaska job centers. Veterans' staff consist of Disabled Veterans Outreach Program (DVOP) specialists. DVOP staff provide case management to veterans with employment and training needs.

Outreach activities include:

- Identifying veterans in need of employment assistance
- Providing in-service training, job preparation and orientation
- Providing intensive counseling, referrals, and follow-up services
- Developing job placements
- Compiling and disseminating outreach information
- Annual Veterans job fair

### Costs

|   |                         |
|---|-------------------------|
| Federal USDOL Grants                            |                         |
| DVOP  | \$403,149               |
| LVER (Local Veterans Employment Representative) | <u>121,174</u>          |
| <b>Total</b>                                    | <b><u>\$524,323</u></b> |

|                                 |     |
|---------------------------------|-----|
| Staffing (full-time equivalent) | 5.0 |
|---------------------------------|-----|

### FY 2013 Statistics

|   |        |
|---|--------|
| Veterans registered in ALEXsys                  | 13,958 |
| Received job search support/planning assistance | 4,078  |
| Received re-employment services                 | 2,981  |
| Received resumé assistance                      | 1,512  |

## Work Opportunity Tax Credit

### Description

The Work Opportunity Tax Credit (WOTC) program provides employers with a federal tax credit as an incentive to hire at-risk job seekers who experience difficulty finding employment and have a high unemployment rate.

On January 2, 2013, President Obama signed into law the American Taxpayer Relief Act of 2012. Section 327 extends the Empowerment Zone (EZ) tax incentives and Section 309 reauthorizes the extension of the WOTC program. In summary, the legislation:

- Continued the uninterrupted implementation of all veteran target groups, including those implemented under the VOW Act through December 31, 2013.
- Retroactively reauthorized all WOTC non-veteran target groups from December 31, 2011 through December 31, 2013 (Short-Term TANF Recipient, Long-Term TANF Recipient, SNAP Recipient, Designated Community Resident, Vocational Rehabilitation Referral, Ex-Felon, SSI Recipient and Summer Youth).
- Provided legislative authorization for EZs from December 31, 2011 through December 31, 2013.
- Did not reauthorize the Recovery Act disconnected youth and Recovery Act unemployed veteran target groups that expired at the end of 2010.

### Costs

|                                 |          |
|---------------------------------|----------|
| Federal USDOL Grant             | \$64,743 |
| Staffing (full-time equivalent) | .5       |

### FY 2013 Statistics

|                                    |     |
|------------------------------------|-----|
| Certifications issued to employers | 730 |
|------------------------------------|-----|

## Work Services

### Description

The Work Services program provides specialized case management and job counseling services to Alaska Temporary Assistance Program (ATAP) recipients and food stamp clients to obtain employment and end reliance on benefits.

Specialized services include:

- Case management
- Employability assessment and testing
- Job search assistance, job development, job referral, and job placement
- Work experience activities
- Supportive services

### Costs

|  |                    |
|--|--------------------|
| Federal Temporary Assistance for Needy Families (TANF) |                    |
| Block Grant Allocation*                                | \$2,898,848        |
| Food Stamps  | 129,026            |
| STEP Match**   | <u>4,980</u>       |
| Total  | <u>\$3,032,854</u> |

\*Funds are secured through a Reimbursable Services Agreement with the Alaska Department of Health and Social Services, Division of Public Assistance.

\*\* Included in State General Funds, STEP funding on Page 28

Staffing (full-time equivalent) 31.0  
 On 7/1/13 the Work Services program was moved back to the Department of Health & Social Services

### FY 2013 Statistics

|  |       |
|--|-------|
| Individuals assisted under case management | 1,532 |
|--|-------|

## Appendix A

**Job Center Activity**  
**July 1, 2012 thru June 30, 2013**

|                         | Job Center Visits | Average Weekly Job Center Visits | Veterans Visits to the Job Center | Active ALEXsys Registrations | Job Openings  | Job Orders    |
|-------------------------|-------------------|----------------------------------|-----------------------------------|------------------------------|---------------|---------------|
| Anchorage               | 101,957           | 1,961                            | 8,641                             | 43,867                       | 23,472        | 15,546        |
| Midtown <sup>1</sup>    | 63,313            | 1,218                            | 5,428                             | 28,184                       | 19,130        | 12,392        |
| Muldoon                 | 38,644            | 743                              | 3,213                             | 15,683                       | 4,342         | 3,154         |
| Fairbanks               | 26,527            | 510                              | 3,395                             | 17,991                       | 6,558         | 4,075         |
| Mat-Su (Wasilla)        | 23,947            | 461                              | 1,809                             | 19,269                       | 2,418         | 1,512         |
| Kenai                   | 19,623            | 377                              | 1,756                             | 9,258                        | 4,115         | 2,419         |
| Eagle River             | 14,816            | 285                              | 1,239                             | 4,445                        | 508           | 245           |
| Juneau                  | 9,287             | 179                              | 950                               | 8,252                        | 4,758         | 3,196         |
| Bethel                  | 11,911            | 229                              | 597                               | 4,805                        | 2,477         | 1,497         |
| Kodiak                  | 9,608             | 185                              | 252                               | 4,390                        | 1,964         | 746           |
| Homer                   | 6,724             | 129                              | 427                               | 3,102                        | 1,269         | 975           |
| Ketchikan               | 6,784             | 130                              | 193                               | 5,099                        | 2,733         | 1,305         |
| Nome                    | 4,356             | 84                               | 161                               | 1,944                        | 896           | 777           |
| Seward                  | 3,985             | 77                               | 530                               | 1,835                        | 1,406         | 673           |
| Valdez                  | 3,760             | 72                               | 341                               | 1,387                        | 1,101         | 805           |
| Kotzebue                | 2,985             | 57                               | 64                                | 1,291                        | 1,120         | 964           |
| Sitka                   | 2,994             | 58                               | 380                               | 1,895                        | 979           | 538           |
| Dillingham              | 1,945             | 37                               | 40                                | 1,488                        | 4,064         | 811           |
| Barrow                  | 1,218             | 23                               | 39                                | 931                          | 1,195         | 1,128         |
| Tok                     | 1,395             | 27                               | 149                               | 697                          | 147           | 84            |
| Glennallen              | 1,086             | 21                               | 8                                 | 779                          | 307           | 240           |
| <b>Statewide Totals</b> | <b>254,908</b>    | <b>4,902</b>                     | <b>20,971</b>                     | <b>132,725</b>               | <b>61,487</b> | <b>37,533</b> |

|                                    |           |
|------------------------------------|-----------|
| Number of online visits to ALEXsys | 1,840,681 |
| Average visits per day             | 5,028     |

Prepared 2/4/2014

<sup>1</sup> Data for Youth Job Center included



## Appendix B

### Alaska Job Centers

**Anchorage Midtown**

3301 Eagle Street  
Kim Harness, Manager

**Anchorage Muldoon**

1251 Muldoon Road  
Terry Weight, Manager

**Anchorage Youth**

2650 E. Northern Lights Blvd., Relocatable #3  
Terry Weight, Manager

**Barrow**

1078 Kiogak Street  
Cindy Shults, Manager

**Bethel**

460 Ridgecrest Drive, Suite 112  
Francine Chiklak, Manager (Acting)

**Bristol Bay (Dillingham)**

503 Wood River Road  
Pat Owens, Manager

**Eagle River**

11723 Old Glenn Hwy, Space B-4  
Terry Weight, Manager

**Fairbanks**

675 Seventh Avenue, Station D  
Willie Young, Manager

**Glennallen**

Mile 186.5 Glenn Highway  
Theresa Absher, Manager

**Homer**

3670 Lake Street, Suite 300  
Lisa Croft, Manager

**Juneau**

10002 Glacier Hwy, Suite 100  
Michael Hutcherson, Manager

**Ketchikan**

2030 Sea Level Drive, Suite 220  
Noni Tostenrude, Manager

**Kodiak**

309 Center Street  
Alma Canete-Hall, Manager

**Kotzebue**

333 Shore Avenue  
Darla Brown, Manager

**Mat-Su (Wasilla)**

877 Commercial Drive  
Tamika Ledbetter, Manager

**Nome**

214 Front Street, Suite 130  
Vickie Erickson, Manager

**Peninsula (Kenai)**

11312 Kenai Spur Hwy, Suite 2  
Diana Spann, Manager

**Seward**

809 2<sup>nd</sup> Avenue  
Norman Casagrande, Manager

**Sitka**

304 Lake Street, Room 101  
Fran Schwuchow, Manager

**Tok**

State Office Building  
Peg Kozlowski, Manager

**Valdez**

State Office Building  
Twila Beck, Manager

## Appendix C

### One-Stop Operator Report Alaska Job Center Network

| <b>Career Support and Training Participants</b>                     |              |                          |
|---|--------------|--------------------------|
| <b>Workforce Investment Act</b>                                     | <b>Adult</b> | <b>Dislocated Worker</b> |
| Program Participants  | 2,638        | 283                      |
| In the First Quarter after Exit, Percentage of Program Exiters who: |              |                          |
| Entered Employment  | 78.9%        | 73.9%                    |
| Received a Credential and Entered Employment                        | 62.8%        | 56.7%                    |
| Retained Employment for Another Six Months                          | 81.3%        | 89.7%                    |
| Six-month Average Earnings of those who Retained Employment         | \$18,620     | \$21,880                 |
| <b>Labor Exchange Program</b>                                       |              |                          |
| Job seeker Visits to the Job Center Resource Room                   |              | 236,014                  |
| Active Registered Participants                                      |              | 131,021                  |
| Job Openings Received from Employers                                |              | 65,109                   |
| Participants who Retained Employment at Six Months                  |              | 78%                      |
| Participants who Entered Employment                                 |              | 54%                      |
| Veterans and Transitional Service Member Participants               |              | 13,958                   |
| Youth Participants  |              | 2,513                    |
| <b>State Training and Employment Program</b>                        |              |                          |
| Participants  |              | 581                      |

## *Unemployment Insurance*

## Overview

### Unemployment Insurance

The Alaska unemployment insurance (UI) program provides partial wage replacement for insured workers who are unemployed through no fault of their own and are actively seeking reemployment. Federal funding for administration of the program consists of administrative funds returned to states through a system largely dependent on workload. UI operations are comprised of benefit eligibility determinations, payments or denials, an accessible appeals system, employer wage reporting and tax collection, and trust fund management.

To pay benefits, the UI program assesses and collects employer and employee taxes. These taxes are deposited into the UI Trust Fund. The program provides a convenient and efficient means for clients to apply for UI benefits as partial income replacement during periods of unemployment and protects the UI Trust Fund by preventing and recovering UI benefit overpayments.

### UI Performance Management

The program is federally mandated to include two performance tracking categories. The first category is Core Measures, which encompasses oversight on key performance areas representative of the health of the entire UI system. These measures monitor key activities based on uniform national Acceptable Levels of Performance (ALPs). The second category is Management Information data, which facilitates the analysis of performance and assists in planning corrective activities when necessary. Management Information tracks state performance on subsets of Core Measures and on ancillary activities such as interstate and federal programs.

Performance deficiencies are addressed through the State Quality Service Plans (SQSP) process. The SQSP serves as the performance and grant document through which states receive administrative funding.

### Types of UI Benefits

**Regular UI** – State weekly benefits paid to individuals who have worked in covered employment, earned enough wage credits to qualify and have met weekly eligibility criteria. The weekly benefit amount is based on wages earned during four calendar quarters. Duration of benefits can range from 16-26 weeks, depending on how wages are disbursed throughout the quarters.

**Interstate Benefit Program (IBP)** – This provides a method of payment for unemployed individuals who have qualifying employment and wages yet could be deprived of their UI benefits due to their absence from the state in which their wages were earned. Individuals who have worked in Alaska and subsequently move outside the state may receive Alaska UI benefits under the Interstate Agreement, as outlined in the federal Employment & Training Administration Handbook 392.

**Unemployment Compensation for Federal Civilian Employees (UCFE)** – Individuals separated from civilian employment with the federal government may qualify for UI. The Federal government

maintains its own trust fund, the Federal Employees Compensation Account (FECA) to fund UCFE benefits for Federal employees. The state administers the UCFE program for the Federal government under statutory authority of Title 5 Chapter 85 United States Code, regulatory authority is 20 CFR part 609.

**Unemployment Compensation for Ex-Military Personnel (UCX)** – Individuals that have served in “active” military duty in the last 18 months, they may be eligible for UI. The basis on which UI benefits are determined on the ex-service members DD214. Like UCFE federal workers, benefits are paid from FECA, not Alaska’s UI trust fund.

**Disaster Unemployment Assistance (DUA)** – If an individual is unemployed because of a disaster, they may be eligible for up to 26 weeks of special unemployment assistance. Once the federal government has declared a major disaster and offer individual assistance, the state DUA Coordinator and FEMA personnel issue DUA information to affected individuals in the designated areas. Alaska continues to pay individuals affected by the flooding along the Yukon River during the spring of 2013.

**Emergency Unemployment Compensation (EUC)** – EUC is a 100% federally funded program that provides additional benefits to individuals who have exhausted regular state benefits. The EUC program was enacted June 2008 and has been modified eleven times since. The most recent modification was enacted in January 2013 through the American Taxpayer Relief Act which extended EUC benefits through December 2013.

**State Extended Benefits (EB)** – A state and federal shared program that pays additional benefits when individuals have exhausted all their regular UI and EUC benefits. Alaska triggers on to these additional benefits during periods of high unemployment. The trigger is based on the Insured Unemployment Rate (IUR) reaching 6% or higher. Once triggered, the state is federally mandated to pay at least 13 weeks of benefits. Alaska triggered on to EB for the week of 2/9/13, and remained on for the mandatory 13 weeks. However, very few claimants were paid EB, as they continued to receive their EUC benefits.

**High Unemployment Period (HUP)** – HUP increases EB benefit payments from 50% to 80% regular entitlement (up to an additional seven weeks) based on the Total Unemployment Rate (TUR) reaching 8% or higher. Alaska has not paid HUP benefits since 2012.

## Retrospect

While the workload generated from paying unemployment insurance claims on multiple state and federal extensions has been challenging to administer, the Alaska UI program remains one of the top states in the nation to issue timely first payments of UI benefits.

The total Alaskan seasonally adjusted labor force was 365,413. During the last fiscal year, the statewide seasonally adjusted unemployment rate averaged 6.5%, the lowest in May 2013 at 5.9% and the highest in July 2012 at 7.1%.

### UI Benefits

- Total benefit dollars paid was \$250,529,664
- Total number of Alaska workers who received at least one week of benefits was 62,536
- Average weekly benefit amount paid was \$249
- Collected \$1,579,139 in fraud overpayments, \$223,386 in fraud penalties and \$3,699,648 in non-fraud overpayments
- 98% of all UI claimants used automated systems to file their bi-weekly claims
- The claim centers responded to 290,742 phone calls

### UI Tax

- 18,331 registered employers in Alaska
- 69% of registered employers had fewer than 10 employees
- 73,763 contribution reports were processed
- \$226,330,000 was deposited in the UI Tax Trust account
- \$18,408,456 was deposited in State Training and Employment Program and Alaska Technical and Vocational Education Program
- 400,600 quarterly wage records were added to wage files
- \$821,620 was refunded to Alaska employers who overpaid their taxes

As part of the UI programs goal of implementing user-friendly automated systems to internal and external customers, and improve work flow in the other units, the Virtual Contact Center (VCC) was expanded into the UI Tax main and field offices as well as Benefit Payment Control offices. Additional enhancements to the VCC system will include pop-up screens of customer information when staff answers calls, and implementing the Agentless Dialer (robo-call technology) as a method of communicating mass messages to claimants.

Improvements were made to the Benefit Internet Filing (BIF) system to capture work and earnings on weekly certifications and correct registration information. An automated alert to staff was developed when additional information is needed in determining a claimant's return to work date. These steps help decrease the rate of improper payments.

The UI program continued to partner with Employment and Training Services staff to assist long-term unemployed Alaskans in gaining employment. Alaska's current performance is 61.5% (federal measure is 60%). Efforts to increase this percentage include implementing a mandatory weekly work search requirement and increasing the number of UI filers selected to participate in reemployment services facilitated through the job centers statewide.

## Organization Overview

With offices located in Juneau, Anchorage, Fairbanks, Kenai, and Wasilla the UI program consists of eight units.

### Appeal Tribunal

Appeals provides due process hearings and issues decisions in contested UI benefit and tax cases as mandated in AS 23.20.410-470. The Appeal Tribunal conducts hearings on determinations issued by the agency based solely on the record of a fair and impartial hearing. Any determination issued that affects a claimant's right to benefits or an employer's tax case may be appealed. Any decision issued by the tribunal at the lower authority level may be appealed to the Department for review, at the higher authority level. Staffing consists of 7 permanent positions and 2 non-permanent positions.

### Benefit Payment Control (BPC)

BPC protects the Unemployment Insurance Trust Fund by preventing, discouraging, detecting, investigating, and recovering unemployment insurance benefit overpayments. BPC consists of two sections: Fraud Investigations and Audit and Recovery. Staffing is 17 permanent positions.

### Claim Centers

The three Claim Centers obtain eligibility information by telephone and internet to establish new and continuing benefit claims. Staff investigates issues and conduct fact-finding to make a formal determination on eligibility for benefits. Issues that arise may include separation from last work, deductible income received and ability to accept full-time work while collecting benefits. Claim centers are located in Anchorage, Juneau and Fairbanks. Staffing is 117 permanent positions.

### Data Processing Liaison (DPL)

DPL supports computer systems that are critical to UI business services. The unit performs analysis and testing of computer processes. DPL works directly with the department's Data Processing unit and other units in the UI program to implement computer changes and updates to ensure department standards in design and functionality. Staffing is 11 permanent positions.

### Quality Control (BAM)

Quality Control measures the accuracy of UI claims and identifies opportunities for improvements in the UI program. Audits based on weekly random selection of claims are conducted to determine whether benefits were properly paid or denied. Statistics from these audits are entered into a USDOL database and used to measure how states are administering their UI programs. Staffing is 9 permanent positions.

### Support

UI Support provides support service functions to ensure prompt and proper payment of UI benefits and works with the claim centers to pay special claims using federal and out-of-state wages. The unit also maintains UI wage records and other confidential claim documents and ensures prompt and accurate review of wage and benefit eligibility issues, billing of participating employers, as well as billing and reimbursement of participating states. Staffing is 9 permanent positions.



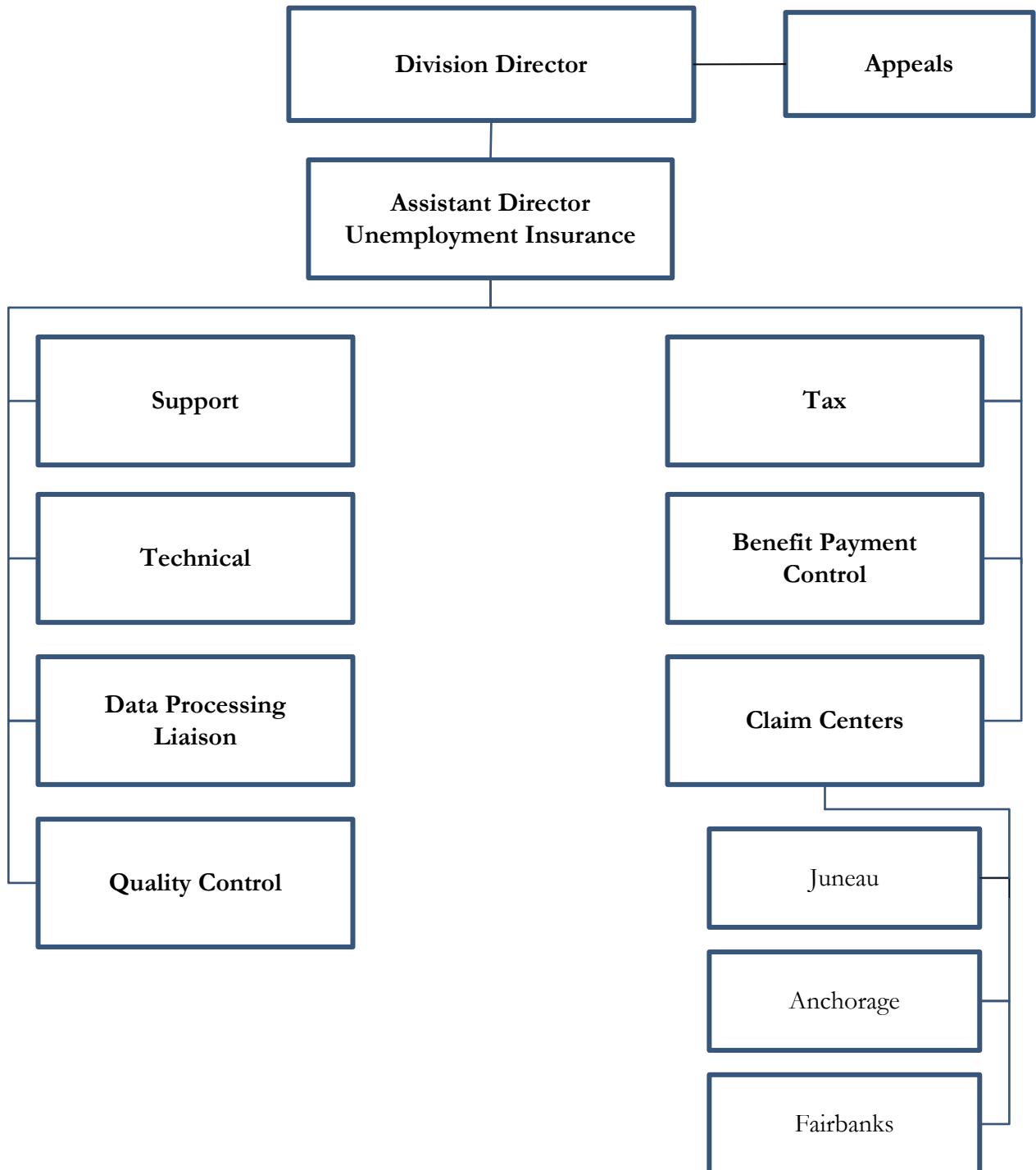
**Tax**

UI Tax collects UI taxes and provides assistance and information to employers concerning the UI program. Taxes finance the UI Trust Fund from which benefits are paid to Alaska workers during periods of unemployment. Staffing is 33 permanent positions.

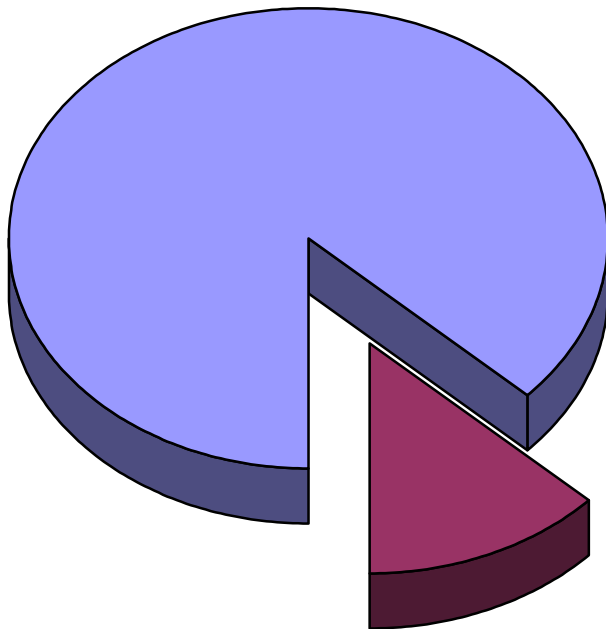
**Technical**

The Technical Unit provides support to the UI program in areas of federal and state compliance, legislation and regulation, planning, analysis, project management, training, service delivery, corrective action and evaluation of program improvements. The unit supports the development and implementation of claim center staff training as well as developing and updating all UI program resource materials. Staffing is 15 permanent positions.

# Unemployment Insurance Functional Organization



### Unemployment Insurance Component Costs



- Program Administration - \$22,211,249
- Emergency Unemployment Compensation - \$3,322,621

**Total Costs \$25,533,870**

## Appeals

### Description

The Appeals Unit provides due process hearings and decisions in contested unemployment insurance benefit and tax cases as mandated in AS 23.20.410-470, so that timely payment of benefits is made to qualifying claimants and the UI fund is protected.

The program provides a two-level system for deciding contested unemployment insurance cases. The first level offers a tribunal or “de novo” hearing in which parties’ present testimony and evidence. The second level affords a commissioner review in which a senior hearing officer examines the tribunal level record and prepares a proposed decision for the commissioner. Most appeals are conducted telephonically.

Federal Performance Standards require at least 60% of lower authority appeals decided within 30 days of filing the appeal and at least 80% decided within 45 days. For SFY 2013, the tribunal exceeded this measure in spite of the increased workload from stringent eligibility requirements for Emergency Unemployment Compensation.

### FY 2013 Statistics

The Appeals Unit issued 2,266 lower authority decisions and 80 higher authority decisions.

## Quality Control (Benefit Accuracy Measurement)

### Description

The UI Benefit Accuracy Measurement (BAM) program system is a federally required diagnostic tool to measure the accuracy of UI claims and identify opportunities for improvements in the UI program.

The UI BAM Unit is composed of seven auditors, one tax performance system auditor and one supervisor. Each week, UI claims are randomly selected and auditors are systematically assigned cases. Investigations normally include contacting claimants and employers, examining records both within and outside the agency and making a determination of whether benefits were properly paid or denied.

In FY2011, Alaska (working closely with USDOL), created a UI Integrity Task Force to identify the main causes of overpayments. The federal mandate was to create viable solutions to improve mispayment rates. The following were identified as the primary reasons for mispayment of benefits:

- Job service registration issues - Incorrect deferrals from registration (wrong return to work dates, incorrect resident zip codes, registration code not updated at end of availability waiver or ongoing availability issue and incorrect union deferrals).
- Benefit year earnings - Claimants not reporting or incorrectly reporting weekly earnings.
- Job separation errors - Claimants incorrectly reporting separation dates, reason for separation and a lack of timely information by employers.

In FY 2013, 51% of the mispayments were for incorrect job registrations. In October 2013, enhancements to the online filing system were made that capture a claimant's return to work date and notify the claimant and staff to update the registration information. Further enhancements included more accurate methods for claimants to report their wages and updated address information. Alaska is confident that with these enhancements, the improper payments rate will be greatly reduced.

### FY 2013 Statistics

For the last five years, Alaska's BAM measurement has exceeded all USDOL performance standards for the quality and timeliness of UI audits.

## Benefit Payment Control

### Description

Benefit Payment Control (BPC) is a federally mandated program to protect the integrity of the UI Trust Fund by preventing, detecting, and recovering overpaid UI benefits.

The program consists of two units: Fraud Investigations and Audit and Recovery.

The Investigation Unit detects fraud of the UI program found in unreported wages and work, job termination, job refusal, inability or unavailability to work, false claims for dependent allowance, check forgeries and identity theft. Based on findings, benefit overpayments and fraud penalties are established. Investigators may also prepare fraud cases for criminal prosecution.

Audit and Recovery oversees quarterly wage audit and cross-matches to identify claimants failing to report work and wages or job separations. This unit also performs collection activities, including garnishment of Permanent Fund Dividends.

Audit and Recovery runs cross-matches on weekly UI claims against the National Directory of New Hires (NDNH) to detect newly hired workers who continue to file for UI and not report earnings, after they have been hired to work. Prevention and detection of UI fraud is part of the BPC mission. This cross-match has proven to be extremely successful in detecting the claimants that have returned to work and continue to file.

### FY 2013 Statistics

|                        |                     |
|------------------------|---------------------|
| <b>Assessments</b>     |                     |
| Non-fraud overpayments | \$ 6,238,734        |
| Fraud overpayments     | 5,756,885           |
| Fraud penalties        | 2,878,442           |
| <b>Total</b>           | <b>\$14,874,061</b> |
| <b>Collections</b>     |                     |
| Non-fraud overpayments | \$3,701,313         |
| Fraud overpayments     | 1,539,132           |
| Fraud Penalties        | 308,314             |
| <b>Total</b>           | <b>\$5,548,759</b>  |

## Claim Centers

### Description

There are UI claim centers in Anchorage, Juneau and Fairbanks. The claim centers obtain claim and eligibility information by telephone and the Internet. Callers use a self-directing, toll-free telephone number to contact a claim center or file online through MyAlaska. Unemployed workers can use the internet to establish a new claim, reopen an existing claim, and file for biweekly benefits.

UI claim center staff review and gather information from the claimant and any interested parties to determine if any issues exist. An issue is a condition or circumstance that could result in the denial of benefits as required by the eligibility and disqualification provisions of Alaska law and defined policy. Once the review is complete, a determination is issued to the claimant and if applicable, the claimants last employer.

### FY 2013 Statistics

|   |               |
|---|---------------|
| Total UI benefits paid                  | \$250,529,664 |
| Total initial claims processed          | 107,801       |
| Calls received in UI claim centers      | 290,742       |
| Alaskans who received UI benefits       | 62,536        |
| Average weekly amount                   | \$249         |
| Total number of weeks filed             | 1,017,423     |
| Total determinations written and issued | 88,541        |

## Extended Benefit Programs

### Description

#### State Extended Benefits

Extended Benefits (EB) are established under Alaska Statutes AS 23.20.406-409 and Federal Code 20 CFR 615. EB are additional weeks of unemployment insurance benefits offered during periods of high unemployment to claimants who have exhausted regular benefits. If eligible, claimants may receive up to 13 additional weeks of benefits during this time.

There are two formulas that control when a state can pay EB:

- The insured unemployment rate (IUR) exceeds 120 percent of the previous three-month average for the preceding two calendar years, or if the IUR rises above 6 percent.
- The total unemployment rate (TUR) exceeds 110 percent of the previous three-month average for the preceding two calendar years and the TUR rises above 6.5 percent. Furthermore, if the TUR reaches 8 percent average for three months, the state reaches a High Unemployment Period (HUP) which will change the EB duration from 50 percent to 80 percent of regular benefits.

The federal government usually reimburses the state for 50 percent of EB paid. However, as part of the 2009 Economic Stimulus Package, the federal government has reimbursed states that are in a TUR trigger period for 100 percent of extended benefit costs. This will continue through 1/1/2014 (HR 8 amended 1/2/2013). State and local governments and federally recognized tribal employers are excluded from any federal reimbursement for EB.

#### Federal Emergency Unemployment Compensation (EUC)

EUC08 was created under the Supplemental Appropriations Act, 2008, Title IV – Emergency Unemployment Compensation, Public Law 110-252, signed by President Bush on June 30, 2008. Since that time, Congress has passed several laws that have added additional tiers of benefits and/or extended the dates the benefits will be available. The first tier is available to all states, regardless of their unemployment rates. Additional tiers are available as a state's unemployment rate rises above certain thresholds - and tiers are shut off as a state's unemployment rate falls below those thresholds. (See appendix B)

#### FY 2013 Statistics

Alaska triggered on EB in February 2013 and triggered off in May 2013. Very few claimants received EB during this time, as federal government mandates states pay Emergency Unemployment Compensation (EUC) benefits prior to paying EB.

Eligible Alaska claimants applying for EUC Tier I and II benefits and collected through 12/28/2013 or until exhausted, whichever came first. If EUC Tiers III or IV were established before the trigger off dates, these benefits were paid through the week ending 12/28/2013.



## UI Tax

### Description

UI Tax collects contributions from employers and employees to finance the unemployment insurance trust fund from which UI benefits are paid. Alaska's UI program is based on an insurance model. The "loss" insured against is the loss of wages experienced by the unemployed worker. Consequently, the program must collect sufficient premiums.

Alaska uses a "payroll decline" method to establish individual employer UI tax rates. This system has proven effective and the trust fund has remained solvent.

Employer and employee taxes are submitted each quarter and deposited in the Alaska account of the Federal UI Trust Fund. Taxes in the UI Trust Fund are only used to pay UI benefits.

Portions of employee tax contributions are set aside to provide job related training services under the State Training and Employment Program (STEP) and Alaska Technical Vocational Education Program (TVEP). These funds are used for technical and vocational training. State law specifies the entities and allocation of these funds.

### FY 2013 Statistics

|   |                      |
|---|----------------------|
| <b>Deposited in the UI Trust Account</b>  | <b>\$226,330,000</b> |
| Clearing Account  | \$36,675             |
| Employer Contributions  | \$195,976,951        |
| Employee Contributions  | \$30,719,724         |
| Transferred to TVEP   | \$11,046,880         |
| Transferred to STEP   | \$7,364,576          |
| <b>Contribution reports processed</b>   | <b>73,763</b>        |
| <b>Employers registered in Alaska</b><br><b>70% of these employers have fewer than 10 employees</b> | <b>18,331</b>        |
| <b>Employer audits</b>  | <b>229</b>           |
| Amended   | 159                  |
| Misclassified workers discovered  | 361                  |
| Additional contributions collected  | \$35,441             |
| Contributions refunded  | \$12,048             |

**Appendix A**

**Unemployment Insurance Trust Fund  
Income and Benefits Paid  
Fiscal Year Ended June 30, 2013**

**Income****UI Tax Contributions**

|  |              |                     |                              |
|--|--------------|---------------------|------------------------------|
| Total UI Tax Contributions                           |              | \$232,241,641       |                              |
| Statutory Transfers from Employee Contributions      |              |                     |                              |
| Alaska Technical Vocational Education Program (TVEP) | (11,044,226) |                     |                              |
| State Training and Employment Program (STEP)         | (7,362,807)  |                     |                              |
| Total Statutory Transfers                            |              | <u>(18,407,033)</u> |                              |
| <b>Net Contributions to UI Trust Fund</b>            |              |                     | 213,834,608                  |
| <b>Reimbursements</b>                                |              |                     |                              |
| Federal Government                                   |              |                     |                              |
| Emergency Unemployment Compensation                  | 80,766,300   |                     |                              |
| Federal Government Employees                         | 4,215,500    |                     |                              |
| Extended Benefits                                    | 1,208        |                     |                              |
| Military Employees                                   | 2,283,900    |                     |                              |
| Total Federal Government                             |              | 87,266,908          |                              |
| State of Alaska                                      |              | 6,219,436           |                              |
| Local Alaska Governments                             |              | 4,290,272           |                              |
| Other State – Interstate Claims                      |              | 2,023,411           |                              |
| Non-Profit Organizations                             |              | 2,205,941           |                              |
| <b>Total Reimbursements</b>                          |              |                     | 102,005,968                  |
| <b>Other</b>   |              |                     |                              |
| Interest Earnings                                    |              | <u>7,035,263</u>    |                              |
| <b>Total Other</b>                                   |              |                     | <u>7,035,263</u>             |
| <b>Total Income</b>                                  |              |                     | <u><b>\$ 322,875,839</b></u> |

**Benefits Paid**

|                                      |  |            |                              |
|--------------------------------------|--|------------|------------------------------|
| State Regular                        |  |            | \$146,830,021                |
| Federal Government                   |  |            |                              |
| Emergency Unemployment Compensation  |  | 80,201,574 |                              |
| Federal Government Employees         |  | 4,200,971  |                              |
| Extended Benefits (Federal Share)    |  | (342,882)  |                              |
| Military Employees                   |  | 2,286,586  |                              |
| Total Federal Government             |  |            | 86,346,249                   |
| Wage Combining Interstate Claims     |  |            | 16,399,936                   |
| State of Alaska Government Employees |  |            | 9,070,123                    |
| Local Alaska Government Employees    |  |            | 1,528,384                    |
| Non-Profit Organization Employees    |  |            | 1,898,790                    |
| Extended Benefits (State Share)      |  |            | <u>(53,116)</u>              |
| <b>Total Benefits Paid</b>           |  |            | <u><b>\$ 262,020,387</b></u> |

## Appendix B

### Unemployment Insurance Benefits in Alaska As of 12/31/2013

| Federal/State UI                     | State UI Benefits   | EUC Tier I   | EUC Tier II                             | EUC Tier III                                | EUC Tier IV                                   | Extended Benefits (EB)     | High Unemployment Program (HUP)                      |
|--------------------------------------|---|--|---|---|---|----------------------------|--|
| Weeks Available                      | Up to 26 weeks  | 20 weeks<br>Reduced to 14 weeks after 9/2/12             | 14 weeks                                | 13 weeks<br>Reduced to 9 weeks after 9/2/12 | 6 weeks<br>Increased to 10 weeks after 9/2/12 | Up to 13 weeks             | Up to 20 weeks                                       |
| Eligibility and Trigger for programs | Must have worked in covered employment and earned at least \$2500 over two calendar quarters. | Must have exhausted all rights to regular state benefits | *TUR 6% or higher<br>**IUR 4% or higher | TUR 7% or higher<br>IUR 4% or higher        | TUR 9% or higher<br>IUR 6% or higher          | IUR of 6% or higher        | TUR of 8% or higher                                  |
| Deadline                             | None  | Must exhaust regular UI by 12/22/2013                    | Must exhaust EUC Tier I by 12/22/2013   | Must exhaust EUC Tier II by 12/07/2013      | Must exhaust EUC Tier III by 4/27/2013        | Must exhaust all EUC Tiers | Must exhaust all EUC Tiers (will pay in place of EB) |
| Expiration Date                      | None  | 12/22/2013   | 12/22/2013                              | 12/22/2013                                  | 5/4/2013                                      | 5/4/2013                   | 10/16/2010   |

**\*TUR** – Total Unemployment Rate - The official rate of unemployment issued monthly for all states and the nation as a whole. This indicator includes those unemployed and seeking work, not just filing for those currently filing. Does not include discouraged workers.

**\*\*IUR** – Insured Unemployment Rate - An administrative measure issued weekly giving the average of the last 13 weeks of claims filed as a percent of statewide covered employment. One measure of the severity of unemployment.

As of 12/31/2013, Alaska's TUR was 6.5% and IUR was 4.66%.  
The last payable week of any EUC benefits was 12/28/2013.

## Appendix C

### 2013 UI Contribution Rate Calculations

|   | SFY 2009         | SFY 2010         | SFY 2011         | SFY 2012         |
|---|------------------|------------------|------------------|------------------|
| (1) Benefit Costs (Benefits - Reimb. - Interest)                                |                  | \$182,296,709    | \$166,054,496    | \$154,611,839    |
| (2) Total Wages (taxable employers)   | \$10,609,183,230 | \$10,625,425,285 | \$11,160,623,142 | \$11,814,799,175 |
| (3) Taxable Wages   |                  |                  |                  | \$7,266,431,581  |
| (4) Benefit Costs for 3 previous SFYs   |                  |                  |                  | \$502,963,044    |
| (5) Total Wages, First 3 of Last 4 SFYs   |                  |                  |                  | \$32,395,231,657 |
| (6) 3-Yr Benefit Costs/Total Wages (4)/(5)                                      |                  |                  |                  | 0.015526         |
| (7) Taxable/Total Wages, Last SFY (3)/(2)                                       |                  |                  |                  | 0.615028         |
| <b>(8) Average Benefit Cost Rate (ABCR) (6)/(7)</b>                             |                  |                  |                  | <b>0.025244</b>  |
| (9) U.I. Trust Fund Reserve Balance on 9/30                                     |                  |                  |                  | \$264,045,095    |
| (10) Total Wages Paid, Last SFY   |                  |                  |                  | \$11,814,799,175 |
| (11) UI Trust Fund Reserve Rate (9)/(10)  |                  |                  |                  | 0.022349         |
| <b>(12) Trust Fund Solvency Adjustment (TFSA)</b>                               |                  |                  |                  | <b>0.008</b>     |
| <b>(13) Average Employer Tax Rate: (0.73 x ABCR) + TFSA = (0.73 x #8) + #12</b> |                  |                  |                  | <b>2.64%</b>     |
| <b>(14) Average Employee Tax Rate: (0.27 x ABCR) = (0.27 x #8)</b>              |                  |                  |                  | <b>0.68%</b>     |

### 2014 UI Contribution Rate Calculations

|   | SFY 2010         | SFY 2011         | SFY 2012         | SFY 2013         |
|---|------------------|------------------|------------------|------------------|
| (1) Benefit Costs (Benefits - Reimb. - Interest)                                |                  | \$166,054,496    | \$154,611,839    | \$153,899,815    |
| (2) Total Wages (taxable employers)   | \$10,625,425,285 | \$11,160,623,142 | \$11,814,799,175 | \$12,140,914,580 |
| (3) Taxable Wages   |                  |                  |                  | \$7,466,596,514  |
| (4) Benefit Costs for 3 previous SFYs   |                  |                  |                  | \$474,566,150    |
| (5) Total Wages, First 3 of Last 4 SFYs   |                  |                  |                  | \$33,600,847,602 |
| (6) 3-Yr Benefit Costs/Total Wages (4)/(5)                                      |                  |                  |                  | .014124          |
| (7) Taxable/Total Wages, Last SFY (3)/(2)                                       |                  |                  |                  | .614995          |
| <b>(8) Average Benefit Cost Rate (ABCR) (6)/(7)</b>                             |                  |                  |                  | <b>.022965</b>   |
| (9) U.I. Trust Fund Reserve Balance on 9/30                                     |                  |                  |                  | \$329,488,708    |
| (10) Total Wages Paid, Last SFY   |                  |                  |                  | \$12,140,914,580 |
| (11) UI Trust Fund Reserve Rate (9)/(10)  |                  |                  |                  | .027139          |
| <b>(12) Trust Fund Solvency Adjustment (TFSA)</b>                               |                  |                  |                  | <b>.0029</b>     |
| <b>(13) Average Employer Tax Rate: (0.73 x ABCR) + TFSA = (0.73 x #8) + #12</b> |                  |                  |                  | <b>1.97%</b>     |
| <b>(14) Average Employee Tax Rate: (0.27 x ABCR) = (0.27 x #8)</b>              |                  |                  |                  | <b>0.62%</b>     |