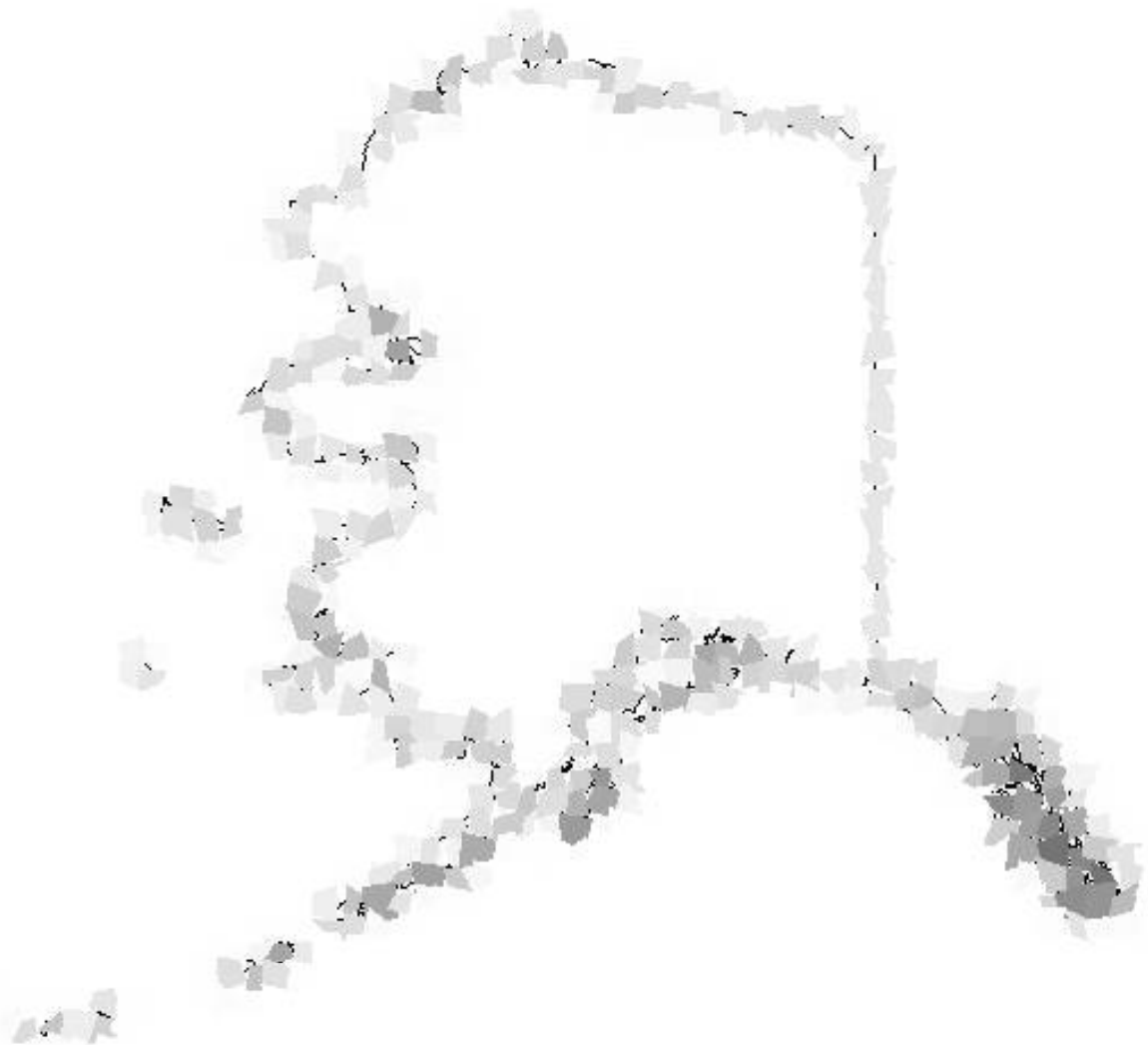


Annual Report
July 1, 2003 through June 30,
2004

Alaska Department of Labor and Workforce Development
Division of Business Partnerships
1016 Sixth Avenue
Anchorage, AK 99501
Tara Jollie, STEP Manager, 907.269.4660

State Training and Employment Program (STEP)



INTRODUCTION

STEP is a program intended to meet the emerging needs of workers and employers in the state through job training. STEP is the only state funded job-training program within the Alaska Workforce Development System and is funded by setting aside 1 tenth of 1% of employee UI tax contributions. The set-aside is used to provide job-training services when federal or private funds for like services are not available.

Program revenue has shown steady growth since it's inception in 1989. This steady growth is a direct reflection of increased worker contributions to the UI Trust. A trained local workforce helps contain the cost of doing business in Alaska and is attractive to employers, a positive for the economy as a whole and the UI Trust Fund specifically. Full employment reduces the need for unemployment insurance claims and contributes to the lowest possible UI tax rates for employers.

The Division of Business Partnerships within the State Department of Labor and Workforce Development administers the STEP program. Alaskans access services through both the competitive grant process and the Alaska Job Center Network systems.

Program eligibility requires that a person must intend to make Alaska their home. Additionally, they must have worked in a position covered by unemployment insurance during the last three years and be a good prospect for continued employment upon completion of training.

Services are for people who are unemployed or underemployed and need training to find or keep full time employment that pays a livable wage. STEP may also provide training for people who are employed, but liable to be displaced because of reductions in overall employment; elimination of their current job; or a change in work conditions that requires substantially different skills.

STEP may pay for on-the-job, industry-specific, or employer-linked customized training and the support services necessary to successfully complete the training and move the trainee into full employment.

Ultimately, the goal is full employment at a livable wage for qualified Alaskans.

STEP, Commercial Drivers Training



STEP, Road Builders under Construction



***S*ate *T*raining and *E*mployment *P*rogram**

**Annual Report
Financial Performance
July 1, 2003 - June 30, 2004**

Prepared by:
Tara Jollie, STEP Manager

Alaska Department of Labor and Workforce Development,
Division of Business Partnerships

January 2005

SPENDING AUTHORITY, REVENUE AND EXPENDITURE PICTURE

Legislative Authority	\$4,634,100	
Actual Revenue	\$4,909,999	
Prior Year (Sweep)	\$1,947,700	
Total Revenue 2004		\$6,857,699
Revenue in excess of Authority		\$2,223,599

ACTUAL EXPENDITURES	DOLLARS	% OF TOTAL
AWIB / Alaska Workforce Investment Board <i>Advisory</i>	\$15,739	0.39 %
DBP / Division of Business Partnerships <i>Oversight, Compliance Responsibility and Grants</i>	\$3,019,345	74.26 %
ASD / Data Processing <i>Data Processing and Support Services</i>	\$37,324	0.92 %
ESD / UI Tax Accounting <i>Services Required for Revenue and Tax Accounting</i>	\$103,452	2.54 %
ESD/ Research & Analysis <i>Performance Standards Report and Analysis</i>	\$88,028	2.16 %
ESD / Alaska Job Center Network <i>Provision of Individual Services</i>	\$734,738	18.07 %
ESD / Work Services <i>Case Management Service for DPA clients</i>	\$67,402	1.66 %
Total Expenditures	\$4,066,028	100%

FINANCIAL PERFORMANCE

Percent of Authority Utilized	87%
Percent of Revenue Utilized	59%

FY04 EXPENDITURES BY BUDGET LINE

Agency	Personal Services	Travel	Contractual	Supplies	Equip	Grants	Total
Alaska Workforce Investment Board	\$12,138	-	\$3,133	\$468		-	\$15,739
Division of Business Partnerships	\$219,403	\$11,366	\$79,917	\$5,624		\$2,703,034	\$3,019,345
Data Processing Support	\$32,475	-	\$3,235	\$1,614		-	\$37,324
UI Tax Support	\$84,141	\$257	\$17,766	\$828		-	\$103,452
Research & Analysis	\$71,133	0	\$15,604	\$1,291		-	\$88,028
Alaska Job Center Network, ESD	\$153,820	\$171	\$52,076	\$3,282	\$82	\$525,308	\$734,738
Work Services/DPA	\$67,402						\$67,402
Total	\$640,972	\$11,794	\$171,731	\$13,107	\$82	\$3,191,530	\$4,066,028
Percent of Total	15.76%	.29%	4.22%	.32%	0	78.49%	100%

FISCAL YEAR COMPARISON**FY03****FY04****LEGISLATIVE AUTHORITY AND ACTUAL REVENUES**

Spending Authority	\$5,256,800	\$4,638,100
Revenue	\$4,582,000	\$4,909,999
Reverse Sweep		\$1,947,700

EXPENDITURES

AWIB	\$38,700	\$15,739
DBP <i>Increase due to centralization of grants</i>	\$241,625	\$3,019,345
ASD	\$9,322	\$37,324
UI Tax	\$112,536	\$103,452
Research & Analysis	\$291,612	\$88,028
ESD Job Center Network <i>Reduction due to centralization of grants</i>	\$3,426,734	\$734,738
ESD/DPA Work Services	\$88,661	\$67,402

SUMMARY

Percent of Authority Utilized	75%	87%
Percent of Revenue Utilized	92%	59%
Total Participants Served	1,174	1,830

VENDORS / SPENDING EXPERIENCE

Recipient	Grant Award	Total Expenditures	Average Cost Per
Alaska Hospital and Nursing Home Assn	\$65,142	\$38,746	\$538
Alaska Joint Electrical Apprenticeship	\$209,503	\$188,645	\$1,945
Alaska Laborers Apprenticeship	\$299,901	\$299,901	\$787
Alaska Operators Apprenticeship	\$297,735	\$297,735	\$873
Alaska Piledrivers and Divers Apprenticeship	\$123,981	\$80,274	\$4,460
Alaska Best Plumbing and Heating	\$42,191	\$32,186	\$6,437
Alaska Works Partnership	\$67,959	\$47,229	\$3,936
AVTEC Advanced Culinary Arts	\$40,216	\$40,573	\$3,121
AVTEC No Child Left Behind	\$55,075	\$52,890	\$1,392
Center for Employment Education (CEE)	\$154,936	\$140,653	\$3,907
Central Council Tlingit/Haida Headstart	\$134,692	\$77,062	\$5,504
Coastal Villages Seafood (CDQ)	\$109,827	\$109,827	\$4,992
Delta Mine Training Center	\$70,121	\$51,670	\$2,247
Fairbanks Painters	\$74,867	\$71,052	\$1,870
Galena Aviation	\$48,662	\$32,647	\$3,627
Galena Hospitality	\$107,482	\$98,051	\$4,903
MILA, Inc	\$112,000	\$106,277	\$3,126
Northern Industrial Training (NIT)	\$97,780	\$97,780	\$8,148
Nuniwarmiut Reindeer and Seafood Plant	\$60,530	\$57,381	\$6,376
Roofers Apprenticeship	\$52,525	\$52,525	\$3,283
Rural Cap Headstart	\$127,396	\$127,396	\$1,327
UAA Kodiak Campus	\$104,124	\$78,881	\$1,678
UAF Kuskokwim No Child Left Behind	\$229,523	\$115,749	\$1,781
UAS Oiler Training Program	\$37,390	\$15,901	\$3,975
Wyatt Enterprises - Fairbanks	\$161,551	\$161,551	\$8,078
Wyatt Enterprises – Circle	\$26,466	\$26,465	\$2,406
Yukon Kuskokwim Heath Corporation	\$65,646	\$58,435	\$2,922
Yuut Elitnaukviat, Inc	\$34,240	\$34,240	\$3,113
Subtotal Job Training Grants	\$3,011,279	\$2,591,722	\$1,746
Total Grants	\$3,145,379	\$2,703,034	
<i>Percent of Grant Awards Expended</i>		86%	

AJCN / SPENDING EXPERIENCE

Alaska Job Center Network	\$880,157	\$734,738	\$2,124
<i>Percent AJCN Award Expended</i>		84%	

GRANTEE PARTICIPANT DETAIL

This preliminary data is drawn from the Management Information System and is subject to change as actual wage data becomes available. Official performance data for 2004 participants will be included in the 2005 Annual Report, Performance Review section prepared by Research and Analysis.

Grants	People Trained	Employed At Exit	% Employed
Alaska Hospital and Nursing Home Assn	72	72	100%
Alaska Joint Electrical Apprenticeship	97	94	97%
Alaska Laborers Apprenticeship	381	381	100%
Alaska Operators Apprenticeship	341	340	100%
Alaska Piledrivers and Divers Apprenticeship	18	17	94%
Alaska Best Plumbing and Heating	5	4	80%
Alaska Works Partnership	12	7	58%
AVTEC Advanced Culinary Arts	13	12	92%
AVTEC No Child Left Behind	38	38	100%
Center for Employment Education (CEE)	36	32	89%
Central Council Tlingit/Haida Headstart	14	14	100%
Coastal Villages Seafood (CDQ)	22	21	95%
Delta Mine Training Center	23	21	91%
Fairbanks Painters	38	-	-
Galena Aviation	9	9	100%
Galena Hospitality	20	17	85%
MILA, Inc	34	34	100%
Northern Industrial Training (NIT)	12	-	-
Nuniwarmiut Reindeer and Seafood Plant	9	9	100%
Roofers Apprenticeship	16	16	100%
Rural Cap Headstart	96	85	89%
UAA Kodiak Campus	47	41	87%
UAF Kuskokwim No Child Left Behind	65	64	98%
UAS Oiler Training Program	4	4	100%
Wyatt Enterprises - Fairbanks	20	17	85%
Wyatt Enterprises - Circle	11	9	82%
Yukon Kuskokwim Heath Corporation	20	16	80%
Yuut Elitnaukviat, Inc	11	11	100%
Percent of Participants Employed at Exit			85%

AJCN PARTICIPANT DETAIL

Participants from 2003	179
Total Exiters	217
Employed at Exit	58
Total Served 2004	346
Percent Employed @ Exit	22%

PARTICIPANT BREAKDOWN BY COMMUNITY OF RESIDENCE

City Name	Number of Participants	City Name	Number of Participants
Akhiok	2	Dot Lake	4
Akiachak	7	Douglas	6
Akiak	4	Eagle River	30
Alakanuk	4	Eielson Air Force Base	2
Ambler	1	Elim	2
Anchor Point	7	Elmendorf Air Force Base	2
Anchorage	280	Emmonak	8
Anderson	2	Ester	7
Angoon	4	Fairbanks	252
Aniak	11	Fort Richardson	2
Arctic Village	1	Fort Wainwright	1
Atmautluak	1	Fritz Creek	1
Auke Bay	8	Gakona	1
Barrow	5	Galena	34
Bethel	28	Gambell	4
Bettles	6	Girdwood	2
Bettles Field	1	Glennallen	5
Big Lake	7	Goodnews Bay	2
Brevig Mission	1	Gulkana	1
Cantwell	1	Haines	12
Centerville	1	Healy	9
Chefornak	1	Homer	22
Chevak	15	Hoonah	3
Chickaloon	3	Hooper Bay	25
Chignik	3	Hughes	1
Chignik Lake	3	Huslia	2
Chitina	2	Hydaburg	1
Chugiak	16	Igjugig	1
Circle	11	Iliamna	5
Clam Gulch	1	Juneau	86
Coldfoot	1	Kake	2
Copper Center	10	Kaltag	7
Cordova	3	Kasigluk	1
Craig	4	Kasilof	3
Delta Junction	50	Kenai	23
Dillingham	6	Ketchikan	36

City Name	Number of Participants	City Name	Number of Participants
King Cove	1	Northway	6
King Salmon	1	Nulato	6
Kipnuk	4	Nunam Iqua	1
Klawock	2	Nunapitchuk	4
Kodiak	55	Old Harbor	4
Kokhanok	5	Ouzinkie	9
Koliganek	1	Palmer	46
Kongiganak	1	Petersburg	7
Kotlik	2	Pilot Point	3
Kotzebue	11	Pilot Station	18
Koyuk	1	Point Hope	1
Koyukuk	3	Port Lions	1
Kwethluk	7	Puyallup	1
Larsen Bay	2	Quinhagak	3
Lower Kalskag	1	Russian Mission	3
Manley Hot Springs	1	Saint Marys	17
Marshall	8	Saint Paul Island	1
Mekoryuk	10	Salcha	9
Metlakatla	1	Salem	1
Minto	4	Sand Point	1
Moose Pass	1	Savoonga	4
Mountain Village	14	Scammon Bay	2
Naknek	4	Selawik	3
Nanwalek	1	Seward	22
Napakiaik	3	Shaktoolik	3
Napaskiak	7	Shishmaref	6
Nenana	9	Shungnak	1
New Stuyahok	2	Sitka	19
New York	1	Soldotna	30
Newtok	5	South Naknek	1
Nikiski	4	Stebbins	11
Nikolaevsk	1	Steese	1
Nikolai	2	Sterling	7
Ninilchik	2	Stevens Village	1
Nome	31	Sutton	4
North Pole	54	Talkeetna	4

City Name	Number of Participants
Tanacross	20
Tanana	5
Teller	5
Tetlin	13
Togiak	4
Tok	25
Toksook Bay	8
Trapper Creek	1
Tuluksak	3
Tuntutuliak	1
Tununak	1
Valdez	16
Venetie	3
Ward Cove	3
Wasilla	75
Willow	6
Wrangell	2

DISTRIBUTION OF FUNDS BY INDUSTRY

Industry	Number Participants	Grant Awards	
Transportation	65	\$334,851	
Construction	943	\$1,218,997	
Health Care	83	\$72,986	
Education	213	\$373,098	
Seafood Plants	35	\$183,109	
Tourism/Hospitality	33	\$138,624	
High Technology	11	\$26,465	
Office Technology	101	\$243,593	
SubTotal Grants	1,484	\$2,591,722	78%
AJCN Occupations in Demand	346	\$734,738	22%
Total	1,830	\$3,326,460	100%

GRANTEE EXPENDITURE DETAIL BY GEOGRAPHIC AREA

Service Delivery Area	%	Expenditures
Statewide	55%	\$1,411,822
Fairbanks	10%	\$264,789
Broader Interior	8%	\$208,833
Western Region	13%	\$341,393
Bethel	1%	\$34,240
Southwest	4%	\$106,277
Anchorage	2%	\$52,524
Kodiak	3%	\$78,881
Southeast	4%	\$92,963
Subtotal Grants	100%	\$2,591,722

AJCN EXPENDITURE DETAIL BY GEOGRAPHIC AREA

Anchorage Gambell	5%	\$33,945
Anchorage Midtown	8%	\$55,179
Anchorage Muldoon	21%	\$157,160
Bristol Bay	0.5%	\$4,261
Fairbanks	19%	\$138,057
Juneau	8%	\$57,310
Ketchikan	4%	\$29,757
Kotzebue	2%	\$12,711
Mat Su Valley	11%	\$82,805
Nome	6%	\$44,600
Kenai Peninsula	11%	\$87,066
Sitka	0.5%	\$4,261
Y/K Delta	4%	\$27,626
Subtotal Job Center Network	100%	\$734,738
Total Grants and AJCN		\$3,326,460
Grants Percent of Total Expenditures	78%	
AJCN Percent of Total Expenditures	22%	

Letter from a STEP Participant:

“What I enjoy most about this training program is constantly meeting new people. Everyone I have met has offered me some piece of knowledge and whether they know it or not, they have contributed to furthering my education. That knowledge has been on work ethics, work techniques, and expanding or modifying social interactions with different people.

The benefits I’ve gained from STEP funded training and from the Apprenticeship Program are about the best rewards I’ve ever received. I wish I’d checked into it sooner.

I’ll stay in this field because of the positive reinforcement I’ve received from the Training Center and its staff, and my husband. Everyone is so helpful and encouraging that it drives you to do better, work harder, and achieve more. Thanks STEP program!

~ Patricia McCormick, STEP Recipient”