

Alaska's Program Year 2005 WIA Annual Report

State of Alaska
Governor Frank H. Murkowski
September 30, 2006



**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

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DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

Office of the Commissioner

October 2, 2006

The Honorable Elaine L. Chao
Secretary of Labor
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Dear Madam Secretary:

Enclosed is Alaska's Workforce Investment Act Annual Report for 2005.

On behalf of Governor Frank H. Murkowski, I certify, as his designee for workforce development, that the Workforce Investment Act data submitted for Federal Program Year 2005, as contained in the following narrative report and submitted separately under the Employment and Training Administration's Enterprise Information Management System, are complete and accurate.

I can assure you the Alaska Department of Labor and Workforce Development: understands the demographics of our workforce; is proactively engaged in economic development planning; is informed on declining and growth industries; knows the skills and education / competencies to fill future high-growth jobs; acts as a catalyst to ensure educators are developing new training for workers to fill these jobs; and is fully integrating one-stop partners into our job centers.

Because of these actions, Alaska continues to see improvements and efficiencies in the consolidated statewide system and is set to build on your investment of formula funds and other discretionary awards. We take to heart your support and your vote of confidence in Alaska with these vital efforts, and look forward to our continued partnership in building a prepared Alaskan workforce.

Sincerely,



Greg O'Claray
Commissioner

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The Department of Labor & Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

Workforce Investment Act Title I-B Programs in Alaska

Jobs, Hope and Accountability are the themes that support a climate of innovation, catalyze investments in economic development and job creation, and set the career planning stage for the succeeding generation of workers in Alaska. These are the underlying principles upon which Alaska's workforce development system built success in Program Year 2005 (PY 2005).

Building on the previous year's success, when the Alaska Department of Labor and Workforce Development (the department) launched the "Jobs Are Alaska's Future" initiative, the record of accomplishment included linking private sector investment with public sector opportunities to stimulate new, good paying, and long-term job development.

For PY 2005, the department continued ongoing, far reaching and dynamic planning to develop the state's economy and maximize human capital in collaboration with key business, industry, labor, economic development, education, tribal, community, faith-based and local elected partners.

During PY 2005, the Alaska Workforce Investment Board (the Board) prioritized eight high growth industries for training investments:

- Health Care
- Construction
- Information Technology
- Education
- Natural Resource Development (i.e., mining and petroleum)
- Transportation
- Hospitality and Tourism
- Seafood Harvesting and Processing

In a constant state of responsiveness and evolution, the department continues as a catalyst for change in the workforce development system. Alaska is energized to think strategically, carefully analyzing variables that impact workforce development, and producing outcomes that encourage a competitive workforce.

A framework for analyzing industry workforce needs has been newly established. It accounts for economic variables and influences partner organizations to leverage for shared outcomes. This includes mechanisms for developing and maintaining partnerships, leveraging resources, emphasizing sustainability for initiatives, and focusing on outcomes.

The highest priority of the department is making sure Alaskans are trained and ready for the anticipated jobs in maritime and surface transportation, and in construction trades as a result of the construction of a natural gas pipeline. The department is primarily focusing on three areas of innovation: job training for youth (education reform); making sure Alaska businesses hire well-prepared Alaskans (economic development); and aggressive outreach to employers and job seekers promoting the resources available at Alaska's 24 job centers (workforce development).

Introduction and State Overview

"Our mission is putting Alaskans to work," said Labor Commissioner Greg O'Claray. "The professionals in the Alaska Job Centers know how to match job seekers with employers and good jobs."

Notable Highlights

The success in securing funds is directly related to filling the workforce gap in energy, construction and transportation industries.

During PY 2005, Governor Murkowski's capital budget included state general fund investment of \$3,000,000 for construction of a pipeline training facility in Fairbanks and \$1,000,000 for implementation of the Anchorage Construction Academy for youth and adults. Additionally, based on the early success with the USDOL funded High Growth Job Training Initiative for Energy, the department received \$850,000 in state general funds for the "Alaska Youth First" Initiative. The success in securing these funds is directly related to filling the workforce gap in energy, construction and transportation industries.

The department developed and implemented an employer outreach plan for Alaska's Youth First Initiative. This initiative enhances an Alaska Hire campaign by working closely with industries to provide jobs and career planning awareness for Alaska's youth, keeping them and their earnings supporting regional economies. The department is also working with businesses throughout the state to establish student internships and summer jobs for Alaska's youth. Additionally, placing teachers in industry led externships and job awareness programs helps them better understand the challenges of today's workplace and high growth industry demands.

Overall, according to the department's economists, the state's June 2006 job count was 4,800 higher than in June 2005 for a year-over-year growth rate of 1.5 percent. Alaska added jobs at an average rate of about 1.8 percent over the last five years. Although the state continues to add jobs at a moderate rate, the source of the growth has changed. For the last several years, health care and construction have led the way in job growth, but both industries seem to have cooled in 2006 and the oil and gas industry has picked up the slack. From June 2005 to June 2006 the oil and gas industry added 1,100 jobs for a strong growth rate of 12.9 percent. Strong national and global demand for both oil and natural gas is stimulating exploration and development, and is creating many new jobs for the industry nationwide and in Alaska.

Assisting veterans continues as a priority for the department with Local Veterans' Employment Representatives and Disabled Veterans' Outreach Program specialists serving on the front line as strategic service delivery resources. On Veteran's Day Governor Frank H. Murkowski and Labor Commissioner Greg O'Claray announced the "Key to Career Success" campaign. The department in partnership with the Alaska Department of Military and Veterans Affairs engaged in an aggressive outreach and education campaign to ensure that veterans and transitioning military personnel have access to career tools and opportunities for good jobs and career pathways when they leave military service. This campaign connects veterans with the full array of workforce services available within the Alaska Job Center Network. The department also identified strategies with One-Stop business representatives to connect businesses with veterans; conducted outreach with local Department of Defense Family Service Centers and veterans' service organizations for cross training and referral; and assisted spouses of transitioning veterans to re-enter the workforce.

Adult and Dislocated Worker Programs

In PY 2005, 779 individuals participated in the WIA Adult program versus 1,074 in PY 2004. This reduction directly correlates with the reduction in available WIA Adult program funding. As shown in the following chart, the earnings change in six months for program participants exceeded the negotiated performance rate

by \$1,211 while the goals for entered employment met our negotiated performance rate of 72 percent. The employment retention rate fell short by less than one percent and the credential rate fell short by 1.9 percent.

WIA Adult Program Year 2005 July 1, 2005 – June 30, 2006

Program Performance Measure	Negotiated Performance	PY 2005 Actual Performance	80% of Negotiated Performance
Entered Employment Rate	72.00%	72.00%	57.60%
Employment Retention Rate	83.00%	82.50%	66.40%
Earnings Change in Six Months	\$5,000.00	\$6,211.00	\$4,000.00
Credential Rate	62.00%	60.10%	49.60%

Alaska is committed to a renewed vision of resource and human capital development.

Excluding 410 NEG participants, 797 individuals were served in the WIA Dislocated Worker program during PY 2005, down from 1,313 in PY 2004.

The chart below shows the performance for the WIA Dislocated Worker program.

WIA Dislocated Worker Program Year 2005 July 1, 2005 – June 30, 2006

Program Performance Measure	Negotiated Performance	PY 2005 Actual Performance	80% of Negotiated Performance
Entered Employment Rate	77.00%	74.60%	61.60%
Employment Retention Rate	88.00%	84.30%	70.40%
Earnings Change in Six Months	N/A	\$4,458.50	N/A
Credential Rate	72.00%	64.50%	57.60%

To address the challenge of serving Alaska's seasonal workers, Alaska was granted a waiver of the WIA performance measure pertaining to retention in unsubsidized employment six months after entry into employment. A three-month retention performance measure for seasonal workers in locations where unemployment is greater than seven percent at the beginning of a calendar year was approved. Looking ahead, Alaska's WIA programs' employment retention rates should improve as the periods measured begin to fall within the period covered by the waiver.

Alaska is committed to a renewed vision of resource and human capital development. The state is closely aligned with the national strategic direction through the focus on Alaska's high growth/demand-driven job training initiative, mirroring the Employment and Training Administration's attention to industries that produce good paying, sustainable jobs. The energy industry, an economic sector that promises high job growth and demand for skilled, trained labor, is a major focus in Alaska and will continue throughout the decade.

Success STORIES



Since January, Richard Johnson has been welding at the Automatic Welding Company in Anchorage.

SUCCESS

Chris informed his case manager he had a job offer to remove asbestos at Fort Greely, but he could not afford to attend the required training. Once Chris' eligibility and suitability were determined, he agreed to provide his own transportation, food and lodging as his contribution to his employment plan. We secured his funding for training with Environmental Services Inc. of Anchorage. Chris completed his training on December 16th. He called to say how much he appreciated the rapid service, and he looked forward to going to work soon. Chris called our office on February 8 as part of his follow-up. He gained full-time employment as a mechanic with Chugach at Fort Greely earning \$27.11/hr. plus full benefits. Chris was grateful for our timely assistance when he needed it.

Richard L. Johnson Jr.—his friends just call him Lee—has lived most of his life in the remote village of Nelson Lagoon, population 70, on the Aleutian Chain. He's fished most of his life—30-some years fishing salmon, mostly sockeye, including 22 consecutive seasons as a crewmember on crab and cod boats. He bought his own commercial boat for salmon fishing, the 32-foot "Cynthia Jane." Some years he fished year-round. Johnson, 41, said fishing was his life—until he figured out there was no future in it for him when salmon prices bottomed out about five years ago and deckhands were making about one quarter of what they used to make. "About three years ago, I figured out I just couldn't make it. It was an eye-opener. I met my wife in King Cove about the same time," Johnson said. Together they decided to try to live in Anchorage.

"I always wanted to be a welder," he said. "I grew up helping my uncles build stuff."

Johnson said he went to the Aleutian Pribilof Islands Association, a nonprofit corporation and federally recognized tribal organization, to see what they could do about helping him get into welding school, then approached the Gambell Job Center in Anchorage and the Aleutian Pribilof Island Community Development Association. The job center and the two organizations together paid for his tuition, about \$15,000 at a welding school in Anchorage, the Testing Institute of Alaska Inc.

He started his welding classes in April 2005, went to school for a month, took the summer off to fish, and then continued his classes from September to the first of December. Johnson earned six welding certifications, learned the intricacies of welding and how to read blueprints. He landed a welding job January 24, earning \$17.00/hr. plus overtime, nine hours a day, five days a week.

A dislocated worker client was hired full time to work as an oiler for Arctic Slope Regional Corporation earning \$22.50/hr. on the North Slope while working a two-week alternating schedule. He received assistance in obtaining his certifications including North Slope Training Cooperative HAZWOPER training, Confined Space training, Health and Safety card, and an Alaska CDL—a license with Hazmat endorsement. He also received support services and assistance with arctic gear. He utilized the Job Center on a daily basis and was very diligent with the tools and information provided by staff. He credits our programs, workshops, and staff assistance for his success.

Statewide Activities

Statewide Activities grant applications are solicited that are consistent with the Board's Strategic Plan, priority industries and the Alaska's Stand-Alone Plan. Entities eligible to apply include any non-profit or for-profit organization, business, or government agency licensed or recognized to conduct a business within Alaska that possess the capacity to conduct a project in accordance with the parameters described in the solicitation.

Statewide Activities Categories	PY 2005 Expenditures
One-Stop Delivery, Capacity Building, Staff Development and Technical Assistance	\$499,611.88
Evaluation	\$110,113.50
Incumbent Worker Projects	\$ 36,765.97
Eligible Training Provider List and Management Information System	\$136,588.28
Youth Services	\$ 16,828.11
TOTAL	\$799,907.74

Source: Alaska Department of Labor and Workforce Development, Division of Business Partnerships.

Expenditures for required activities include: disseminating the eligible training provider list; conducting evaluations in order to establish and promote high-level performance practices; and assisting in the establishment and operation of One-Stop delivery systems. Allowable activities included: providing capacity building and technical assistance, establishing and implementing innovative programs and state administration costs.

Alaska's Title IB Youth programs contributed to Alaska's workforce investment system by providing comprehensive services to eligible in and out-of-school, at-risk youth with a total of 1,086 youth served in PY 2005. The department placed an emphasis on preparing out-of-school and "neediest" youth as defined by the federal Vision for Youth, and on runaways, pregnant and parenting, and homeless youth to meet priority-industry, future workforce demand.

In PY 2005, service to out-of-school youth increased by 114 youth, for a total of 595 representing an 23.7 percent overall increase over PY 2004 when 481 were served. This can be attributed to several factors, but primary among them is that more youth are entering the WIA Youth program to finish high school due to the state qualifying exit exam. According to the Alaska Department of Education and Early Development, the state's graduation rate was 59 percent last year. Youth not graduating due to failing the high school qualifying exit exam rarely return for an additional year to finish. They need a General Education Diploma (GED) to enter most apprenticeship programs and the military. It is expected that the number of youth entering the WIA program will continue to increase significantly with this new requirement. The total percentage of out-of-school youth served in PY 2005 was 54.8 percent. This is significantly above the required 30 percent required by federal standards.



Youth Programs

Success STORIES



SUCCESS
Rachel, a student with the Matanuska-Susitna Borough School District, completed the Operating Engineers pre-apprenticeship program and all three available adult welding classes, Oxy-Acetylene, MIG, and TIG. Rachel is working at an auto parts store and is applying for an apprenticeship with the Operating Engineers union; her goal is to be a diesel mechanic.

Alaska also administered a Youth in Transitions project targeted to serve youth with disabilities through a competitive grant from the Office of Disability and Employment Policy. Intermediary pilot sites were established in four areas of the state focused on aligning community resources to serve youth with disabilities. Community Oversight Teams (COTs) met monthly to develop local resources and

strategies for serving youth. Two of the intermediaries were WIA Youth grantees. In all four sites, the WIA Youth providers are involved in the COT and provide comprehensive services to youth with disabilities.

An innovative roommate matching program is in place for youth with disabilities, and is also being adopted by the other agencies serving youth in the state.

Alaska exceeded all youth performance measures in PY 2005 while serving a significantly more needy youth population and a higher percentage of out-of-school youth. The graduation rate for youth with a Diploma or

GED for the WIA Youth Program was 64.7 percent, which is higher than the graduation rate for the state of Alaska Secondary Education program at 59 percent. Youth enrolled in the WIA Youth Program must be low income and have additional barriers to employment or education.

The dynamics for good performance is developing a demand-driven system of youth service delivery that includes vision, the tools to implement the vision, and accountability.

Skill Attainment measure was exceeded at 84 percent. The measure was difficult in relationship to the Basic Skills goal due to the large number of youth who had disabilities or had other significant academic delays. The Older Youth Entered Employment measure was exceeded at 77.3 percent. The department's emphasis on jobs, and the enhancement of employment

opportunities provided through the in-school Career Guides and the Industry Liaisons funded with ETA's High Growth Job Training Initiative for Energy grant, contributed to this increase. Youth were connected to many opportunities and specific paths to enter apprenticeships and training programs leading to employment.

The Credential and Employment measure was also exceeded at 51.7 percent. The Alaska Workforce Investment Board passed a resolution to promote national standards for credentials and the youth program implemented these changes. A credential is significant and adheres to national and industry standards. This has made it more difficult to get a credential, but actually increases the employment options of youth. The waiver by ETA to allow the use of Individual Training Accounts for youth has promoted a high quality employment training program in Alaska. This has also been a factor in the Older Youth Retention measure. Alaska exceeded this measure by 10.1 points at 82.1 percent.

Youth with a good foundation and credentials are more likely to stay employed. One of the mottos of a high-performing youth grantee is "Get a Job, Stay in a Job, and Advance on the Job." The Earnings Change measure was also exceeded at \$4,332. The dynamic for good performance is developing a demand-driven system of youth service delivery that includes vision, the tools to implement the vision and accountability.

WIA Youth Program Year 2005 July 1, 2005 – June 30, 2006

Program Performance Measure	Negotiated Performance	PY 2005 Actual Performance	80% of Negotiated Performance
Younger Youth (14-18)			
Diploma/GED	64.00%	64.70%	51.20%
Skill Attainment	84.00%	86.80%	67.20%
Retention	61.00%	65.30%	48.80%
Older Youth (19-21)			
Entered Employment Rate	70.00%	77.30%	56.00%
Employment plus Credential	51.00%	51.70%	40.80%
Employment Retention	72.00%	82.10%	57.60%
Earnings Change in Six Months	\$3,600	\$4,322.80	\$2,880



The unique aspects of the program include the emphasis on the neediest youth in addition to a systems-building approach that the department is supporting for all youth programs. Through integration of youth programs and components to include the High Growth Job Training Initiative for Energy, the Alaska Youth First Initiative, the Denali Commission Training Fund-Youth Program, the Youth in Transition Program, the Customized Employment Program, the Alaska Job Center Network and the Title IB Youth Program, the state has been able to align the youth workforce for current and future needs in addition to providing youth with more options, opportunities and realistic pathways to realize their dreams and career potential.

Quality training of the staff delivering service to youth has been a keystone of the program. "Developing a Demand-Driven System for Employment," an interactive workshop sponsored by the department in February 2006 between employers from priority industries and youth providers, was very successful and continues collaboration between both groups. Two model projects, one emphasizing youth employability skills and the other increasing the employment of adjudicated youth, have emerged from this workshop. Employers surveyed for training also identify two major barriers to employment, drug and alcohol abuse and preparation in basic skills, especially mathematics. Three of the six presenters for the industry workshop stated that youth do not know how to read a tape measure. This is a basic mathematics skill that is not addressed in No Child Left Behind and yet a significant number of

jobs for the next ten years according to the department's labor market information sources require this basic skill.

The youth resource map, a searchable website for resources for youth, parents and providers, is expected to be finalized in PY 2006. This project is attracting the interest of several new investors and the Anchorage Youth Coalition.

The biggest success of the youth program is the development of a demand-driven program which is reflected in the Entered Employment measure. Including employers in training and prioritizing employer partnerships has been enhanced by the state's youth-serving programs. The department was able to use other funds to help develop more industry connections and facilitate the process of job development. All public announcements and materials distributed through schools and Alaska Job Centers lead to these connections. The youth grantees follow up with wrap around services to provide all the other key elements youth need for success.

Success STORIES

Heather completed a phlebotomy course and is a nationally certified phlebotomist. Heather passed all three portions of the High School Qualifying Exam (five attempts at math), completed a Certified Nursing Assistant course and completed the credits necessary for graduation from High School. Heather is employed as a personal care attendant, and plans on continuing her education in the health industry.

Ronnie was a full-time student at Burchell High School and worked part time as a laborer for an Anchorage/Matunuska-Sustina area local business making \$7.15 an hour. Ronnie is very interested in heavy equipment operation. With our encouragement to graduate in June and our Operating Engineer Pre-Apprenticeship Program acting as a goal, Ronnie received his High School diploma. Ronnie attended our three-week pre-apprenticeship program and received a considerable amount of praise from the teaching and office staff at the training facility. Upon successful completion of the program, Ronnie now holds his OSHA, NSTC, Fork-Lift Safety and First Aid/CPR certifications. Ronnie now makes \$10.00 an hour working full-time and has been actively operating and greasing a variety of machinery. His future goals include applying for the International Union of Operating Engineers's apprenticeship program.



Ano was a youth offender from McLaughlin Youth Center. While he was adjudicated, he was able to be released for part-time work at the UPS Store. This work experience has changed his life in many ways. He learned the entire operation of the UPS Store to include customer service, stress management, meter and key machines, laminating and shipping procedures for all kinds of cargo and mail including fish. His supervisor says that he is excellent with angry customers and has learned how to deal with these situations in real life. Anger management is also a transferable life skill. He has now been hired full-time in an unsubsidized position at the UPS Store and is an example to other youth transitioning from McLaughlin Youth Center.



Rapid Response

Alaska's Rapid Response (RR) program was transformed in 2005 to better align with industry needs and the one-stop delivery system. These changes included identification of team members from the one-stops throughout the state who have skills and expertise in the delivery of RR services and are familiar with the local labor markets. This enables them to respond immediately and effectively when a business is in transition.

During PY 2005 the RR team worked with 123 businesses and over 500 workers received RR services. The RR team accomplished many of the goals identified when the program was transformed.

In order to make the program more innovative and in response to industry demand, external communications were improved through the creation of a website, program email, brochures, forms and flyers. Community presentations were held to actively promote the program and educate industry and workers of available services.

Resources were leveraged and partnerships developed through coordination with other agency partners including the Small Business Development Centers, the Alaska Division of Investments, the Alaska Office of Economic Development, USDA Rural Grants and Alaska Native organizations.

During PY 2005 the Rapid Response (RR) team worked with 123 businesses and over 500 workers received RR services.

Success STORIES

Since the announcement of the closure of the Agrium KNO plant, located in Kenai, the department's Rapid Response Team has been the catalyst for the employees to grasp the tools and knowledge needed to sort out and implement what was available to prepare for the unexpected change in their working careers.

The team is not only extremely professional and knowledgeable of how to lead us through this difficult time, but has also acted as a friend giving moral and emotional support to strengthen our position in preparing for the future.

—Brian G. Cotman, Agrium Peer Support Group Member



For the first time in Alaska, RR additional assistance funding was provided to Alaska Job Centers to allow the continuation of dislocated worker services through the end of the program year.

Another innovative approach to RR services that was implemented was the "Ticket to Services" which fast-tracks dislocated workers into the Job Center system. Once a dislocated worker attended a rapid response worker informational meeting, they were provided direct access to a WIA case manager in an Alaska Job Center.

RR coordinated with Alaska Job Centers to transform the way services are delivered at the worker informational meetings. The Mobile Job Center was brought on-site to the meetings allowing workers immediate access to WIA and Wagner-Peyser services, including the new ALEXsys online system to allow work ready individuals to immediately find jobs.

WIA Financial Statement

The department will continue to integrate services with partner agencies, and promote internships and business community involvement in preparing Alaskans for good paying jobs and leveraging training costs to support industry growth.

Alaska's WIA Annual Report June 30, 2006

WIA Title 1-B Funding Breakouts	Available	Expended/Obligated	Percent Expended	Remaining Balance
Total All Fund Sources	12,447,240	10,402,291	83.57%	2,044,949
Adult Program Funds	2,357,554	2,357,554	100.00%	0
Adult Carry In Funds	294,054	11,238	3.82%	282,816
Dislocated Worker Program Funds	2,816,173	2,156,025	76.56%	660,148
Dislocated Worker Carry In Funds	1,149,862	1,149,862	100.00%	0
Youth Program Funds	2,411,478	2,303,544	95.52%	107,934
Youth Carry In Funds	143,515	143,515	100.00%	0
Local Administration Funds	842,801	631,470	74.93%	211,331
Local Administration Carry In Funds	280,859	47,219	16.81%	233,640
Rapid Response	541,100	363,733	67.22%	177,367
Rapid Response Carry In Funds	13,157	0	100.00%	13,157
Statewide Activities Funds	1,582,783	1,224,227	77.35%	358,556
Statewide Activities Carry In Funds	13,904	13,904	100.00%	0

Cost Analysis—WIA Title 1-B Registered Participants

	Participants*	Costs	Cost Per Participants
Adult	779	\$ 2,368,792**	\$3,041
Dislocated Worker	797	\$ 3,305,887**	\$4,148
Youth	1086	\$ 2,447,059**	\$2,253
Total	2,662	\$10,402,291	\$3,908

* The software for calculating this data was received from Mathematica only five working days prior to the report due date. Data and analysis may be subject to revision.

** Only program costs are used.

During PY 2005, the department focused workforce development efforts on preparing WIA participants for employment in high growth industries. Occupations in high growth industries require more intensive participant preparation and cost more reflecting the state's slightly higher cost per participant ratio than in preceding years. These ratios demonstrate the increases noted in costs, however, reduced labor and

administrative support costs partially offset these training cost increments. This also supports the department's position in last year's report projecting a continued decrease in participants. As WIA funding continues to decline, the pattern of active participants should continue to drop. The department will continue to integrate services with partner agencies, and promote internships and business community involvement in preparing Alaskans for good paying jobs and leveraging training costs to support industry growth.

The department is committed to continue efforts in increasing accountability and efficient and effective use of training funds. In the upcoming year, the department will increase scrutiny of grant applications and require competing entities to leverage resources in training programs. As a result, the department will realize improved cost ratios relative to participant services funded by the Workforce Investment Act, have the ability to spread the dwindling WIA funds to more grantees, and provide a greater range of services to a broader spectrum of the state's population.

The department's overall expenditure rate dropped this past year, predominately attributable to delays in grant negotiations, yet remains above the 70 percent recommended level. Adult program expenditure rate reached 89.34 percent showing improvement over 87.94 percent last year. The Dislocated Worker ratio increased by approximately 3.45 percent over the prior year. Youth expenditures increased to 95.77 percent.



Veterans' Services

The mission of the U.S. Department of Labor Veterans' Employment and Training Service (VETS) is to provide veterans with the resources and services to succeed in today's workforce by maximizing their employment opportunities, protecting their employment rights and meeting labor-market demands with qualified veterans. It is the policy of the department to emphasize, provide, and guarantee priority service to veterans and other covered individuals.

Alaska continues to enhance one of the best veterans' services websites in the nation. Based upon 2000 Census information, over 17 percent of the state's population are veterans. However, the state has difficulty reaching all of the remote veterans. Alaska's veterans' web page is our one-stop shopping site for employment and training services. The Troops to Teachers website was added in May. Statewide, all eligible veterans have the ability to address their concerns, provide feedback or have their questions answered.

We continue to expand our working relationship with the Helmets to Hardhats (H2H) program. In FFY 2006, quarter two (January — March), 244 veterans registered with the H2H program in Alaska and 20 apprenticeship programs.

The Alaska Labor Exchange System (ALEXsys) has been paramount in delivering veteran services. Since coming on-line April 17, 2006 the number of veterans registered with the labor exchange has more than doubled the prior year annual total.

Success STORIES

A Campaign Veteran we have been working with was hired as a construction worker for a job paying Davis Bacon wages in Bethel earning \$36.93/hr. (benefits included in hourly rate). When the employer contacted the Job Center for assistance in filling the job, the Veteran was notified by Job Center staff who assisted him with application process and arranged the interview. The Veteran was hired and was at work within 48 hours of the employer requesting assistance to fill the job.

Wagner-Peyser



Strong support from Governor Frank Murkowski and Commissioner Greg O'Claray, aggressive outreach, and implementation of a new online labor exchange system (ALEXsys) are the biggest reasons Alaska has seen substantial increases in Wagner-Peyser Labor Exchange participation. Compared with the prior year the total number of Wagner-Peyser Labor Exchange participants increased 20 percent; the total number of participants that entered employment increased 28 percent; and the number of participants that retained employment for six months increased more than 34 percent. Because we have seen these dramatic increases with our new labor exchange system operating in only one quarter of the program year, we anticipate even larger increases next year.

An increased number of participants in the final quarter of PY 2005 as compared to the exiting participants who gained employment resulted in a slight decline in the entered employment rate over last year. Reasons likely include the implementation of common measures and the revised definition for a participant; the conversion from a mainframe database to an internet based system in the fourth quarter; and the new online system capturing more participants accessing labor exchange services via self-service. We anticipate the rates will level and ultimately improve as staff become more familiar with common measures for different programs and services, and as the new online employment services system gathers data for more quarters.

ALEXsys provides employers and job seekers state-of-the-art internet technology to connect with each other. The system is available 24 hours, seven days a week. It's fast, efficient and easy to use. ALEXsys allows employers to place job orders online; analyze the labor market; determine competitive starting salaries; review job seekers' online resumes and find qualified candidates. It helps job seekers create their online skills-based resume; search occupational information; search for job openings in their area; and creates automated job searches that deliver job postings to their message box, e-mail address, or both. In all, ALEXsys allows the department to provide services to more customers, to do it more effectively and efficiently, and provides data necessary to ensure accountability for results.

Success STORIES

The Job Center staff introduced a local drilling company to ALEXsys, and posted their job opening for a Driller's Helper. Three days later they had hired an extremely qualified and eager to work employee. The employer called stating she was very impressed with the ALEXsys client referral process and quick response to her job listing. The applicant actually started working the very day he interviewed for the job!

Job Center staff in Anchorage assisted a job seeker looking for work as a welder to complete his ALEXsys profile and post his resume. The job seeker had lost his previous job paying \$28.00/hr a few weeks before because it required driving and his license was revoked. The job seeker was becoming frustrated at the slowness of response to his resume posting as he was running out of money. Shortly thereafter an employer from Unalaska—a community over 800 miles away from Anchorage—who was recruiting through the ALEXsys system called to offer the client a position as a Diver/Welder. The position did not require a driver's license and pays \$55.00/hr.

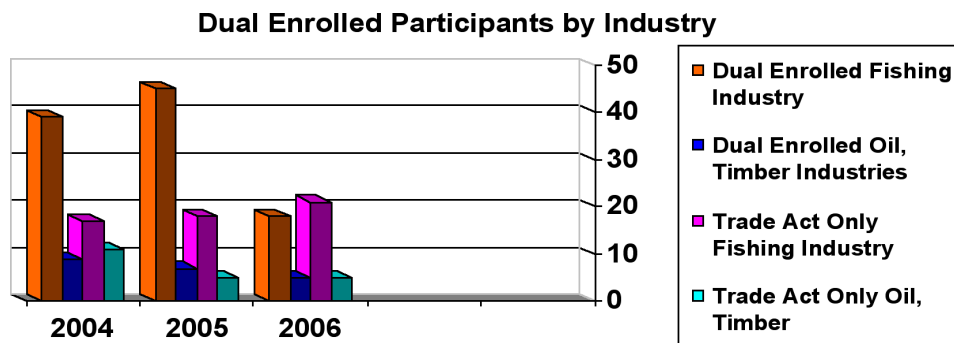
Trade Adjustment Assistance

Historically, the three primary trade-affected markets in Alaska have been the oil, timber, and fishing industries. The cyclical nature of these industries, combined with the favorable Alaska economy in general, have contributed to the recovery of these markets in recent years to a reasonable level resulting a decreased TAA activity in this state.

One factor that makes the service delivery of the Trade Act program in Alaska unique is the vast size of the state and the remoteness of a significant portion of habitable living areas. Despite this, TAA dislocated workers have access to Alaska's 24 one-stop job centers strategically located around the state and are encouraged to contact a representative by whatever means is most convenient. In addition, the TAA Program Lead also presents Trade Act information to workers at Rapid Response Worker informational meetings. During PY 2005, three onsite presentations were given at Alyeska Pipeline Services Company.

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Dual enrollment is emphasized. Currently, TAA activity in Alaska comes predominantly from training plans from Alaska commercial salmon fishers, many of whom do not qualify for other dislocated worker funding. The following chart depicts the overall decrease in the number of participants from 2004 to 2006, and also shows that the number of dual enrolled TAA participants (based on "service begin-date") has decreased.



Source: Extracted from Alaska Trade Act System Database

As the bar chart shows, overall participation dropped significantly in 2006. The majority of participants are fishers and most are not dual enrolled. Inquiries regarding training benefits are still received regularly from salmon fishers who are TAA eligible under the USDA Farm Service Agency certification.

With a new computer system that interfaces with the new ALEXsys system, easy identification and enumeration of participants enrolled in the TAA program, how many people entered and exited training and how many exited the program are easily tracked. This connection is another way that ensures that all Trade-affected individuals from even remote parts of Alaska receive comprehensive service and have access to professional support in the development and maintenance of their reemployment plans.