

**Chapter 87. State Training and Employment**

**Program.**

8 AAC 87.010 is repealed and readopted to read:

**8 AAC 87.010. Establishment of state training and employment program (STEP).**

(a) As used in AS 23.15.620(a), “in-state training” includes

(1) training for program eligible state residents to

(A) obtain new occupational skills;

(B) upgrade current skills and obtain credentials that are needed to retain or obtain employment; or

(C) pursue careers in Alaska that pay family supporting wages and offer the opportunities for advancement; or

(2) training for program eligible state residents that will foster new jobs in priority industries and occupations, as determined by the department, based on the availability of a skilled labor force in this state.

(b) The department may approve the use of program funds for training eligible state residents outside of this state based on

(1) particular training needs of the program eligible individuals;

(2) training priorities established by the department, using projections of occupational and industry workforce demand; or

(3) determination that priority industry or occupational-specific training is not available or is inadequate in this state.

(c) As used in AS 23.15.620(b), “to augment or improve public access” is to supplement or leverage existing training and employment assistance programs by

(1) providing training to more program eligible individuals than would otherwise have been trained without the use of program funds;

(2) providing training and support services that cannot be paid by other sources of funds; or

(3) providing training that may be used for expansion of existing training programs.

(d) Unless approved by the department, program funds shall not be used to construct, modify, or otherwise alter existing equipment and facilities, or to finance acquisition of new equipment and facilities to improve physical access to training.

(e) Program funds shall not be used to replace other funds that a training entity, as defined in AS 23.15.641(a)(3), has allocated for a particular training program or service or for the purpose of reducing their existing share of funding for a proposed training program. (Eff. 7/26/90, Register 115; am 9/30/94, Register 131; am 9/19/97, Register 143; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.620 [AS 23.15.645] [AS 23.15.651]

**AS 23.15.636**

8 AAC 87 is amended by adding a new section to read:

**8 AAC 87.015. Implementation of the program.** (a) For the purpose of AS 23.15.636, the program will be jointly implemented as follows:

(1) the board will review and approve priorities for the program and assist in the evaluation of proposals;

(2) the department shall bear responsibility for all remaining aspects of program implementation, including but not limited to, solicitation of proposals consistent with the priorities, selection of grantees and resolution of appeals, distribution of funds, financing grant awards, assessment of grantee performance and development of any policies affecting the implementation of the program.

(b) For the purpose of AS 23.15.636(5), when the board assists the department in the evaluation of proposals a majority of board members, or their designees, who do not have a conflict of interest as defined in the board's by-laws and in AS 39.52.220 and 9 AAC 52.010 - 9 AAC 52.990, will participate in the evaluation. (Eff. \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.636

8 AAC 87.020 is repealed:

**8 AAC 87.020. Purpose of program.** Repealed. (Eff. 7/26/90, Register 115; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.030 is repealed:

**8 AAC 87.030. Pilot program.** Repealed. (Eff. 7/26/90, Register 115; am 8/22/92, Register 123; am 9/30/94, Register 131; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.040 is amended to read:

**8 AAC 87.040. Residency.** Each program participant must be a state resident, as defined in AS 01.10.055. [A SERVICE MAY NOT BE DENIED TO A PARTICIPANT BASED ON THE PERSON’S PLACE OF RESIDENCY IN ALASKA.] (Eff. 7/26/90, Register 115; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.635            **AS 23.15.636**            [AS 23.15.645]

8 AAC 87.045 is repealed and readopted to read:

**8 AAC 87.045. Program eligibility.** (a) As used in AS 23.15.643(2), “five years” means the 60 months prior to the time the person applies for assistance under the program.

(b) As used in AS 23.15.643(3), “improve the person’s prospects” means to maintain or improve their competitiveness in the labor market or improve their earnings potential as evidenced by

(1) a potential for increase in wage and salary earnings after training; or

(2) the prospect of employment at wage and salary earnings comparable to

previous employment and related to the training received. (Eff. 8/22/92, Register 123; am 9/19/97, Register 143; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.635            [AS 23.15.545]            [AS 23.15.651]

**AS 23.15.636**            **AS 23.15.643**

8 AAC 87.050 is repealed:

**8 AAC 87.050. Period of eligibility.** Repealed. (Eff. 7/26/90, Register 115; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.060 is repealed:

**8 AAC 87.060. Verification of displacement from employment.** Repealed. (Eff. 7/26/90, Register 115; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.070 is repealed and readopted to read:

**8 AAC 87.070. Demonstration required by employment assistance and training entity.** To be eligible for a grant under the program, the person applying for the grant must demonstrate to the satisfaction of the department that the person's accounting system

- (1) can provide information on grant awards, authorizations, obligations, unobligated balances, assets, liabilities, revenues, and expenses;
- (2) has effective control and accountability for all grant cash, property, and other assets;
- (3) has the capability to compare planned or budgeted expenditures with actual expenditures; and
- (4) can provide accurate, current, and complete disclosure of the financial results of the grant activities. (Eff. 7/26/90, Register 115; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.25.636      AS 23.15.641      [AS 23.15.645]  
[AS 23.15.640]

8 AAC 87.080 is repealed and readopted to read:

**8 AAC 87.080. Services to participants.** (a) A grant awarded under the program must be used only for expenditures that are

(1) necessary and reasonable for the completion of the training and employment assistance activities in accordance with AS 23.15.620 – 23.15.660, 8 AAC 87, the grant agreement and budget; and

(2) supported by appropriate source documents, including but not limited to, cancelled checks, invoices, purchase orders, paid bills, payroll and time and attendance records, contracts, tax records and other similar documents.

(b) The failure of a grantee to document expenditure of program funds as required in (a) of this section may result in denial of future awards.

(c) Industry-specific training may be provided for topics in which an individual must be proficient for employment within a specific industry or business or occupation, and for which labor market information indicates there is a high likelihood of employment following the training even though there is not a firm commitment for hiring.

(d) On-the-job training includes training provided at the work site and where the employer is compensated for the extra cost associated with the training. Reimbursement is determined by the department based on a percentage of the participant's wages.

(e) Institutional or classroom job-linked training is training for participants where one or more employers have expressed a willingness to hire participants who successfully complete the training. Participants who successfully complete the training must be hired within a reasonable timeframe of completion of the training, as determined by the department.

(f) As used in AS 23.15.641(b)(4), relocation assistance must be for relocating the eligible person exclusively within this state and when there is a commitment of employment. Annually, the department will determine the amount of relocation assistance that may be reimbursed by the program based on the availability of funds.

(g) The department may allocate program funds to provide basic tools, work clothing, safety gear, and other items needed to attend training or become employed if the department determines that they are necessary and reasonable for training or employment in the occupation for which the person is receiving or has received the training. In making the determination of necessary and reasonable, the department may consider industry standards, employer requirements and employer or training provider policies. (Eff. 7/26/90, Register 115; am 8/22/92, Register 123; am 9/19/97, Register 143; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.636      AS 23.15.641      [AS 23.15.651]  
[AS 23.15.640]

8 AAC 87.085 is repealed:

**8 AAC 87.085. Grants; availability of alternative sources of funds for services.**

Repealed. (Eff. 11/28/2001, Register 160; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.090 is repealed and readopted to read:

**8 AAC 87.090. Limitations on services.** Based on the availability of funds, the department shall annually determine if a limit should be established on the amount of assistance a participant may receive under the program. (Eff. 7/26/90, Register 115; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.636      AS 23.15.641      [AS 23.15.645]

Register \_\_\_\_, \_\_\_\_\_ 2010 LABOR AND WORKFORCE DEV.

8 AAC 87.110 is repealed:

**8 AAC 87.110. Targeted projects or services.** Repealed. (Eff. 7/26/90, Register 115; am 8/22/92, Register 123; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.120 is repealed:

**8 AAC 87.120. Participant priority.** Repealed. (Eff. 7/26/90, Register 115; am 8/22/92, Register 123; am 9/30/94, Register 131; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.135 is repealed:

**8 AAC 87.135. Repayment by former participants.** Repealed. (Eff. 11/28/2001, Register 160; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.136 is repealed:

**8 AAC 87.136. Collection procedures.** Repealed. (Eff. 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.150(a) is amended to read:

(a) A **person who is awarded a grant under the program** [TRAINING ENTITY] shall

(1) establish a separate fund and accounting codes for receipt and disbursement of grant money under this chapter;

(2) administer the grant money according to **the requirements established in 8 AAC 87.070(a)** [GENERALLY ACCEPTED ACCOUNTING PRINCIPLES]; and

(3) provide regular periodic reporting to the **department** [BOARD] of

(A) grant-financed activities as prescribed in the grant agreement; and

(B) the disposition of grant proceeds in accordance with intended use.

8 AAC 87.150(b) is repealed:

(b) Repealed \_\_\_\_/\_\_\_\_/2010. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.636 [AS 23.15.645] [AS 23.15.651]

AS 23.15.641

8 AAC 87.160 is repealed and readopted to read:

**8 AAC 87.160. Program accountability.** Annually the department shall report on the performance of the program and the established priorities required in AS 23.15.636(4). The report will also include an accounting of the program receipts and expenditures for the year of performance being reported. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** [AS 23.15.635] [AS 23.15.645] AS 23.15.652

AS 23.15.636 [AS 23.15.651]

8 AAC 87.180 is repealed and readopted to read:

**8 AAC 87.170. Records inspection and retention; program monitoring.** (a) A person awarded a grant under the program shall maintain all appropriate records related to the grant including

(1) records used for determining an individual's eligibility to receive training or employment assistance under the program;

(2) training curricula and related materials;

(3) participant attendance at the training;

(4) testing materials and results;

(5) any certifications or other credentials earned as a result of the training;

(6) all accounting records related to the receipt and expenditure of program and other contributed or leveraged funds;

(7) all reports submitted to the department and all documents supporting how the reports were prepared;

(8) any other documents that record the activities which occurred under the grant or through the use of grant funds; and

(9) any documents which the department may require as a condition of the grant.

(b) A person awarded a grant shall maintain the grant related records for a minimum of five years following the date the grant is formally closed. The person may be required to maintain records longer than five years if there are any unresolved audit findings, questioned costs, litigation or grievances at the end of the five year period; in such a case, records shall be maintained until such matters are fully resolved.

(c) A person awarded a grant shall ensure that any sub-grantee or sub-contractor funded under a grant from the program maintain all grant related records in accordance with parts (a) and (b) of this section.

(d) A person awarded a grant under the program shall ensure that its records, and the records of any subcontractor or sub-grantee, relevant to the expenditure of money received under a program grant are available to the department for periodic monitoring. Such records shall be made available for inspection within 24 hours after request by the department. (Eff. 7/26/90, Register 115; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** [AS 23.15.635] [AS 23.15.645] **AS 23.15.652**  
**AS 23.15.636** [AS 23.15.651]

8 AAC 87.180 is amended to read:

**8 AAC 87.180. Administrative costs.** Subject to the limit set by AS 23.15.652(b) [AS 23.15.645(e)], allowable administrative costs are those [ALLOWABLE ADMINISTRATIVE COSTS] set out in 20 C.F.R. 667.220, as revised as of November 17, 2004, and adopted by reference. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 11/28/2001, Register 160; am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** **AS 23.15.636** [AS 23.15.645] **AS 23.15.652**

8 AAC 87.190 is repealed:

**8 AAC 87.190. Date of reports.** Repealed. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.200 is repealed:

**8 AAC 87.200. Financial reports.** Repealed. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87.210 is repealed:

**8 AAC 87.210. Performance report.** Repealed. (Eff. 7/26/90, Register 115; am 9/19/97, Register 143; am 12/24/2004, Register 172; repealed \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

8 AAC 87 is amended to add a new section to read:

**8 AAC 87.220. Appeals.** (a) A person that receives a notice of denial of award may file a written appeal under this section to the commissioner within 10 working days from the date of the notice.

(b) The notice of denial of award will include information describing the reasons the proposal was not recommended for award. The written appeal must address the reasons the proposal was not recommended for award.

(c) Within 10 working days of receipt of the appeal, the commissioner will make and issue a written decision on the appeal.

(d) If the commissioner grants the appeal, the appellant will be contacted by the department to negotiate the terms of an award.

(e) If the commissioner denies the appeal, no further remedy will be available through the department. (Eff. \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:** AS 23.15.636 AS 23.15.654

8 AAC 87.990(1) is repealed:

(1) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(4) is repealed:

(4) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(5) is repealed:

(5) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(6) is repealed:

(6) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(7) is amended to read:

(7) “program” means the **state training and employment program established under AS 23.15.620 – 23.15.660** [STEP];

8 AAC 87.990(8) is repealed:

(8) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(9) is repealed:

(9) repealed \_\_\_\_/\_\_\_\_/2010;

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8 AAC 87.990(10) is repealed:

(10) repealed \_\_\_\_/\_\_\_\_/2010;

8 AAC 87.990(11) is repealed:

(11) repealed \_\_\_\_/\_\_\_\_/2010;

(Eff. 7/26/90, Register 115; am 8/22/92, Register 123; am 9/19/97, Register 143;

am 12/24/2004, Register 172; am \_\_\_\_/\_\_\_\_/2010, Register \_\_\_\_)

**Authority:**    AS 23.15.620            [AS 23.15.645]            AS 23.15.654  
                  AS 23.15.636            [AS 23.15.651]            AS 23.15.660