

# Fiscal Year 2011 Resource Book

**Jobs**

*Alaska Department of Labor  
and Workforce Development*

## **Employment Security Division**

**January 2012**

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



This resource book covers fiscal year 2011, which ended June 30, 2011.

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

## *Alaska Employment Security Division 2011 Resource Book*

The Employment Security Division's (ESD) fiscal year 2011 resource book summarizes information about the division's programs, and presents fiscal year 2011 and historical data. I hope you find the information useful and interesting.

The data in this report are a culmination of division employees' commitment to excellence in carrying out the functions of the division and their dedication to serving Alaskans with employment always in mind. The daily actions of employees reflect the division's core values below:

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

ESD assists hundreds of thousands of Alaskans each year in its 21 job centers across the state to gain employment and obtain skills needed for employment through training programs administered by the division. It also assists Alaska employers with job recruitments and placements.

As we celebrate the 75<sup>th</sup> year of the unemployment insurance program, the program was established to alleviate hardships from loss of wages during periods of involuntary unemployment and stabilize local economies during periods of economic downturn. During fiscal year 2011, the division paid approximately \$315 million in benefit payments to more than 69,000 unemployed Alaskans.

The successes of 2011 are due to the hard work and dedication of the staff of the Employment Security Division. We are committed to providing the best customer service possible and welcome suggestions on how we can improve our service delivery.

Paul E. Dick  
Director  
Employment Security Division

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## Director's Notes

Fiscal year 2011 was a record year for processing unemployment insurance (UI) claims, which correlated to national statistics on high unemployment. Accordingly, the division paid benefit payments totaling more than \$315 million to unemployed Alaskans.

The Employment Security Division processed more than 162,000 unemployment insurance claims in fiscal year 2011. The division reached a record level of unemployment claims in January 2011, at about 20,000 claims for the month. Despite the increased volume, UI staff continued to provide the highest level of customer service.

In January 2011, the division implemented new call center software that automatically manages telephone queues and distributes calls to call centers located in Anchorage, Fairbanks and Juneau regardless of the location from which a person is calling in the state. The software greatly improved the division's ability to provide customer service and includes a feature that allows a caller to leave contact information to avoid wait times.

The division expanded apprenticeship programs and conducted many job fairs to assist Alaskans in getting jobs. Staff worked with eligible individuals to get training needed to gain skilled employment and meet the demands of growing occupations.

Division staff member Sheila Baker received national recognition for the work she did with inmates at the state's Hiland Mountain Correctional Facility to prepare them for employment after their release from the center. Ms. Baker's efforts resulted in a high percentage of employment among those individuals and recidivism rates well below national levels.

The division continued its commitment to a national program (WorkKeys) that assesses and credentials individuals for fundamental job skills such as reading and mathematics. These credentials provide assurance to employers that individuals meet a level of proficiency needed for jobs in which they are seeking to fill. During fiscal year 2011, WorkKeys assessments increased 135% over the prior year.

Each section in this report provides more detail on accomplishments of each of the division's components: Adult Basic Education, Employment and Training Services, and Unemployment Insurance.

The accomplishments of the Employment Security Division in each component are a result of staff dedication and commitment to excellence in customer service.

## Overview

### Employment Security Division

The Employment Security Division (ESD) provides services by connecting employers with a skilled workforce, keeping workers in Alaska and sustaining communities through the delivery of unemployment insurance.

### Programs Administered by the Employment Security Division

- Adult Basic Education
- Alaska Career Ready
- Alaska Youth First
- Benefit Payment Control
- Disability Employment Initiative
- Emergency Unemployment Compensation
- Employer Accounts & Contributions
- Employment Service
- Extended Benefits
- Fidelity Bonding
- Foreign Labor Certification
- Foster Youth
- General Education Development
- Interstate Benefits Program
- Job Training
  - Workforce Investment Act
  - State Training and Employment Program
  - National Emergency Grant/On-the-Job Training
  - Pipeline Worker Training
- Mature Alaskans Seeking Skills Training
- Quality Control Program Benefit Accuracy Measurement
- Rapid Response
- Trade Adjustment Assistance
- Unemployment Insurance Appeals
- Unemployment Insurance Claim Centers
- Veterans' Employment and Training Services
- Work Opportunity Tax Credit
- Work Services

## Key Contacts

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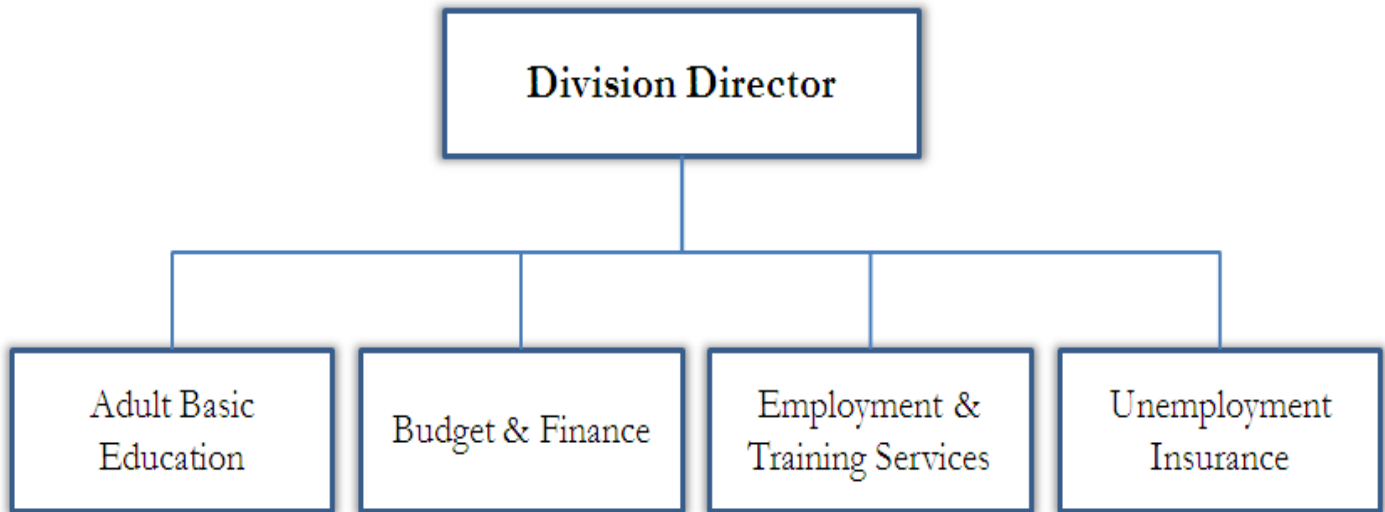
**UI Support Unit**

Jef Morgan  
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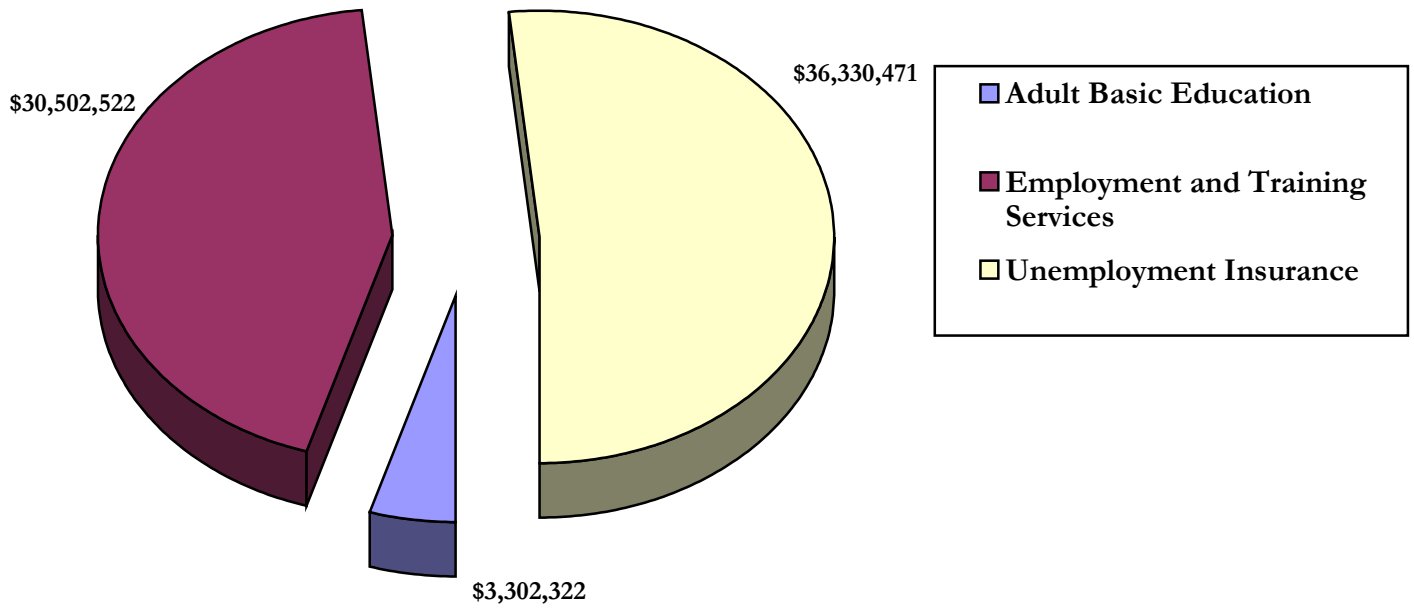
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## Employment Security Division Organization



## Employment Security Division Funding



## Overview

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

The Budget and Financial Operations Unit is directed by an Administrative Operations Manager with a staff of eight supporting the Employment and Training Services, Unemployment Insurance, and Adult Basic Education components in the Employment Security Division. Staff prepares the annual operating budget for legislative approval, provides financial management, develops and maintains unified internal office administrative controls to ensure compliance to state and federal policies, acts 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 twelfth grade level, or need to study English as their second language. The ABE program helps adults prepare for transition into the labor market or higher academic or vocational training. The desired outcome of all ABE program activities is to assist each adult learner in reaching a higher level of self-sufficiency as an individual, community member and employee.

**Programs Administered by Adult Basic Education**

- Adult Basic Education
- General Education Development

## Retrospect

The Adult Basic Education (ABE) program continues to serve adults who need a high school diploma, have math and reading skills below the twelfth grade level, or need to study English as their second language. The ABE program helps adults prepare for transition into the labor market or higher academic or vocational training. Assisting each adult learner in reaching a higher level of self-sufficiency as an individual, community member and employee is the desired outcome of all ABE program activities.

Following are highlights of major accomplishments of the Adult Basic Education program during FY11:

- The ABE program admitted 6,630 students seeking educational assistance.
- Of those students, 3,176 (48%) studied in the programs for 12 or more hours.
- Of the 3,176 full-time students, 2,010 (63%) tested as having reading and/or math skills at the 8<sup>th</sup> grade level or below; and 360 (11%) tested as having reading and/or math skills at the 9<sup>th</sup> to 12<sup>th</sup> grade level.
- English as a Second Language was studied by 806 (25%) of the 3,176 full-time students.
- To measure educational gain, students with approximately 40 or more hours of instruction are post-tested. Of the full-time students, 1,401 of the full-time students were post-tested and 47% of them showed educational gain.
- In FY11, the State of Alaska awarded 1,671 General Education Development (GED) diplomas. The Alaska Department of Education and Early Development reports that in school year 2012-2011, 8,060 high school diplomas were awarded. When added together, the 1,671 GED diplomas represent 17% of the total number of high school diplomas.
- ABE staff began planning for federally required changes coming to GED testing. Beginning in 2014, the tests will be given only on computer and only at sites designated by the private company that owns the GED tests.

**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 Education Development (GED) preparation and testing. The intent is to prepare them for transition into the labor market or higher academic or vocational training.

ABE is collectively composed of Adult Basic Skills Instruction and General Educational Development.

**Adult Basic Skills Instruction**

Adult learners receive instruction in the basic skills of reading, writing, and mathematics; and GED preparation and testing through grantees. Also provided is workplace literacy instruction of basic skills in preparation for employment, focused instruction in math skills needed to enter apprenticeship programs, and instruction in English literacy skills and civics education in preparation for citizenship testing.

**General Education Development**

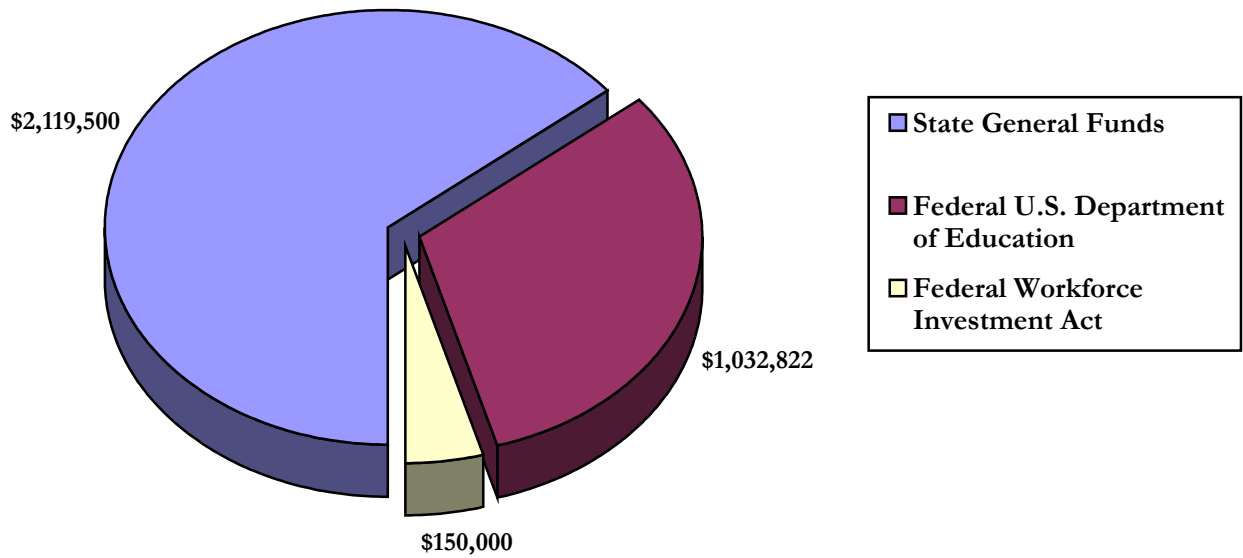
GED testing and credentialing provides a means for those unable to complete a high school education to obtain certificate equivalent to those who did receive a high school diploma, in order to make them more competitive in the labor market. GED tests measure the major and lasting outcomes of a four-year high school course in English, language arts, social studies, science, and mathematics.

## **Adult Basic Education Organization**





## Adult Basic Education Funding



**Adult Basic Education**

**Description**

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

ABE funds 13 regional ABE programs, four Volunteer Literacy programs, and one statewide English Literacy and Civics Education program. In addition, a grant is awarded to the Alaska Department of Corrections for adult basic education in correctional facilities. 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

**Funding**

State general funds	\$2,119,500
Federal U.S. Department of Education	1,032,822
Federal Workforce Investment Act	<u>150,000</u>
<b>Total</b>	<b><u>\$3,302,322</u></b>

Staffing (full-time equivalent)	3.0
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**FY 2011 Statistics**

ABE full-time students	3,176
GED diplomas awarded	1,671

*Historically, the ABE/GED office processes more than 2,000 annual transcript requests.*

*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 vital employment and training resources and connections between employers and job seekers.

### Programs Administered by Employment and Training Services

- Alaska Career Ready
- Alaska Youth First
- Disability Employment Initiative
- Employment Services
- Fidelity Bonding
- Foreign Labor Certification
- Foster Youth
- Job Training
  - Workforce Investment Act
  - State Training and Employment Program
  - National Emergency Grant/On-the-Job Training
  - Pipeline Worker Training
- Mature Alaskans Seeking Skills Training
- Rapid Response
- Trade Adjustment Assistance
- Veterans' Employment and Training Services
- Work Opportunity Tax Credit
- Work Services

## Retrospect

As in previous years, FY11 was busy and challenging for Employment and Training Services (E&TS) or component. The E&TS continues to strengthen long-term employment among Alaska's workforce and economic stability for the state by providing vital employment and training resources and connections between employers and job seekers.

Following are highlights of major accomplishments of E&TS during FY11:

- Job centers hosted more than 40 job and career fairs across the state. Also, job centers hosted more than 160 recruitment events.
- Staff facilitated the Veterans Job Fair in Anchorage, which more than 65 employers and more than 1,000 veterans, spouses, and active-duty service members attended.
- Compared to FY10, an increase in numbers of individuals tested for the Alaska Career Ready program resulted in 4,177 WorkKeys assessments through our job centers, an increase of 135%.
- Apprenticeship Specialists in job centers helped develop 26 new registered apprenticeship programs in Alaska.
- An E&TS employee was honored by the National Association of State and Workforce Agencies for her work on the "Bridge to Success" program. She was honored for her contribution for helping secure employment for inmates at Alaska's all-female Hiland Correctional Center.
- E&TS continues to streamline the Alaska Labor Exchange System (ALEXsys). This includes enhancements such as identifying green occupations, completion of the background wizard for ease in resume writing, and the workshop auto scheduler.
- A "ticket to work" website was developed that provides information and resources to job seekers with disabilities.
- A Reemployment Services (RES) model of service delivery was established. The model consists of a RES orientation and career tracks that are accessible by all job seekers online via ALEXsys or from workshops in the job centers.
- A Health Resources and Services Administration (HRSA) planning grant was applied for on behalf of the Alaska Workforce Investment Board. The grant award funded completion of the health care workforce development planning effort that began in August 2009 to address the critical needs of health industry workers. The grant ended September 30, 2011.

## Organization Overview

Employment and Training Services (E&TS) promotes long-term employment to Alaska's workforce and economic stability to the state by providing vital employment and training resources and connections between employers and job seekers. E&TS provides administrative, programmatic, and service delivery functions as follows:

### Grants and Program Support

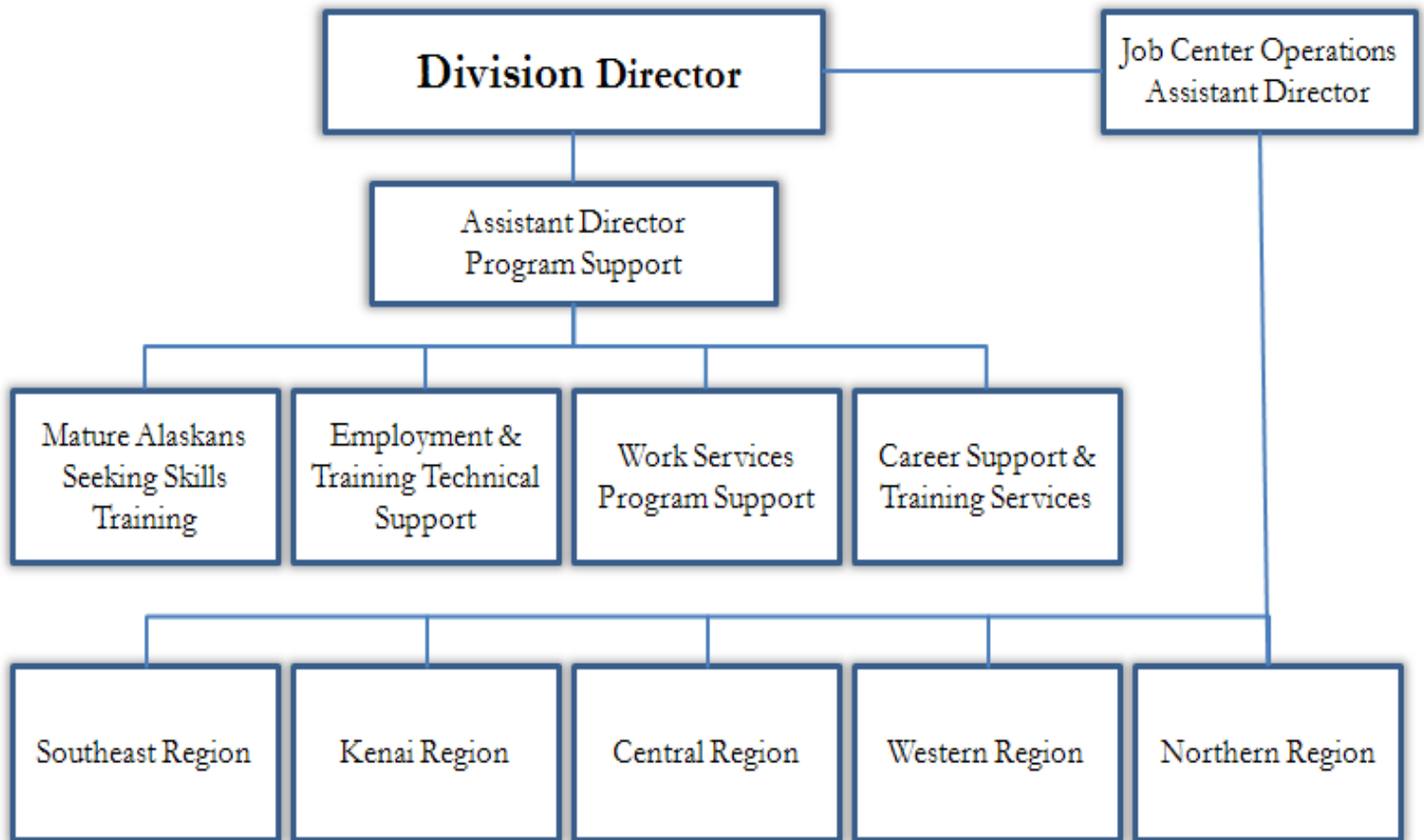
The Grants and Program Support unit is led by an Assistant Director and a team composed of an Education Specialist, Employment and Training Technical Unit Manager, and three Program Coordinators. The unit:

- Administers the following programs: Adult Basic Education/General Education Development (ABE/GED) and Mature Alaskans Seeking Skills Training (MASST) programs awarding grants to sub-recipients for delivery of services; Alaska Career Ready; Disability Employment Initiative; Fidelity Bonding; Foreign Labor Certification; Trade Adjustment Assistance; Veterans' Employment and Training Services; and Work Opportunity Tax Credit programs.
- Provides guidance and technical support for: Wagner-Peyser employment services and ESD's Workforce Investment Act job training activities; Work Services; provides technical assistance and analysis to the Director's Office of proposed federal and state legislation, regulations, policies, and procedures impacting E&TS programs; maintains the Alaska Labor Exchange system (ALEXsys); negotiates annual reimbursable services agreements for job training and Alaska Youth First programs; seeks new grant opportunities, prepares applications, and administers implementation of new grants when they are awarded.

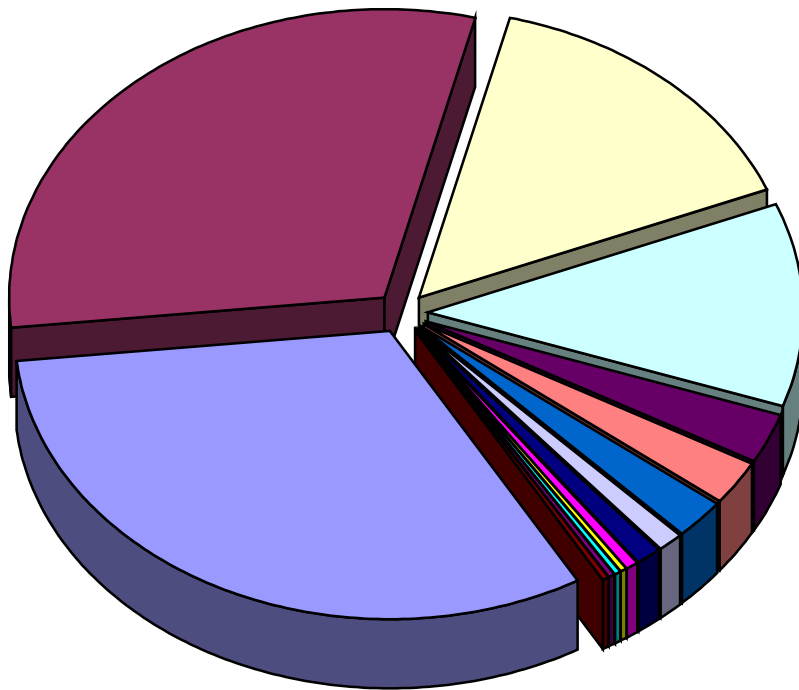
### Job Center Operations

Working primarily under the One-Stop concept of the Workforce Investment Act (WIA), this section of E&TS is composed of field staff stationed in 21 job centers throughout the state. Staff delivers one or more of the employment & 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, Career Support and Training Services, Youth First, Mature Alaskans Seeking Skills Training (MASST), 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 Funding



- Job Training - \$8,017,697
- Wagner-Peyser - \$7,648,207
- Work Services - \$3,828,455
- Mature Alaskans Seeking Skills Training - \$2,887,989
- Alaska Youth First - \$650,000
- Disability Employment Initiative - \$634,394
- Veterans' Employment & Training Services - \$610,000
- Trade Adjustment Assistance - \$260,174
- Alaska Career Ready - \$250,000
- Rapid Response - \$162,413
- Foster Youth - \$90,000
- Foreign Labor Certifications - \$72,256
- Work Opportunity Tax Credit - \$66,000
- Fidelity Bonding - \$50,000



**Alaska Career Ready**

**Description**

The Alaska Career Ready (ACR) program provides a structure for 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 state Department of Labor and Workforce Development and the Department of Education and Early Development.

ACR is composed of Career Ready 101/KeyTrain, WorkKeys®, and Job Profiling. These services are available to job seekers and employers at no cost to help assess skills critical to job success.

*WorkKeys assessments help prepare job seekers for jobs in Alaska's high-growth industries.*

**Funding**

Federal Wagner-Peyser	\$179,000
Federal Workforce Investment Act	35,500
State General Funds, Pipeline Worker Training	<u>35,500</u>
<b>Total</b>	<b><u>\$250,000</u></b>

Staffing (full-time equivalent)	1.5
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**FY 2011 Statistics**

Career Ready 101/KeyTrain registrants	4,802
WorkKeys assessments	4,177
National Career Readiness Certificate's (135% increase from the prior year)	1,359
Employer profiles	4

**Alaska Youth First**

**Description**

The Alaska Youth First (AYF) program helps prepare Alaska’s youth for entry into state-designated priority occupations and industries such as health care, energy, and construction. Career guides in the job centers establish working relationships with partner agencies and employers to promote career planning and development for youth.

**Funding**

State General Funds \$650,000

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

Staffing (full-time equivalent) 7.25

*Alaska Youth First helps prepare young Alaskans for entry into the Alaska workforce.*

**FY 2011 Statistics**

Youth served	10,671
Earned high-demand occupational certifications	131
King Career Center Employer Hiring Event Job Club youth (76% employment success rate)	58
Attended health care academy courses	351
Trained in weatherization and construction industries (58% employment success rate)	24

## Disability Employment Initiative

### Description

The Disability Employment Initiative (DEI) program improves education, training, employment opportunities, and outcomes for youth and adults who are unemployed and receiving Social Security disability benefits.

Partner agencies include the Employment Security Division (ESD), Alaska Workforce Investment Board (AWIB), Governor’s Council on Disabilities & Special Education, and Division of Vocational Rehabilitation.

*For more information on the “ticket to work” program, go online to [jobs.alaska.gov](http://jobs.alaska.gov)*

On September 29, 2010, the Department of Labor and Workforce Development was awarded a three-year grant from the U.S. Department of Labor for \$2,727,000. Planning began in FY11, which included:

- Training a Community Work Incentives Coordinator as a certified benefits planner
- Training 18 job center staff as Disability Resource Coordinators (DRC)
- Developing and launching a “ticket to work” website to provide resources to job seekers with disabilities

### Funding

Federal DEI grant

FY11 Expenditures	\$511,522
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Staffing (full-time equivalent)	2.5
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### FY 2011 Statistics

The Juneau Job Center was identified as a pilot Employment Network (EN) site during the fiscal year. Staff was trained on the “ticket to work” process during this period.

## Employment Service

### Description

Employment Service is the foundation of the One-Stop delivery system in Alaska that provides universal access to all aspects of 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 main delivery points for employment services are within the 21 physical job centers located throughout the state and on the Internet at [www.jobs.alaska.gov](http://www.jobs.alaska.gov).

*There are 21 job centers located throughout the state.*

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.

The 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, arranging for job fairs, helping employers analyze hard-to-fill job orders, assisting with job restructuring, and helping employers deal with layoffs.

### Funding

Federal USDOL Wagner-Peyser grant	\$7,648,207
Staffing (full-time equivalent)	73

### FY 2011 Statistics

Job center visits	293,170
Online labor exchange visits (ALEXsys)	1,845,425
Job openings	51,400
Entered employment rate	50%

**Fidelity Bonding**

**Description**

The Fidelity Bonding program is an employer-hire incentive program that provides insurance protection. It enables at-risk job applicants to get and keep a job. Bonding provides the 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 buys bonds from the Travelers Property Casualty Insurance company as needed. Bonds are given to those employers that agree to hire at-risk applicants.

**Funding**

Federal Wagner-Peyser	\$50,000
Staffing (full-time equivalent)	.5

**FY 2011 Statistics**

Employer bonds issued (8 bonds at \$5,000 and 1 bond at \$10,000)	9
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*Fidelity Bonding enables at-risk job applicants to get and keep a job.*

**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)

**Funding**

Federal USDOL grant \$72,256

Staffing (full-time equivalent) .5

*The Foreign Labor Certification program serves employers who anticipate a shortage of domestic workers for temporary work.*

**FY 2011 Statistics**

H-2B seafood industry applications processed (representing 323 temporary job openings)	48
H-2B non-seafood industry applications processed (representing 72 temporary job openings)	9
H-2A applications processed (representing 22 job openings)	1

**Foster Youth**

**Description**

The Foster Youth program assists youth who are transitioning out of foster care with career awareness and resources that lead to career opportunities. Career awareness resources include work experience, on-the-job training, registered apprenticeship, and career fairs.

**Funding**

Federal grant \$71,860

*Foster Youth prepares foster children with entry into the Alaska Workforce.*

Funds are secured through a Reimbursable Services Agreement with the Department of Health and Social Services, Office of Children’s Services.

Staffing (full-time equivalent) .5

**FY 2011 Statistics**

Foster youth who attended a career fair highlighting careers in construction and transportation 16

## Job Training

### Description

Job training programs include:

- Workforce Investment Act
- American Recovery and Reinvestment Act
- State Training Employment Program
- National Emergency Grant/On-the-Job Training
- Pipeline Worker Training

*Job training focuses on Alaska's high-demand jobs such as those in health care, oil and gas, mining, and construction.*

These programs support vocational training, on the job training, and apprenticeship-related instruction to help Alaskans qualify and obtain high-demand jobs that led 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.

Career Support and Training Services (CSTS) case managers, located in job centers, work with trainees and employment service partners to develop job training plans 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 is concurrently enrolled in all other programs for which the trainee qualifies. Post-training job placement assistance is also provided.

Funding assistance for training services is primarily available through the Workforce Investment Act (WIA) and State Training Employment Program (STEP).

### Funding

#### Federal Workforce Investment Act

Base Grant	\$3,616,466
American Recovery Reinvestment Act (ARRA)	1,058,946
National Emergency Grant/On-the-Job Training (NEG/OJT)	<u>783,785</u>
<b>Total WIA</b>	<b><u>\$5,459,197</u></b>

State General Funds, State Training Employment Program	2,100,000
State General Funds, Pipeline Worker Training (PWT)	<u>458,500</u>
<b>Total</b>	<b><u>\$8,017,697</u></b>

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

Continued on Next Page



**FY 2011 Statistics**

Programs	Participants	Exits	Staffing FTE*
WIA Adult	2,957	2,008	22.0
WIA Dislocated Worker	409	296	12.0
WIA Youth	124	91	1.0
STEP	699	341	6.25
WIA NEG/OJT	6	1	2.0
PWT	120	63	0.55
<b>Total</b>	<b>4,316</b>	<b>2,801</b>	<b>43.80</b>

\*Full-time equivalent

**Mine Training – Kensington & Greens Creek**

Since the underground mine training classes began in 2007, training has been provided to 54 Alaskans, 46 of whom were hired (an 85% placement rate) and two are currently in the interview process. Trainees are from Southeast communities including Craig, Gustavus, Haines, Hoonah, Juneau, Kake, Ketchikan, Klawock, Petersburg, Sitka, and Wrangell.

**Registered Apprenticeship**

Apprenticeship specialists developed 27 new registered apprenticeship programs. The 27 programs include:

- Automobile Mechanic
- Building Maintenance Technician
- Carpenter
- Diesel Mechanic
- Electrician
- Environmental Technician
- Graphic Designer
- Landscape Technician
- Manager, Food Service
- Medical Assistant
- Non-Destructive Technician
- Office Manager / Administrative Service
- Pharmacy Technician
- Plumber
- Power-Plant Operator
- Residential Carpenter
- Residential Wireman
- Surgical Technologist
- Waste Water Management

**Mature Alaskans Seeking Skills Training**

**Description**

The Mature Alaskans Seeking Skills Training (MASST) program fosters individual economic self-sufficiency and promotes community service opportunities that lead to employment for unemployed, low-income persons age 55 or older.

MASST funds training for high-demand occupations such as health care, child care, education, green jobs, energy efficiency, environmental services, and social and legal fields.

**Funding**

Federal USDOL	\$2,553,380
Matching funds (GF and STEP)	<u>334,609</u>
<b>Total</b>	<b><u>\$2,887,989</u></b>

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

**FY 2011 Statistics**

Participants placed into unsubsidized jobs (Exceeding the federal goal of 24%)	39%
Quarterly average earnings measure for Alaska (Federal quarterly average earnings was \$6,229)	\$8,676
Older workers assisted (Alaska funded to assist 268)	450
Employment retention	74.4%

*Alaska values the skills older workers possess as some of our most valuable workforce resources.*

**Rapid Response**

**Description**

Rapid Response is a federally funded program that provides proactive customized strategies, support, and assistance to businesses, communities, families, and laid-off workers to minimize the impact of job loss and business closure. When layoffs occur, Rapid Response staff help laid-off workers connect with the workforce system to get them through the job transition process and find new employment.

Rapid Response benefits include:

- Information on filing for Unemployment Insurance
- Employment services such as resume writing, interviewing techniques, labor market information, and job hunting tips and resources
- Information on job training opportunities
- Employment counseling
- Trade Adjustment Assistance if applicable

**Funding**

Federal USDOL Workforce Investment Act (Dislocated Worker sub-allocation)	\$162,413
--	-----------

Staffing (full-time equivalent)	2.0
---------------------------------	-----

**FY 2011 Statistics**

Businesses engaged	45
Individuals assisted	725

*Rapid Response offers resources to avert layoffs and assistance to laid-off workers.*

## Trade Adjustment Assistance

### Description

The Trade Adjustment Assistance (TAA) program helps workers who were laid off due to foreign competition or outsourcing return to suitable employment as quickly as possible. Workers who are eligible for TAA benefits in Alaska primarily come from the oil, timber, or fishing industries.

TAA benefits include:

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

*TAA helps workers who were laid off due to foreign competition or outsourcing return to suitable employment.*

### Funding

Federal administrative grant	\$ 27,367
Federal program training grant	<u>232,807</u>
<b>Total</b>	<b><u>\$260,174</u></b>

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

### FY 2011 Statistics

TAA eligibility notifications sent	6,000
Individuals assisted	153
Individuals in training	31
Active participants	79
Entered employment rate	76%
Employment retention rate	98%
Six-month average earnings rate	\$41,465

## Veterans' Employment & 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.

Local Veterans' Employment Representatives (LVER) staff provides employer outreach and job development services to veterans. Disabled Veterans' Outreach Program (DVOP) staff provides case management to veterans with special 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

### Funding

Federal USDOL grants

DVOP	\$276,000
LVER	265,000
LVER TAP (Transition Assistance Program)	<u>69,000</u>

<b>Total</b>	<b><u>\$610,000</u></b>
--------------	-------------------------

Staffing (full-time equivalent)	6.5
---------------------------------	-----

### FY 2011 Statistics

Registered in ALEXsys	17,323
Received re-employment services	1,347
Received resume assistance	1,090
Received job search support/planning assistance	4,338

*“Hiring Our Heroes: Veterans’ Job Fair” was attended by more than 1,000 veterans, spouses, and active-duty service members.*

### 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 experienced difficulty finding employment and have a high unemployment rate.

**Funding**

Federal USDOL grant	\$66,000
FY11 Expenditures	\$57,523
Staffing (full-time equivalent)	.5

**FY 2011 Statistics**

Certifications issued to employers (saving employers approximately \$4,380,600 in taxes)	1,577
---	-------

*The Work Opportunity Tax Credit program provides employers with a federal tax credit.*

**Work Services**

**Description**

The Work Services program provides specialized case management services to Alaska Temporary Assistance Program (ATAP) 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

*Work Services helps  
needy Alaskans  
obtain/get jobs.*

**Funding**

Federal Temporary Assistance for Needy Families (TANF)  
Block Grant

\$3,828,455

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

Staffing (full-time equivalent)

35.0

**FY 2011 Statistics**

Individuals assisted  
Case management  
Job development

1,459  
218

## Appendix A

**Employment Security Division  
Job Center and UI Highlights Report  
For the FY11**



	Job Center Visits	Veterans Visits to the Job Center	Job Openings	Job Orders	UI Claimants Registered For Work
<b>Job centers</b>					<b>UI</b>
Anchorage					
Midtown*	59,414	4,805	*n/a	*n/a	*n/a
Gambell*	38,144	3,368	*n/a	*n/a	*n/a
Muldoon*	32,802	3,797	*n/a	*n/a	*n/a
<b>Anchorage Total</b>	<b>130,360</b>	<b>11,970</b>	<b>22,637</b>	<b>16,283</b>	<b>105,734</b>
Mat-Su	25,556	1,723	2,118	1,419	30,283
Fairbanks	24,046	3,197	6,826	3,855	22,811
Kenai	21,550	2,257	2,923	1,929	14,446
Eagle River	19,227	1,298	342	187	8,285
Kodiak	12,921	778	1,530	799	8,536
Juneau	10,423	1,078	3,125	2,487	9,050
Bethel	8,323	458	1,588	1,317	3,353
Homer	8,055	614	1,020	784	5,058
Ketchikan	6,510	188	1,419	1,083	5,849
Seward	4,857	600	884	547	3,988
Valdez	4,729	499	1,024	705	1,699
Nome	4,545	84	1,298	966	1,748
Sitka	3,363	392	557	511	3,021
Kotzebue	2,551	49	615	566	1,689
Dillingham	1,803	14	1,430	881	1,285
Barrow	1,543	54	1,591	1,452	1,270
Tok	1,488	163	135	94	1,353
Glennallen * *	1,320	38	338	239	713
<b>Statewide Totals</b>	<b>293,170</b>	<b>25,454</b>	<b>51,400</b>	<b>35,104</b>	<b>230,171</b>
<b>Number of online visits to ALEXsys 1,845,425</b>					

Source: Alaska Department of Labor and Workforce Development, Employment Security, ALEXsys  
Prepared 1/13/12

\* Anchorage's job centers job openings, job orders and UI claimant's numbers were combined.

\*\* Glennallen's numbers were not reported until January 2011.



## 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

**Anchorage Cook Inlet Tribal Council**  
3600 San Jeronimo Drive  
Carol Wren, Manager

**Barrow**  
1078 Kiogak Street  
Cindy Shults, Manager

**Bethel**  
460 Ridgecrest Drive, Suite 112  
Barbara Cowboy, Manager

**Bristol Bay (Dillingham)**  
503 Wood River Road  
Barbara Cowboy, Manager

**Eagle River**  
11723 Old Glenn Hwy, Sp 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  
Barbara Cowboy, Manager

**Mat-Su**  
877 Commercial Drive  
Tamika Ledbetter, Manager

**Nome**  
214 Front Street, Ste 130  
Barbara Cowboy, 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  
David Reid, Manager

**Tok**  
State Office Building  
Peg Kozlowski, Manager

**Valdez**  
State Office Building  
Twilah Beck, Manager

## Appendix C

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

Alaska Workforce Investment Board Meeting  
October 25 and 26, 2011



**ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT**

#### Employment and Training Services Data July 1, 2010 to June 30, 2011

#### Labor Exchange Program

Job Seeker Visits to the Job Center Resource Rooms.....	293,170
Active Registered Participants.....	132,629
Veterans and Transitional Service Member Participants.....	17,323
Youth Participants.....	3,541
Participants who Entered Employment.....	36,932
Participants who Retained Employment at Six Months.....	46,893
Job Openings Received from Employers.....	50,908

#### Career Support and Training Services Participants Workforce Investment Act

	Adult	Dislocated Worker
Program Participants.....	3,374	409
In the First Quarter after Exit, Percentage of Program Exiters who		
Entered Employment.....	67.6%	72.9%
Received a Credential and Entered Employment.....	62.0%	59.9%
Retained Employment for Another Six Months.....	81.3%	83.7%
Six-month Average Earnings of those who Retained Employment.....	\$18,200	\$24,160

#### State Training and Employment Program

Participants.....	699
Exiters.....	341

#### Pipeline Training

Participants.....	120
Exiters.....	63

Source: Alaska Job Center Performance Data, DOLWD

# *Unemployment Insurance*

## **Overview**

### **Unemployment Insurance**

The Alaska unemployment insurance (UI) program provides compensation for insured workers who are unemployed through no fault of their own and are actively seeking reemployment. Federal contingency funding for administration of the program consists of administrative funds returned to states through a system largely dependent on workload.

The program collects UI contributions which are deposited into the UI Trust Fund. The program provides a convenient and efficient way 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.

### **Programs Administered by Unemployment Insurance**

- Benefit Payment Control
- Emergency Unemployment Compensation
- Employment Security Contributions
- Extended Benefits
- Interstate Benefits Program
- Quality Control Program Benefit Accuracy Measurement
- Unemployment Security Claim Centers
- Unemployment Insurance Appeals

## Retrospect

Alaska has experienced a record number of claims filed in the past few years. As a result, disbursement of UI benefits was approximately \$315 million. While the workload generated from paying unemployment insurance claims on multiple state and federal extensions has presented administrative challenges, Alaska remains one of the top states in the nation to issue timely payments of UI benefits. Even with the seasonally adjusted unemployment rate at 7.3% (compared to the national rate of 8.6%), high workload is expected to continue through 2012. Alaska passed 16 of the 19 core measures established by the United States Secretary of Labor.

The following statistics represent payment of UI benefits for FY11:

- Unemployment insurance benefits of approximately \$315 million were paid to 69,723 insured workers. This is a decrease of \$16.5 million in benefits and an increase of 2,091 insured workers from last year.
- The average duration of benefits was 21.5 weeks.
- The average weekly benefit amount paid was \$240.
- Approximately 97% of biweekly claims were filed telephonically and online.
- A total of 286,872 calls were answered in the division's claim centers.

Since the installment of the statewide Virtual Call Center system in January 2011, there has been a significant improvement in timely and cost effective processing of claims. Enhancements to the system include virtual queuing, call-back feature, and call recording. Additional phases will include integration of the current IVR system, skill based routing, and screen population capability. The department is the lead agency in adopting this new technology, which is currently being shared with the Permanent Fund Dividend and Retirement and Benefits divisions.

Benefit Payment Control (BPC) collected more than \$3.4 million in overpaid benefits. In addition, approximately \$1.5 million in fraudulent benefit overpayments and more than \$400,000 in fraud penalties were collected.

The division promulgated regulatory changes that clarified timely filing criteria for a week claimed in which there were earnings. Regulations criteria will improve the accuracy of wages reported by claimants.

In June 2011, a regulatory change was implemented defining travel in search of work and required in-person job contacts.

UI program staff drafted legislation that would pursue a Treasury Offset program as another method for collecting overpaid benefits.

## Organization Overview

The unemployment insurance (UI) program consists of eight units:

- Technical
- Support
- Data Processing Liaison
- Contributions
- Quality Control
- Claim Centers
- Benefit Payment Control
- Appeals

Offices are located in Juneau, Anchorage, Fairbanks, Kenai, and Wasilla.

### Technical

The Technical Unit provides support to the program in areas of federal and state compliance, planning, analysis, 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.

### Support

The Support Unit 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, and billing and reimbursement of participating states.

### Data Processing Liaison (DPL)

The DPL Unit provides support for computer systems that are essential to UI business services, analyses and tests of computer processes prior to going into production, works directly with Data Processing to move computer changes, and updates changes into production to ensure department standards in design and functionality.

### Contributions

UI Contributions Unit provides assistance and information to employers on the UI contributions program. Contributions finance the UI Trust Fund, from which benefits are paid to unemployed Alaska workers.

Continued on Next page

**Quality Control**

Quality Control is a federally required program to measure the accuracy of UI claims and identify opportunities for improvements in the UI program. A weekly random selection of claims is examined to determine whether benefits were properly paid or denied. Statistics from these audits are entered into a USDOL database. USDOL uses state statistics to measure how states are administering their UI programs.

**UI Claim Centers**

UI Claim Center staff obtains eligibility information by phone and Internet to establish new and continuing benefit claims. Staff also investigates any issues that arise and conduct fact-finding to make a formal determination on eligibility for benefits. Issues that arise may include separation from job, deductible income received and ability to accept full-time work while collecting benefits.

There are three UI claim centers statewide:

- Juneau
- Anchorage
- Fairbanks

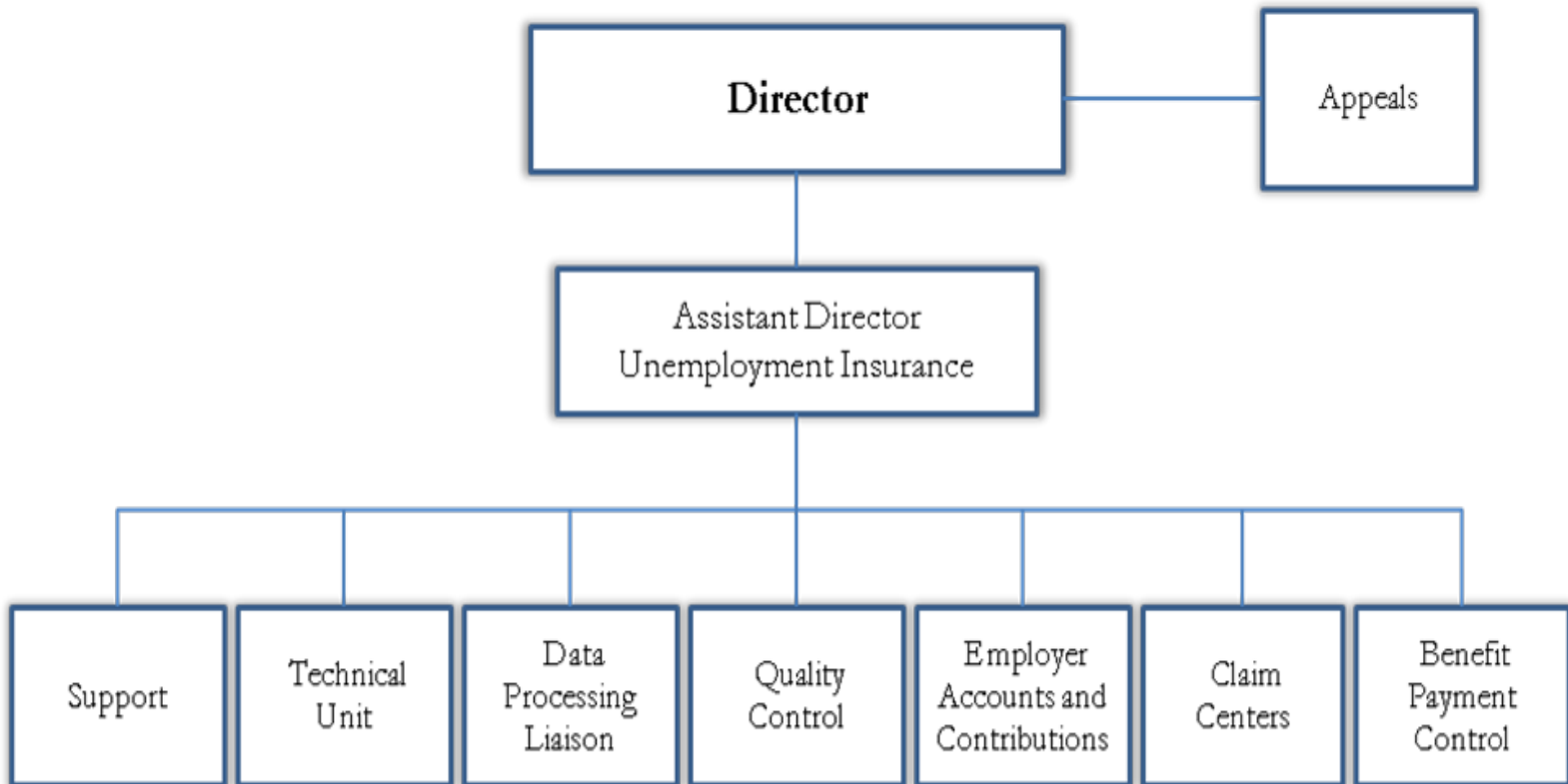
**Benefit Payment Control (BPC)**

BPC is federally mandated to protect the Unemployment Insurance Trust Fund by preventing, discouraging, detecting, investigating, and recovering unemployment insurance benefit overpayments. BPC consists of two units: Fraud Investigations and Audit & Recovery.

**Appeals**

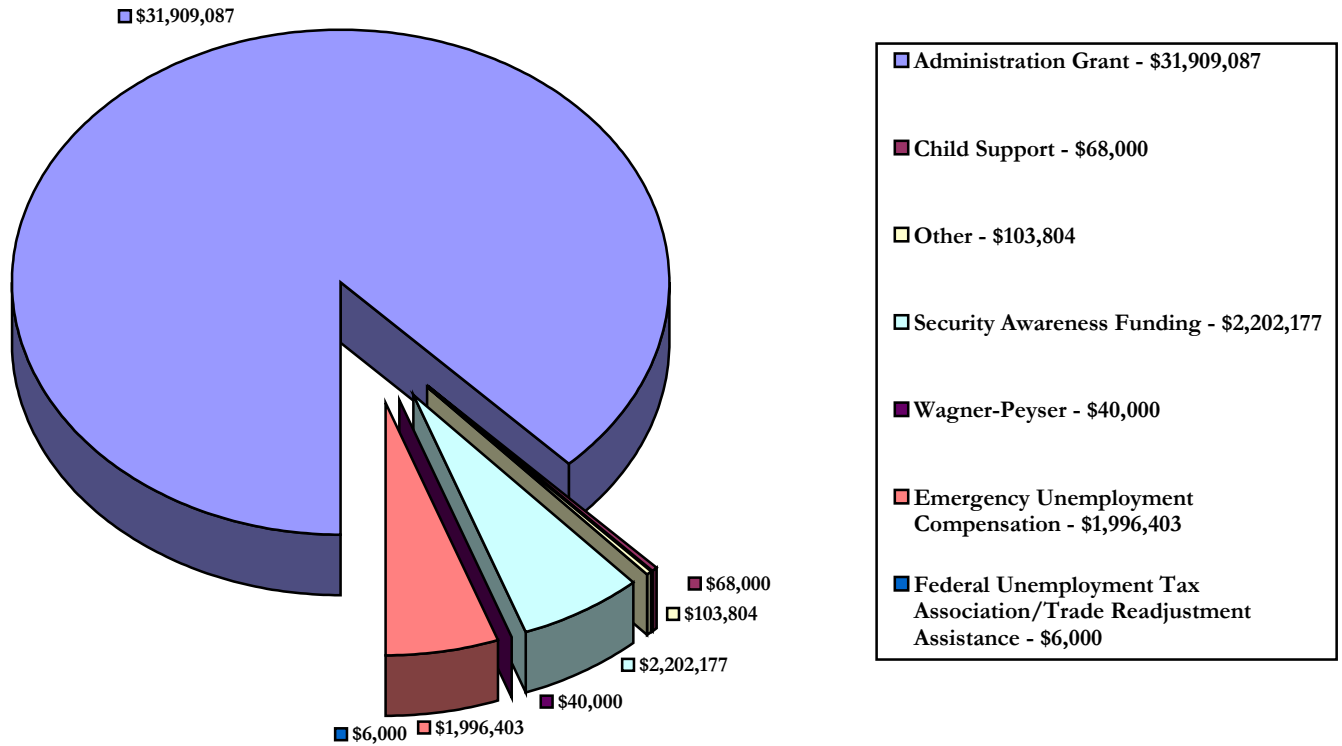
The Appeals Unit provides due process hearings and decisions in contested UI benefit and Tax cases as mandated in AS 23.20.410-470. Any decision affecting a workers right to benefits may be appealed. The Appeals Unit exists to carry out one of the most important and public functions of this agency: fair and impartial review of UI benefit eligibility. This is based solely on the record of a fair and impartial hearing.

## Unemployment Insurance Program Organization





## Unemployment Insurance Funding



**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 intent of the program is to provide a two-level system for deciding contested unemployment insurance cases by offering both a tribunal or ‘de novo’ hearing in which parties present testimony and evidence, and 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.

The greatest accomplishment of the unit was to meet and maintain federal timeliness measures. Due to increased workload and staffing issues, the unit had to prepare a Federal Corrective Action Plan in July 2010; however, the requirement for a subsequent plan for 2011 was not needed.

*UI Appeals provides due process in contested UI benefit and contribution cases.*

**FY 2011 Statistics**

The Appeals Unit received 3,099 benefit appeals in the calendar year 2010 and 2,054 as of mid-August 2011.

## Benefit Payment Control

### Description

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

The program has two units: Investigations and Audit Recovery.

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

For more than a year, BPC has run 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 don't report earnings after they have been hired. Prevention and detection of UI fraud is part of the BPC mission. This cross-match has proven successful in earlier detection of the claimants that have returned to work and continue to file.

*Benefit Payment Control collected \$401,827 in fraud penalties in FY11.*

### FY 2011 Statistics

#### Assessments

Non-fraud overpayments	\$4,198,388
Fraud overpayments	\$3,387,361
Fraud penalties	<u>\$1,721,178</u>
<b>Total</b>	<b><u>\$9,306,927</u></b>

#### Collections

Non-fraud overpayments	\$3,447,995
Fraud overpayments	\$1,469,116
Fraud penalties	<u>\$401,827</u>
<b>Total</b>	<b><u>\$5,318,938</u></b>

**Claim Centers**

**Description**

UI claim centers obtain claim and eligibility information by phone and Internet. Callers use a self-directing, toll-free number to contact a call center or log on to file online through MyAlaska. From the web, unemployed workers can file a new claim, reopen an existing claim, and file for biweekly benefits. These unemployed workers can also establish and verify direct deposit or debit card information as well as receive assistance finding employment.

There are three claim centers in Alaska located in:

- Anchorage
- Fairbanks
- Juneau

*UI claim centers are located in Anchorage, Fairbanks, and Juneau.*

**FY 2011 Statistics**

Alaska workers who received UI benefits	69,729
Total UI benefits paid	\$314,981,081
Average weekly amount	\$240
Claimants who used automated systems for filing their biweekly claims	97%
Calls received in UI Claim Centers	286,872
Average number of calls per day statewide	1,184
Response time average	11 minutes
The total number of initial claims processed	162,439
Total weeks claimed	1,568,089
The total number of nonmonetary determinations issued	90,181

## Emergency Unemployment Compensation

### Description

Emergency Unemployment Compensation (EUC) 08 was created under the Supplemental Appropriation Act, 2008, Title IV – Emergency Unemployment Compensation, Public Law 110-252, signed by the President on June 30, 2008. Since that time, Congress has passed several laws that have added additional tiers of benefits and extended the dates the benefits will be available. There is now a maximum of 53 weeks of EUC available to claimants. On June 11, 2011, Alaska’s unemployment rate fell below the level required to add the fourth and final tier of benefits, which consists of six weeks.

On December 17, 2010, Public Law 111-312 was enacted. This law extends the eligibility for EUC to December 31, 2011, with phase-out through June 9, 2012. On December 23, 2011, Congress and the President authorized a two-month extension of EUC benefits. EUC eligibility has been extended to March 3, 2012.

As a result of a 2010 audit, the United States Department of Labor directed that Alaska pay individuals any EUC balances remaining on previous benefit years before new EUC entitlement is added to the most recent benefit year. On June 30, 2011, programming changes were successfully introduced to the benefit payment system to correct this audit finding.

### Funding

Federally funded EUC benefits of 100%

### FY 2011 Statistics

EUC benefits paid	\$116,637,771
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*Emergency Unemployment Compensation currently provides an additional 53 weeks of UI benefits to those claimants who qualify.*

## **Employer Accounts & Contributions**

### **Description**

Employer Accounts & Contributions collects statutory contributions to finance the UI Trust Fund from which UI benefits are paid. The Alaska UI program is based on an insurance model.

Alaska uses a payroll decline method to establish individual employer UI contribution rates. This system has proven effective. Alaska's trust fund has remained solvent, while 35 other states have depleted their trust funds because their financing systems did not respond to the changing economy.

*Alaska employers contribute to the UI Trust Fund which pays benefits to eligible individuals.*

The basic measure of trust fund solvency is the UI Trust Fund Reserve Rate, which is the relationship between the level of fund reserves and the amount of total statewide payroll. The goal is to maintain a reserve rate between 3.0 and 3.2 percent. At this range, the fund is able to meet the benefit demands of severe economic recessions. This level of reserve also keeps the system from being under- or over-funded.

Maintaining a sufficient trust fund reserve rate is beneficial to stabilize employer contribution rates. To maintain the solvency of the UI trust fund, the tax system must cover the cost of the benefits being paid. The levels of employer and employee taxes are based on the Average Benefit Cost Rate, the relationship between benefit costs, and the total payroll of employers.

Data from multiple years are used in the calculation of the Benefit Cost Rate, thereby smoothing out sudden changes to the system and making the rate somewhat counter cyclical. Counter cyclical financing allows the fund to weather an economic slump, while resisting sudden changes in tax rates during periods of high benefit demands.

There are two programs funded solely from employee tax contributions which fund grants to business entities that provide employment assistance and training opportunities. The programs are: State Training and Employment Program (STEP) and Alaska Technical Vocational Education Program (TVEP). Both STEP and TVEP are under the oversight of the Alaska Workforce Investment Board. State law provides specifics on how the funds are allocated through June 30, 2014.

Continued on Next Page

**FY 2011 Statistics**

Employers registered in Alaska	17,822
78% of these employers have fewer than 10 employees	
Contribution reports processed	71,499
Employer Audits	225
Amended	158
Additional contributions collected	\$18,541
Employer refunds	\$21,860
Deposited in the UI Trust Account	\$143,915,169
Collected and deposited into the accounts of:	
Technical Vocational Education Program (TVEP)	\$10,196,947
State Training and Employer Program (STEP)	<u>\$6,794,848</u>
<b>Total</b>	<b><u>\$16,991,795</u></b>

See appendices A through F for more data on contribution rates.

**Extended Benefits**

**Description**

Extended Benefits (EB) are established under Alaska Statutes AS 23.20.406-409 and Federal Code 20 CFR 615. EB are additional weeks of UI benefits offered during periods of high unemployment to claimants who have exhausted regular benefits.

There are two formulas that control when a state can pay EB. The insured unemployment rate (IUR) trigger can occur if the 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) trigger occurs if the 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 on 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.

**Funding**

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 reimburses states for 100 percent of extended benefit cost. State and local government and federally recognized tribal employers are excluded from any federal reimbursement for EB.

*Extended Benefits trigger on during periods of high unemployment.*

**FY 2011 Statistics**

Extended Benefits paid

\$39,003,722



### **Interstate Benefits Program**

#### **Description**

The Interstate Benefit program provides a method of payment for unemployed individuals who have qualifying employment and wages yet could be deprived of unemployment insurance benefits due to their absence from the state in which their wages were earned.

The interstate program is administered by the Interstate Program Coordinator and manages the following functions:

- Assist individuals filing Interstate and Combined Wage claims.
- Reduce barriers to interstate claim filing so determinations and payments are made promptly.
- Facilitate the exchange of information between states to ensure accurate claim determinations and reduce overpayment of benefits.
- Implement and maintain network enhancements to maximize communication between the states.
- Request assistance and provide assistance to states in the recovery of overpayments.

*Individuals in Alaska can qualify for a UI claim by combining wages from other states.*

#### **FY 2011 Statistics**

Total UI benefits paid (CY10)	\$186,577,058
UI benefits paid to interstate claimants	\$37,189,556
Average UI dollars paid to out-of-state workers	17%

**Quality Control Program Benefit Accuracy Measurement**

**Description**

The UI Benefit Accuracy Measurement (BAM) 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 Quality Control (QC) Unit is comprised of seven QC 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.

*The UI Benefit Accuracy Measurement system provides opportunities to improve the UI program.*

**FY 2011 Statistics**

Alaska’s overall rate of overpayments for all causes, both detectable and undetectable, in normal operations was 9.69% of the total amount paid in benefits. The most frequent errors included in the rate are job registration errors and unreported work and earnings while filing for benefits.

## Appendix A

### Historical Average Combined UI Contribution Rates

Year	Employer	Employee	Combined
1982	3.04%	0.70%	3.74%
1983	2.37%	0.50%	2.87%
1984	2.57%	0.60%	3.17%
1985	2.17%	0.50%	2.67%
1986	2.34%	0.50%	2.84%
1987	2.88%	0.60%	3.48%
1988	3.67%	0.70%	4.37%
1989	4.14%	0.70%	4.84%
1990	3.51%	0.60%	4.11%
1991	2.66%	0.50%	3.16%
1992	2.15%	0.50%	2.65%
1993	1.96%	0.50%	2.46%
1994	1.98%	0.50%	2.48%
1995	2.04%	0.50%	2.54%
1996	2.17%	0.50%	2.67%
1997	2.33%	0.58%	2.91%
1998	2.25%	0.56%	2.81%
1999	2.06%	0.54%	2.60%
2000	2.14%	0.54%	2.68%
2001	2.08%	0.52%	2.60%
2002	1.99%	0.50%	2.49%
2003	1.85%	0.50%	2.35%
2004	2.19%	0.50%	2.69%
2005	2.50%	0.50%	3.00%
2006	2.43%	0.51%	2.94%
2007	1.94%	0.50%	2.44%
2008	1.50%	0.50%	2.00%
2009	1.15%	0.50%	1.65%
2010	1.31%	0.50%	1.81%
2011	1.87%	0.58%	2.45%
2012	2.38%	0.66%	3.04%

## Appendix B

### Historical Average Combined UI Contribution Rates

Year	Employer Rate			Employee	Combined
	Base	Solvency	Combined		
1982	3.04%	0.00%	3.04%	0.70%	3.74%
1983	2.37%	0.00%	2.37%	0.50%	2.87%
1984	2.57%	0.00%	2.57%	0.60%	3.17%
1985	2.37%	-0.20%	2.17%	0.50%	2.67%
1986	2.34%	0.00%	2.34%	0.50%	2.84%
1987	2.58%	0.30%	2.88%	0.60%	3.48%
1988	3.07%	0.60%	3.67%	0.70%	4.37%
1989	3.24%	0.90%	4.14%	0.70%	4.84%
1990	2.91%	0.60%	3.51%	0.60%	4.11%
1991	2.36%	0.30%	2.66%	0.50%	3.16%
1992	2.15%	0.00%	2.15%	0.50%	2.65%
1993	2.26%	-0.30%	1.96%	0.50%	2.46%
1994	2.38%	-0.40%	1.98%	0.50%	2.48%
1995	2.44%	-0.40%	2.04%	0.50%	2.54%
1996	2.37%	-0.20%	2.17%	0.50%	2.67%
1997	2.33%	0.00%	2.33%	0.58%	2.91%
1998	2.25%	0.00%	2.25%	0.56%	2.81%
1999	2.16%	-0.10%	2.06%	0.54%	2.60%
2000	2.14%	0.00%	2.14%	0.54%	2.68%
2001	2.08%	0.00%	2.08%	0.52%	2.60%
2002	1.99%	0.00%	1.99%	0.50%	2.49%
2003	1.85%	0.00%	1.85%	0.50%	2.35%
2004	1.89%	0.30%	2.19%	0.50%	2.69%
2005	2.00%	0.50%	2.50%	0.50%	3.00%
2006	2.03%	0.40%	2.43%	0.51%	2.94%
2007	1.84%	0.10%	1.94%	0.50%	2.44%
2008	1.60%	-0.10%	1.50%	0.50%	2.00%
2009	1.35%	-0.20%	1.15%	0.50%	1.65%
2010	1.31%	0.00%	1.31%	0.50%	1.81%
2011	1.57%	0.30%	1.87%	0.58%	2.45%
2012	1.78%	0.60%	2.38%	0.66%	3.04%

**Appendix C****Historical Average Combined Contribution Rates  
With Maximum Wage Base**

<b>Year</b>	<b>Maximum Wage Base</b>	<b>Employer</b>	<b>Employee</b>	<b>Combined</b>
1982	\$14,600	3.04%	0.70%	3.74%
1983	\$20,200	2.37%	0.50%	2.87%
1984	\$21,400	2.57%	0.60%	3.17%
1985	\$21,800	2.17%	0.50%	2.67%
1986	\$21,600	2.34%	0.50%	2.84%
1987	\$21,500	2.88%	0.60%	3.48%
1988	\$21,100	3.67%	0.70%	4.37%
1989	\$20,900	4.14%	0.70%	4.84%
1990	\$21,300	3.51%	0.60%	4.11%
1991	\$22,400	2.66%	0.50%	3.16%
1992	\$22,600	2.15%	0.50%	2.65%
1993	\$23,200	1.96%	0.50%	2.46%
1994	\$23,800	1.98%	0.50%	2.48%
1995	\$23,900	2.04%	0.50%	2.54%
1996	\$24,400	2.17%	0.50%	2.67%
1997	\$24,200	2.33%	0.58%	2.91%
1998	\$24,100	2.25%	0.56%	2.81%
1999	\$24,500	2.06%	0.54%	2.60%
2000	\$24,800	2.14%	0.54%	2.68%
2001	\$25,500	2.08%	0.52%	2.60%
2002	\$26,000	1.99%	0.50%	2.49%
2003	\$26,700	1.85%	0.50%	2.35%
2004	\$27,100	2.19%	0.50%	2.69%
2005	\$27,900	2.50%	0.50%	3.00%
2006	\$28,700	2.43%	0.51%	2.94%
2007	\$30,100	1.94%	0.50%	2.44%
2008	\$31,300	1.50%	0.50%	2.00%
2009	\$32,700	1.15%	0.50%	1.65%
2010	\$34,100	1.31%	0.50%	1.81%
2011	\$34,600	1.87%	0.58%	2.45%
2012	\$35,800	2.38%	0.66%	3.04%

## Appendix D

### Historical Average Combined Contribution Rates Rate Increase (Decrease) over Prior Year

Year	Employer	Employee	Combined	Increase (Decrease)
1982	3.04%	0.70%	3.74%	
1983	2.37%	0.50%	2.87%	-0.87%
1984	2.57%	0.60%	3.17%	0.30%
1985	2.17%	0.50%	2.67%	-0.50%
1986	2.34%	0.50%	2.84%	0.17%
1987	2.88%	0.60%	3.48%	0.64%
1988	3.67%	0.70%	4.37%	0.89%
1989	4.14%	0.70%	4.84%	0.47%
1990	3.51%	0.60%	4.11%	-0.73%
1991	2.66%	0.50%	3.16%	-0.95%
1992	2.15%	0.50%	2.65%	-0.51%
1993	1.96%	0.50%	2.46%	-0.19%
1994	1.98%	0.50%	2.48%	0.02%
1995	2.04%	0.50%	2.54%	0.06%
1996	2.17%	0.50%	2.67%	0.13%
1997	2.33%	0.58%	2.91%	0.24%
1998	2.25%	0.56%	2.81%	-0.10%
1999	2.06%	0.54%	2.60%	-0.21%
2000	2.14%	0.54%	2.68%	0.08%
2001	2.08%	0.52%	2.60%	-0.08%
2002	1.99%	0.50%	2.49%	-0.11%
2003	1.85%	0.50%	2.35%	-0.14%
2004	2.19%	0.50%	2.69%	0.34%
2005	2.50%	0.50%	3.00%	0.31%
2006	2.43%	0.51%	2.94%	-0.06%
2007	1.94%	0.50%	2.44%	-0.50%
2008	1.50%	0.50%	2.00%	-0.44%
2009	1.15%	0.50%	1.65%	-0.35%
2010	1.31%	0.50%	1.81%	0.16%
2011	1.87%	0.58%	2.45%	0.64%
2012	2.38%	0.66%	3.04%	0.59%

**Appendix E****Cost of Contribution Rates on Maximum Wage Base at Class 10  
With Maximum Wage Base**

Year	Maximum Wage Base	Rate Class 10		
		Employer	Employee	Combined
1982	\$14,600	\$444	\$102	\$546
1983	\$20,200	\$479	\$101	\$580
1984	\$21,400	\$550	\$128	\$678
1985	\$21,800	\$473	\$109	\$582
1986	\$21,600	\$505	\$108	\$613
1987	\$21,500	\$619	\$129	\$748
1988	\$21,100	\$774	\$148	\$922
1989	\$20,900	\$865	\$146	\$1,011
1990	\$21,300	\$748	\$128	\$876
1991	\$22,400	\$596	\$112	\$708
1992	\$22,600	\$486	\$113	\$599
1993	\$23,200	\$455	\$116	\$571
1994	\$23,800	\$471	\$119	\$590
1995	\$23,900	\$488	\$120	\$608
1996	\$24,400	\$529	\$122	\$651
1997	\$24,200	\$564	\$140	\$704
1998	\$24,100	\$542	\$135	\$677
1999	\$24,500	\$505	\$132	\$637
2000	\$24,800	\$531	\$134	\$665
2001	\$25,500	\$530	\$133	\$663
2002	\$26,000	\$517	\$130	\$647
2003	\$26,700	\$494	\$134	\$628
2004	\$27,100	\$593	\$136	\$729
2005	\$27,900	\$698	\$140	\$838
2006	\$28,700	\$697	\$146	\$843
2007	\$30,100	\$584	\$151	\$735
2008	\$31,300	\$470	\$157	\$627
2009	\$32,700	\$376	\$164	\$540
2010	\$34,100	\$447	\$171	\$618
2011	\$34,600	\$647	\$201	\$848
2012	\$35,800	\$852	\$236	\$1,088

## Appendix F

### Cost of Contribution Rates on Maximum Wage Base at Rate Class 10 Increase (Decrease) over Prior Year

Year	Maximum Wage Base	Rate Class 10			Increase
		Employer	Employee	Combined	
1982	\$14,600	\$444	\$102	\$546	
1983	\$20,200	\$479	\$101	\$580	\$34
1984	\$21,400	\$550	\$128	\$678	\$98
1985	\$21,800	\$473	\$109	\$582	-\$96
1986	\$21,600	\$505	\$108	\$613	\$31
1987	\$21,500	\$619	\$129	\$748	\$135
1988	\$21,100	\$774	\$148	\$922	\$174
1989	\$20,900	\$865	\$146	\$1,011	\$89
1990	\$21,300	\$748	\$128	\$876	-\$135
1991	\$22,400	\$596	\$112	\$708	-\$168
1992	\$22,600	\$486	\$113	\$599	-\$109
1993	\$23,200	\$455	\$116	\$571	-\$28
1994	\$23,800	\$471	\$119	\$590	\$19
1995	\$23,900	\$488	\$120	\$608	\$18
1996	\$24,400	\$529	\$122	\$651	\$43
1997	\$24,200	\$564	\$140	\$704	\$53
1998	\$24,100	\$542	\$135	\$677	-\$27
1999	\$24,500	\$505	\$132	\$637	-\$40
2000	\$24,800	\$531	\$134	\$665	\$28
2001	\$25,500	\$530	\$133	\$663	-\$2
2002	\$26,000	\$517	\$130	\$647	-\$16
2003	\$26,700	\$494	\$134	\$628	-\$19
2004	\$27,100	\$593	\$136	\$729	\$101
2005	\$27,900	\$698	\$140	\$838	\$109
2006	\$28,700	\$697	\$146	\$843	\$5
2007	\$30,100	\$584	\$151	\$735	-\$108
2008	\$31,300	\$470	\$157	\$627	-\$108
2009	\$32,700	\$376	\$164	\$540	-\$87
2010	\$34,100	\$447	\$171	\$618	\$78
2011	\$34,600	\$647	\$201	\$848	\$230
2012	\$35,800	\$852	\$236	\$1,088	\$240



## Appendix G

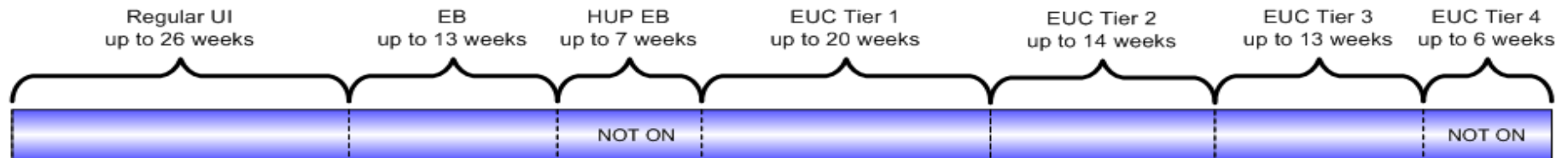
## Unemployment Insurance Historical Data

Year	Contribution Rate			Benefits Paid to Claimants	Contributions Paid	September 30 Fund Balance
	Employer	Employee	Combined			
1982	3.04%	0.70%	3.74%	\$58,444,656	\$89,423,915	\$121,649,766
1983	2.37%	0.50%	2.87%	\$75,454,571	\$90,823,330	\$131,826,600
1984	2.57%	0.60%	3.17%	\$72,307,723	\$100,926,441	\$151,729,084
1985	2.17%	0.50%	2.67%	\$88,732,158	\$92,181,804	\$145,709,385
1986	2.34%	0.50%	2.84%	\$116,455,166	\$83,415,373	\$101,074,717
1987	2.88%	0.60%	3.48%	\$127,109,905	\$79,172,796	\$62,278,413
1988	3.67%	0.70%	4.37%	\$91,920,775	\$94,427,920	\$79,276,701
1989	4.14%	0.70%	4.84%	\$68,240,012	\$118,636,426	\$146,925,899
1990	3.51%	0.60%	4.11%	\$63,632,057	\$142,913,211	\$210,969,399
1991	2.66%	0.50%	3.16%	\$81,221,911	\$116,096,201	\$233,007,372
1992	2.15%	0.50%	2.65%	\$99,625,037	\$93,676,964	\$221,858,840
1993	1.96%	0.50%	2.46%	\$87,699,423	\$80,826,787	\$220,414,285
1994	1.98%	0.50%	2.48%	\$102,735,905	\$84,803,345	\$206,580,474
1995	2.04%	0.50%	2.54%	\$101,800,907	\$89,368,872	\$192,967,845
1996	2.17%	0.50%	2.67%	\$105,734,134	\$93,127,354	\$185,004,944
1997	2.33%	0.58%	2.91%	\$100,104,207	\$102,015,249	\$190,406,873
1998	2.25%	0.56%	2.81%	\$99,378,442	\$109,784,668	\$202,794,308
1999	2.06%	0.54%	2.60%	\$107,359,964	\$107,176,376	\$199,789,331
2000	2.14%	0.54%	2.68%	\$101,268,654	\$108,236,048	\$211,066,251
2001	2.08%	0.52%	2.60%	\$98,503,603	\$110,137,318	\$222,727,889
2002	1.99%	0.50%	2.49%	\$92,691,519	\$108,904,563	\$234,192,304
2003	1.85%	0.50%	2.35%	\$123,916,647	\$105,030,317	\$206,201,463
2004	2.19%	0.50%	2.69%	\$129,672,183	\$112,790,015	\$198,265,085
2005	2.50%	0.50%	3.00%	\$112,743,354	\$133,074,070	\$220,220,336
2006	2.43%	0.51%	2.94%	\$104,176,588	\$152,534,143	\$266,458,087
2007	1.94%	0.50%	2.44%	\$98,017,801	\$152,091,519	\$314,980,970
2008	1.50%	0.50%	2.00%	\$92,677,254	\$133,458,071	\$346,276,095
2009	1.15%	0.50%	1.65%	\$125,260,341	\$115,034,005	\$319,020,603
2010	1.31%	0.50%	1.81%	\$182,296,709	\$102,043,858	\$256,985,522
2011	1.87%	0.58%	2.45%	\$166,054,496	\$127,504,009	\$234,551,319
2012	2.38%	0.66%	3.04%	Not Applicable	Not Applicable	Not Applicable

## Appendix H

As of June 2011

# Unemployment Insurance Benefits in Alaska



Currently available in Alaska: up to 73 weeks or up to \$32,266 (includes max WBA and max DA)

### Regular Benefits

Weekly Benefit Amount (WBA) is \$56-\$370, based on a scale of wages from \$2,500-\$42,000  
Duration is 16-26 weeks, depending how the wages are spread in the base period  
Dependents Allowance (DA) \$24 each for up to 3  
[AS 23.20.350.](#)

### EB - Extended Benefits

50% of regular benefits (up to 13 wks)  
WBA & DA do not change for any extensions  
Based on IUR or TUR triggers  
Most recent EB period started 1-22-12  
[AS 23.20.406-408](#)  
EB usually 50% Trust Fund & 50% federally financed  
**100% federal funds provided in P.L. 111-5 on 2-17-09**  
(state, local, tribal govt exempt from federal financing)

### HUP - High Unemployment Period

Increases EB to 80% (up to 7 more weeks)  
Based on TUR trigger  
Alaska's HUP period started 5-3-09, ended 10-16-10, and resumed 2-13-11 and ended again on 5-14-11  
[AS 23.20.406-408](#)

### EUC Tier 1 (Emergency Unemployment Compensation)

EUC is federally funded  
Originally up to 13 weeks, or 50% of regular benefits, [P.L. 110-252 on 6-8-08](#)  
Increased to 80% or up to 20 weeks by [HR 4853 on 12-17-10](#)  
Eligibility ends 3/3/2012, phase out 8/18/2012

### EUC Tier 2

Originally up to 13 weeks and based on IUR or TUR  
[P.L. 110-449 on 11-21-08](#)  
Increased to up to 14 weeks and triggers removed in [HR 4853 on 12-17-10](#)  
Eligibility ends 3/3/2012, phase out 8/18/2012

### EUC Tier 3

Up to 13 weeks based on IUR or TUR triggers  
[HR 4853 on 12-17-10](#)  
Eligibility ends 3/3/2012, phase out 8/18/2012

### EUC Tier 4

Up to 6 weeks based on IUR or TUR triggers  
AK unemployment rate fell below triggers 7-4-10 and triggered back on 01-16-11, off 6-11-11  
[HR 4853 on 12-17-10](#)  
Eligibility ends 3/3/2012, phase out 8/18/2012

### FAC - Federal Additional Compensation

Provides \$25 per week to eligible claims starting 2-28-09  
Not extended by Congress  
Eligibility ended 5-29-10  
Phased out 12-11-10  
[P.L. 111-5 on 2-17-09](#)

### 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.

### TUR

Total Unemployment Rate - The official rate of unemployment issued monthly for all states and the nation as a whole. Includes persons unemployed and seeking work, not just those currently filing. Does not include discouraged workers.

## Appendix I

### 2011 UI Contribution Rate Calculations

	SFY 2007	SFY 2008	SFY 2009	SFY 2010
(1) Benefit Costs (Benefits - Reimb. - Interest)		\$92,677,254	\$125,260,341	\$182,296,709
(2) Total Wages (taxable employers)	\$9,540,702,187	\$10,163,092,935	\$10,609,183,230	\$10,625,425,285
(3) Taxable Wages				\$6,503,802,088
(4) Benefit Costs for 3 previous SFYs				\$400,234,304
(5) Total Wages, First 3 of Last 4 SFYs				\$30,312,978,352
(6) 3-Yr Benefit Costs/Total Wages (4)/(5)				0.013203
(7) Taxable/Total Wages, Last SFY (3)/(2)				0.612098
<b>(8) Average Benefit Cost Rate (ABCR) (6)/(7)</b>				<b>0.021571</b>
(9) U.I. Trust Fund Reserve Balance on 9/30				\$256,985,522
(10) Total Wages Paid, Last SFY				\$10,625,425,285
(11) UI Trust Fund Reserve Rate (9)/(10)				0.024186
<b>(12) Trust Fund Solvency Adjustment (TFSA)</b>				<b>0.003</b>
<b>(13) Average Employer Tax Rate: (0.73 x ABCR) + TFSA = (0.73 x #8) + #12</b>				<b>1.87%</b>
<b>(14) Average Employee Tax Rate: (0.27 x ABCR) = (0.27 x #8)</b>				<b>0.58%</b>

### 2012 UI Contribution Rate Calculations

	SFY 2008	SFY 2009	SFY 2010	SFY 2011
(1) Benefit Costs (Benefits - Reimb. - Interest)		\$125,260,341	\$182,296,709	\$166,054,496
(2) Total Wages (taxable employers)	\$10,163,092,935	\$10,609,183,230	\$10,625,425,285	\$11,160,623,142
(3) Taxable Wages				\$6,894,791,842
(4) Benefit Costs for 3 previous SFYs				\$473,611,546
(5) Total Wages, First 3 of Last 4 SFYs				\$31,397,701,450
(6) 3-Yr Benefit Costs/Total Wages (4)/(5)				0.015084
(7) Taxable/Total Wages, Last SFY (3)/(2)				0.617778
<b>(8) Average Benefit Cost Rate (ABCR) (6)/(7)</b>				<b>0.024417</b>
(9) U.I. Trust Fund Reserve Balance on 9/30				\$234,551,319
(10) Total Wages Paid, Last SFY				\$11,160,623,142
(11) UI Trust Fund Reserve Rate (9)/(10)				0.021016
<b>(12) Trust Fund Solvency Adjustment (TFSA)</b>				<b>0.006</b>
<b>(13) Average Employer Tax Rate: (0.73 x ABCR) + TFSA = (0.73 x #8) + #12</b>				<b>2.38%</b>
<b>(14) Average Employee Tax Rate: (0.27 x ABCR) = (0.27 x #8)</b>				<b>0.66%</b>