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1987
ANNUAL
REPORT

MINNESOTA
DEPARTMENT
OF
JOBS
AND
TRAINING

BRINGING PEOPLE AND JOBS

TOGETHER

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Saint Paul, Minnesota 55155

Equal Opportunity and Affirmative Action Policies

The Minnesota Department of Jobs and Training exists to provide services for the people of Minnesota. It is the aim of this agency to direct employees and clients into programs that will enable them to reach their full potential.

No employee or client will be denied an opportunity for employment advancement or program participation based on race, color, creed, sex, age, national origin, religion, disability, marital status, status with regard to public assistance, Vietnam-era veteran status or political affiliation. Harassment,

or any verbal or physical behavior which is perceived as creating an intimidating or hostile environment, will not be tolerated in this agency.

All personnel are expected to actively strive in removing barriers to employment, advancement and receipt of agency services.

Equal opportunity and affirmative action policies will be given high priority. These policies ensure excellence in employment, service delivery and in meeting agency objectives. ■

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April 5, 1988

Some of the figures included in this report represent the most accurate estimates available. Contact the Jobs and Training

Research and Statistics Office for updated data. Report covers Jan. 1 — Dec. 31, 1987, unless otherwise indicated.

1987 The Year in Brief

January

Job Service announced that "Test Match," its computerized testing concept to match applicants to job openings, would be expanded to more offices. . . . Department reported that state employees pledged \$164,000 to 1987 "Open Your Heart to the Hungry and Homeless" campaign.

February

12,000 jobless workers in northeastern Minnesota applied for 100 jobs with new Duluth employer, Lake Superior Paper Co. Mass recruitment conducted by Duluth Job Service.

March

Commissioner Joe Samargia testified before Legislature on DJT funding needs for training and employment programs.

April

Co-location project took on greater importance as the department expanded efforts to bring the various programs and services together.

May

Minneapolis police chief, Tony Bouza, was principal speaker at IAPES (International Association of Personnel in Employment Security) spring conference. "Jobs are what crime prevention is really all about." — Bouza.

June

Gov. Rudy Perpich signed into law the unemployment insurance compromise reform bill passed by the 1987 Legislature during final days of the session. . . . Donald Mohawk was appointed director of State Job Training Office.

July

A new division — Research and Policy Development — was formed to establish policy and program initiatives and to assist in accomplishing DJT's mission. Anne Knapp named assistant commissioner of the new division.

August

At a recognition luncheon in St. Paul, the Department of Jobs and Training paid tribute to 13 Minnesota citizens for their outstanding volunteer efforts in helping hungry and homeless people.

September

New Job Search computer system given a public demonstration at Minnesota State Fair. About 4,500 fair visitors tried out the system.

October

Department joined in promotion of statewide literacy campaign targeted to functionally illiterate adults whose basic skills and job training needs could be met by DJT programs. . . . Rehabilitation Services Division received federal grant to study supported employment programs for people with traumatic brain injuries.

November

"Open Your Heart to the Hungry and Homeless" campaign for 1988 pledges organized by DJT and kicked off with rally for other agency participants.

December

Fairmont Area Office recognized for its success with Project JOBS, the department's statewide program that offers a wage subsidy to employers who hire jobless workers from the rolls of selected unemployment insurance recipients. Seventy laid-off workers hired by new company in Fairmont.



Pictured throughout the report are department employees at their jobs or shown with others to depict just a few of the activities and programs undertaken in 1987.

From the Commissioner



We've made a lot of changes since the 1985 Jobs Bill went into effect. We're still changing, and we've got more changes ahead of us. But we've had enough time now, more than two years, to start to see the results of the new things we've done.

The good news is that many projects are proceeding faster and more efficiently than we anticipated. That is a high tribute to all DJT employees and to our ability to work as a team.

For example:

- We orchestrated major reform in the unemployment insurance law. The new unemployment law represents one of the most significant changes in the department's history, primarily because of the introduction of the new computer system. We also look for the new law to help stabilize our budgets and allow us to add staff for the conversion to the new system.
- We're moving quickly toward our objective of "one-stop shopping" for clients by restructuring service delivery and co-locating offices throughout the state.
- We expanded automated programs to make it easier for employers to find new employees and for job applicants to find the jobs they need and want through our Automated Resume and Job Search systems.

All these changes improve services to our clients. Today, unemployed workers can find out when they first come to one of our offices whether they can get unemployment insurance benefits and, if so, how much they will receive in payments.

At the same time they can find out about related programs such as job training and often can sign up for them right there in the same building. They can apply for professional-level jobs listed in six midwestern states, and with Job Search they can find job openings on a computer and decide which they'd like to apply for.

We've continued our strong commitment to help the people who are hard to serve by reorganizing our Economic Opportunity Office and State Job Training Office under new management; we also increased those two offices' coordination with Job Service.

Services for the Blind increased its placements 40 percent, expanded Radio Talking Book, and set up a new consumer-run center in Minneapolis. Rehabilitation Services concentrated on supported work for the severely handicapped, school-to-work transition for disabled students and employment options for people with Traumatic Brain Injury (TBI).

That's the good news. The bad news is that some of our most vital programs — for example, the MEED Wage Subsidy and, most recently, the Job Training Partnership Act — have suffered budget cuts. Fluctuations in funding from year to year still force us to scramble to get our job done.

All in all, though, we can look back at 1987 and feel good about what we've accomplished. In 1988 we hope to aim all our efforts at working together to bring the best services and, as a result, provide more opportunities for productive employment to the Minnesotans who need them most.

A handwritten signature in dark ink that reads "Joe Samargia". The signature is written in a cursive, slightly stylized font.

Joe Samargia

Office of the Commissioner

To better serve many diverse groups in the state and to ensure that the department carries out its mandate under the 1985 Omnibus Jobs Bill, the Office of the Commissioner in 1987 established a new division, known as Research and Policy Development, and made other shifts within the department as well.

The new division includes the Policy Development and Research and Statistics offices and also is developing, in cooperation with other state agencies, the state's new Intake, Referral and Inventory System (IRIS) that will help unemployed people get the employment services and related help they need.

The department now

comprises four divisions, with the other three being Jobs, Opportunities and Insurance, Rehabilitation Services and Administrative and Technical Services.

Another organizational change was the shift of State Services for the Blind and Visually Handicapped from the Division of Rehabilitation Services to the Commissioner's Office.

Providing special support services to the Commissioner's Office and reporting directly to the commissioner are the Affirmative Action, Public Information and Education, Government Affairs and Employment Programs Marketing offices. ■

Public Information and Education Office

With new services being offered by the department and changes in existing programs, the Public Information and Education Office (PIE) in 1987 developed new publications and revised existing ones to provide important information to the public, government officials and employees.

In addition, PIE developed brochures on a number of programs including the new computerized Job Search system, changes in the Unemployment Insurance law, Economic Conversion Assistance Program and PATHS for AFDC recipients. During the year, the PIE staff continued to produce employee and special-audience newsletters, calendars and vacation planners for Job Service and promotional brochures for the Open Your Heart to the Hungry and Homeless campaign.

In 1987, more than 100 news releases were written and distributed by PIE to news media throughout the state as part of the department's continuing effort to keep the

public informed.

The PIE Office also produced the department's annual report to the governor, the Rehabilitation Services Overview that covers this division's various programs and the Job Training Partnership Act annual report.

PIE planned and made all arrangements for a department-sponsored recognition luncheon that honored 13 volunteers from throughout Minnesota who gave unselfishly of their time and talents to help the hungry and homeless. Later in the year, the office continued its efforts to coordinate the "Open Your Heart to the Hungry and Homeless" program for a third year. This program enables employees from all the state agencies to help support the state's food shelves and shelters through payroll deduction contributions.

In April, members of the PIE staff received a total of 11 communications awards in statewide competition sponsored by the Minnesota Association of Government Communicators. ■

Government Affairs

Government Affairs is responsible for initiating and coordinating the department's legislative activities.

The office assists in developing the department's legislative initiatives, drafts the department's legislation, prepares summaries and analyses of the legislative activity affecting the department, provides liaison with Minnesota's Congressional delegation and with

the Department of Labor. The office schedules and organizes materials for presentation at legislative hearings.

Government Affairs undertakes special studies to develop structural and organizational options for the delivery of program services and answer citizen (constituent) questions relating to program services. ■

**Employment Programs
Marketing**

Employment Programs Marketing provides television, video and audio services to promote all employment programs in the department.

The unit has produced video and audio tapes for Job Service, Supported Employment Programs, State Services for the Blind, Economic Opportunity Office and the Training and Development Office of the department.

These programs have been disseminated statewide on television and radio stations, cable television systems and through local Job Service offices. Several programs have been distributed nationally to employment and training agencies in other states.

The unit was formed in August 1987 with federal Reed Act funds. ■

**Services for the
Blind and
Visually
Handicapped**

When loss of vision creates a handicap to education, self-care or employment for children or adults, direct services are available from Services for the Blind and Visually Handicapped (SSB).

People who have physical or mental impairments in addition to visual disabilities also are served.

Last year, 8,388 people, ranging in age from 10 months to 105 years, were served by rehabilitation counselors at Brainerd, Duluth, Hibbing, Mankato, Marshall, Moorhead, Rochester, St. Cloud and Twin Cities metropolitan field offices. ■

Vocational Rehabilitation

Services for the Blind provides vocational rehabilitation services that include counseling, training to acquire alternative communication and travel techniques, vocational planning, job training and

placement, adaptive equipment and follow-up services. SSB provided vocational rehabilitation services to 5,094 clients and successfully rehabilitated 827 individuals in 1987. ■

Child Rehabilitation

In addition to working with adults, SSB counselors work with blind children and their parents. Services include counseling and training to facilitate the child's growth and development and help to ensure that blind children in schools receive every opportunity they

are entitled to under the law, including an appropriate education. In 1987, 870 children and their families were served. Medical and educational assessments and other related activities were the major services purchased. ■

Self-Care

In 1987, this program provided services to 111 individuals, age 55 and older, enabling them to lessen their

need for personal assistance in the areas of self-care, communication and travel. ■

Independent Living

A two-part Independent Living Program has been in operation for seven years. The first part focuses on people between the ages of 17 and 25 who are blind and also have a communication disorder. This program is designed to develop the clients' skills and knowledge needed to live independently in their own homes, acquire an appropriate education and become eligible for vocational rehabilitation services. Consultation and training also are provided to community-based facilities so that existing programs can be adapted to meet the clients' unique needs.

The second part of the Independent Living Program serves people who are severely disabled, assisting them to

function independently in their own homes and community. Services include counseling, instruction in alternative techniques such as mobility training, Braille, self-care techniques, cooking, home mechanics and the use of special aids and devices.

The Elderoptions Project is a new program component, funded by a 1987 federal grant. Services are provided to elderly blind and visually handicapped people in the community, assisting them to cope with their vision loss and to retain their independence.

SSB provided Independent Living services to 1,558 clients in 1987 and rehabilitated 651 individuals to a more independent lifestyle. ■

Communication Center



The SSB Communication Center is a statewide special library, transcriptional service and radio reading service. Any Minnesotan who is unable to read normal newsprint because of a visual or physical handicap is eligible for Communication Center services. In 1987, 14,621 persons were served.

Eligible clients and educational facilities may borrow textbooks and leisure-time books on tape or in Braille from the center's library of 12,000 book titles. Eligible individuals also may borrow a special phonograph, cassette player and closed-circuit radio.

The closed-circuit radio,

Radio Talking Book, is a Minnesota-based radio reading service for newspapers, best sellers and magazines, broadcasting 24 hours every day throughout the year. The signal is transmitted across much of the state but, by law, is not available to the general public.

Upon request, the Communication Center prepares master transcriptions onto tape or into Braille of books or other printed material not available to blind people. Eligible clients in educational institutions in Minnesota may call the center and receive instructions for obtaining transcribed materials. ■

Business Enterprises

Another effort that provides an opportunity for independence is the Business Enterprise Program. The program provides training, professional management direction and administrative support to blind vendors who operate as independent business people under a franchise agreement.

Business opportunities include the establishment of cafeterias, lunchrooms, snack bars, gift/cigar shops and

vendaterias, or vending routes in federal, state, public and private buildings, as well as rest areas on the interstate system. The program staff provides contract management and support services to all operators.

In 1987, there were 85 individual businesses in operation, earning an average annual income of \$19,000 for 87 blind vendors. Two new businesses were established during this past year. ■

**Job Service
and Unemployment
Insurance
Operations**

Job Service restructured its delivery system in 1987 to better respond to demographic changes experienced throughout Minnesota in the 1980s. Reduced resources and a redefinition of the Operations Division's priorities brought about a continued evolution in the effort to provide optimum services to both job seekers and employers. A fully integrated

delivery system, with Job Service and Unemployment Insurance (UI) available in all major offices, was designed and implemented. A strong economy, legislative changes and an emphasis on the placement of UI claimants resulted in the first significant surplus in the UI Trust Fund during this decade. ■

The Labor Exchange

Throughout the year, Job Service continued to stress its role as the major labor exchange in Minnesota, matching workers and jobs at the earliest possible times. The innovative improvements to the delivery system initiated in 1986 were strengthened and publicized.

Area office managers aggressively marketed the "Project JOBS" program, a program designed to give an incentive to employers who hire the structurally unemployed. "Job Match," a computerized statewide system to match each job seeker's skills against every available opening in Minnesota, yielded great success. Through Job Match, employers seeking workers can have their job orders electronically screened against all job seekers who have registered with the Job Service. This helps us move toward our goal of providing employers with the most qualified applicants, while at the same time increasing our ability to refer applicants to the jobs most

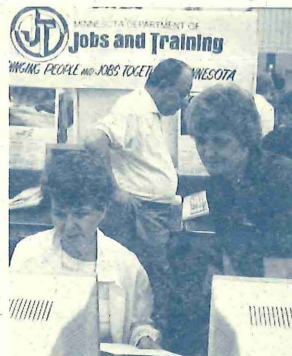
commensurate with their qualifications. In addition, the ability to identify priority groups as defined in the Omnibus Jobs Bill of 1985, and the use of the computerized Job Match system to concentrate on efforts to place these individuals, have been major steps in realizing the department's overall mission.

An integral part of the Labor Exchange is its priority service to veterans. Special training sessions were held for those staff members whose exclusive purpose is to place veterans and disabled veterans in jobs. The veterans' staff responded very favorably to the training, the ultimate measure of success being that the veterans' performance standards were met or exceeded in all areas. This is the second consecutive year of successful accomplishment. Productivity increased by more than 6 percent overall, the result of a dedicated staff working hard to increase productivity in spite of ever-diminishing resources. ■

Innovative Approaches/ New Technology

Minnesota Job Search is a newly developed tool that provides the most equitable and efficient means of filling jobs to all residents of Minnesota. The Department of Jobs and Training is the first agency in the United States to apply the latest computer technology in developing a statewide, self-service job search system which lists jobs as quickly as employers place job orders. The Minnesota Job Search system now is in its first stage of implementation after a year of design and development. Job Search computer terminals have been installed in 14 Job Service offices in seven Minnesota cities where job seekers and employers together can experience the quickness and efficiency of this innovative self-search system.

Unlike previous computerized job search systems, the Minnesota Job Search system feeds jobs into the computer immediately after any employer in the state places a job order. Job seekers sit in front of a terminal and respond to easy-to-follow directions by punching the keys of a 10-key pad. A job search can be made in any one of the seven regions of Minnesota or statewide, and job seekers can choose from nine broad occupational areas. The job seeker can refine the search by accessing sub-categories to match the individual's job skills and areas of interest. When a sub-category is chosen, the screen shows more specific job titles, plus information on experience and education



Activities

Overall activities in the program year were similar to the previous year. Productivity per employee increased, while placement totals were off slightly as a consequence of a smaller staff this past year. A total of 268,378 new registrants sought employment assistance

required, pay and location. Time spent by job seekers, employers, and civil servants — filling out forms and waiting for interviews — has been greatly reduced.

Minnesota Job Search is merely a first step toward the INTAKE, REFERRAL and INVENTORY SYSTEM (IRIS) that was envisioned by the Legislature in the 1985 Omnibus Jobs Bill. Through IRIS, an integrated computer system being jointly developed by the departments of Jobs and Training and Human Services, Minnesotans will be provided with a one-stop office for a variety of programs and services. A goal of IRIS is to eliminate or reduce the need for clients to travel to various locations and fill out similar forms for complementary services. Co-location and combined intake will enable Minnesotans seeking help from state programs and services to make more efficient use of their time and the state's resources.

The Job Service Employer Committees continue to be important to the success and evolution of the Job Service and its programs. The State Steering Committee and the local Job Service Employer Committees were strengthened to provide increased direction and more programmatic input into the Job Service. These volunteers from the local employer communities have been a key ingredient in the strategy to better market the Job Service for optimum service to Minnesotans. ■

through the Job Service and 92,060 jobs listed by employers were filled. Employers provided 144,630 job openings and 64 percent of these were filled.

Veterans' issues received heavy emphasis. In spite of staff reductions, placements of veterans were up substantially.

Activities continued

A dedicated staff served 33,345 veterans, placing 7,141 in jobs for an increase of 39 percent over the previous year. An additional 747 were referred to training.

After a substantial drop in activity in the early 1980s, the number of migrant and seasonal farm workers seeking work in Minnesota increased for the second year in a row. A total of 2,600 new registrations were made and 1,782 were placed in the program year, up 23 percent and 10 percent, respectively. As in the past, bilingual staff members are located in selected offices to administer to the special needs of this group.

The Work Incentive Program (WIN) funding was reduced by the federal administration by 50 percent, effective October 1, 1986. This reduced program was scheduled to run only nine months and then be absorbed into a new welfare program which would result from the Federal Welfare Reform legislation. When Congress failed to agree on welfare legislation, the WIN program was extended for an additional three months. As

a result of the severe reduction, the Department of Jobs and Training was forced to cut back the number of counties served by WIN. The program currently serves nine counties, down from 27 last year. In spite of reduced federal support for the program, 2,433 participants entered permanent unsubsidized employment during the past year, with an average hourly wage of \$5.48. Earnings from employment result in annual welfare savings of approximately \$3.50 for each \$1.00 spent on the program.

The Job Service continued to administer such special programs as Targeted Jobs Tax Credit, Trade Adjustment Assistance, Federal Contractor Job Listings, and Alien Certification on a statewide basis, plus Older Workers, Handicapped Workers (including dislocated farmers), Wage Subsidy (MEED) and the Work Readiness Program in selected service delivery areas. Information on these programs can be obtained by contacting the department directly. ■

Offices Across Minnesota

The Office of Job Service and Unemployment Insurance Operations operates client service offices throughout Minnesota. A restructuring of the delivery system to provide Minnesotans with better access and equity of access to the department's services was undertaken in 1987. In a department which offers a broad range of complementary services, one key to the successful realization of the Jobs and Training mission is to provide one-stop access to all services. Co-location of services provides Minnesotans easier access to a variety of program services at a lower administrative cost.

A major step in this direction was taken in 1987 when client-commuting patterns and the availability of transportation

were studied to provide data about the best and most convenient locations in the metropolitan area for people seeking the department's services. As a result of this study, some offices were relocated to provide better public access and restructured to include under one roof the department's two mainstay programs, Job Service and Unemployment Insurance.

By the end of 1987 there were seven full-service offices in the metropolitan area with an eighth office scheduled to be fully operational in early January of 1988. There also are 29 full-service offices located in communities throughout the state, with additional sites offering limited services on either a full- or part-time basis. ■



Unemployment Insurance

The Unemployment Insurance (UI) program has two basic components: benefit payments and tax collections. Eligible people, unemployed through no fault of their own, receive unemployment benefit payments to stabilize their income and thus free them for full-time job seeking.

The benefit payments are financed by a payroll tax levied on Minnesota employers. In addition to paying benefits to unemployed workers, the Unemployment Insurance program assists, to the extent

that federal funding permits, the workers in their job-search efforts by providing vocational counseling, career-change seminars and out-of-the-area job search and relocation allowances to help them find work.

Administratively, Unemployment Insurance is divided into five activities: Benefits Branch; Tax Branch, including Tax Accounting, Field Audits and Benefit Payment Control; Appellate Branch; Office of the Commissioner's Representatives; and the Staff Services Section. ■

Benefits Branch

During 1987, more than 238,000 unemployed people filed initial claims for benefits. This represented a 9 percent decrease from 1986 when 262,000 claims were filed. A total of \$314 million was returned to the economy in 1987 through benefit payments to nearly 160,000 recipients.

The specific cause of each claimant's unemployment is carefully reviewed by the department. Those separations from work where the claimant quit or was discharged for misconduct require further investigation to determine potential disqualification from benefit payment.

To maintain continued eligibility for benefits, all claimants must report to the department on their availability for work, their ability to work and their efforts to actively seek work. With each report for benefits, these and other criteria are carefully reviewed to ensure that only proper benefits are paid.

The UI Eligibility Review Program helps those claimants who need special assistance in finding employment. The review classifies claimants by their skills, knowledge and abilities relative to the local labor market. Staff members give these claimants special counseling and help them develop plans which will lead to re-employment.

During 1987, specialized training was developed and then provided to the UI staff to improve the investigative and review skills required in the determination of claimant eligibility for benefits. This was part of an ongoing self-improvement effort to reduce errors and improve program quality in the payment of benefits, while enhancing fair and equal treatment of claimants. To provide a broader understanding of services offered by this department, basic UI training also was provided to all professional Job Service staff members. ■

Training for Claimants

Department programs provide special training for UI claimants without marketable skills. The Trade Act provided \$1,548,417 for retraining assistance and \$6,267,550 in benefit payments to workers who are unemployed due to foreign imports.

Development of an approach to provide structurally unemployed claimants with on-the-job training has been emphasized again this year. Called "Project JOBS," this program allows use of claimants'

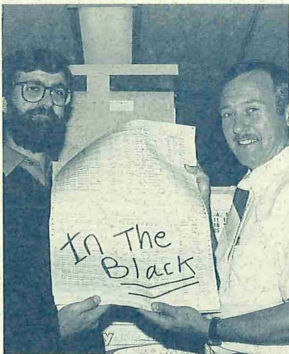
weekly unemployment benefits as a wage subsidy during on-the-job training. Classroom training for marketable skills also is available. In 1987, all UI field service staff received training on Project JOBS and how to identify the structurally unemployed. During 1987, more than 500 claimants, identified as structurally unemployed, took part in classroom or on-the-job training, using their unemployment benefits to obtain new skills. ■

Tax Branch

The Tax Accounting Section is responsible for determining which employers are subject to unemployment tax, which workers are covered for benefits, for assigning tax rates, processing quarterly tax and wage detail reports and collecting and accounting for all UI taxes. During calendar year 1987, a total of 94,240 Minnesota employers paid into the UI Trust Fund. The total amount of payroll taxes and reimbursements paid into the fund was \$395.5 million. Employers paid an additional \$2.2 million in interest and penalties for late filing and payment of taxes. More than 400,000 tax reports and 8.4 million individual wage records were processed during the year. Accompanying this

were 73,000 determinations of employer liability and worker coverage, and more than 220,000 items of correspondence received from employers.

During fiscal year 1987, the Field Audit Section completed more than 3,900 employer audits involving \$1.16 billion in payroll. These audits uncovered \$80 million in unreported wages and \$1.36 million in unreported taxes. The field auditors also assist employers with UI issues, determining liability for UI taxes, obtaining the necessary reports and collecting the appropriate tax. They collected nearly \$6 million in delinquent taxes, interest and penalties. The field auditors completed more than 3,200 wage investigations involving claims for benefits. ■



Overpayment and Fraud Detection

The department operates a Benefit Payment Control Program to detect and recover improper payments in the Unemployment Insurance programs. Overpayments which occur due to error or fraud are required to be repaid. Those claimants and employers who are guilty of fraudulent acts are subject to administrative and criminal penalties.

During 1987, the department found 12,140 cases of benefit overpayments amounting to \$4,969,854. While most overpayments were due to error, investigators did uncover 2,424 cases of fraud amounting to

\$1,464,912.

A total of 139 cases were referred for criminal prosecution.

Various methods are used to detect fraud including the crossmatching of quarterly wage records from employers against benefit claims. Field investigators examine employer records, gather evidence and prepare reports to be used if either criminal or administrative action is taken.

In addition to detecting overpayments, the department operates an active recovery program. Recoveries in 1987 totaled \$3,560,434. ■

Appellate

The first level of appeal of a determination relating to unemployment benefits is to a department referee. Upon the filing of such an appeal, a hearing date is established. At the hearing all parties are given an opportunity to present evidence and testimony relative to the case. The referee issues a decision affirming, modifying or reversing the initial determination of the claims deputy.

Department referees also hear employer appeals of determinations issued by the Tax Branch relating to liability for unemployment contributions and the assignment of tax rates. During 1987, 13,000 cases were heard and decided by department referees. The decision of the referee can be appealed to the commissioner's representative. ■

Commissioner Appeals

Under Minnesota law, any party to a case decided by an appeals referee may appeal the decision to the commissioner of the department. Such decisions may refer to disputed rights to unemployment insurance, overpayment of benefits, questions as to whether an employment is covered employment or protest as to tax rates assigned to employers.

Each appeal is assigned to a representative of the commissioner. All parties to the case are furnished transcripts of the testimony taken by the referee. No new evidence is taken by the commissioner's representa-

tive and the consideration of the appeal is based entirely on the evidence taken by the referee and the arguments made by the parties about the case. However, if the representative concludes that additional evidence is needed to properly decide the appeal, the case may be sent back to the referee to obtain such additional evidence in a new hearing. The referee then will issue a decision based upon all the evidence.

The commissioner, acting through the representative, has broad powers over these appealed decisions. The commissioner can accept the

Commissioner Appeals continued

findings of fact of the referee, or, where appropriate, modify or entirely change findings of fact. If the decision of the referee correctly applies the law to the case, it will be affirmed. However, if the law has been wrongly applied to the facts of the case, the commissioner,

acting through the representative, has the authority to correct the decision.

In 1987, the representatives of the commission decided more than 2,400 appeals. These decisions may be appealed further to the state court system. ■

Staff Services

The UI Staff Services section develops and monitors the yearly program budget, develops and maintains UI Management Information Systems, evaluates the correctness of UI benefit payments and assures the integrity of the program from internal fraud.

The UI budget development and monitoring activity is handled primarily by the Cost Model Management group and is an integral part of the UI Management Information system. The Cost Model group monitors staffing patterns weekly throughout the state and distributes staffing reports to every UI activity manager. As a result, managers are able to respond to workload variations quickly and efficiently. In addition, the system also is used for internal decision making, resources adjustments, identification of unnecessary or inefficient procedures within the system, implementation of the annual budget allocation process and monitoring the use of resources by the UI program managers.

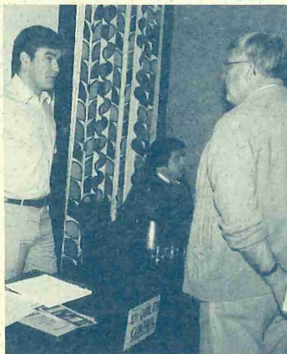
The Cost Model group also maintains a Cost Information System which utilizes cost model data, cost accounting data and performance reports for UI activity managers. The system is still under development.

Another activity in UI Staff Services is the Quality Control Program. The Quality Control

Program is a Management Information System that aids both state and federal UI program staff. The system, by an intensive audit of a randomly selected group of UI claims, provides valid information on the rates, types and causes of UI benefit overpayments and underpayments.

The program has increased the number of cases reviewed, expanded the data elements and eventually will encompass the entire UI process, including the tax activity.

The third component of UI Staff Services is the Internal Security Unit (ISU). ISU staff are participating in the implementation of a security software package to prevent unauthorized access to department computer data. The ISU continues to monitor elements of UI systems and operations to ensure integrity in the program. Several areas of alleged employee misconduct were investigated during 1987. One case was referred to the local authorities by the ISU and resulted in charges being filed against a former department employee. A list of former employees who fraudulently obtained funds from the department and who still have not made full restitution has been submitted to the Department of Revenue to recover some of those debts under the provisions of the Revenue Recapture Act. ■



Economic Opportunity Office

The Economic Opportunity Office (EOO) was established to mobilize anti-poverty resources in Minnesota by advising the governor, the legislature and the national Office of Community Services on poverty-related matters in order to provide needed services, develop delivery systems, formulate policy and provide technical assistance to community action agencies, Indian reservation governments, the Minnesota Migrant Council, county governments and other agencies serving low-income people.

Office functions include planning, advocacy and technical assistance on behalf of low-income Minnesota residents. The office administers the

following federal programs: the Community Services Block Grant, the Energy Assistance Program, the Weatherization Program, the Temporary Food Assistance Program, the Housing and Urban Development Emergency Shelter Grants Program and the Emergency Community Services Homeless Grant Program. State programs administered by EOO include the Minnesota Economic Opportunity Grant and the Temporary Housing Program.

The office also maintains a Poverty Library to supply news and helpful data to grantees, the legislature and other state and private agencies serving low-income people. ■

Community Services Block Grant

Funding for community action programs in 1987 was provided through the Department of Health and Human Services Community Services Block Grant at about \$4 million and through the state legislature at about \$800,000.

Community action grantees use local, state, private and federal resources in various programs that enable low-income families and individuals to attain the skills, knowledge, motivation and opportunities to become self-sufficient. ■

Energy Assistance



The 1987 Minnesota Energy Assistance Program was designed to assist low-income households with home heating payments by reducing energy consumption and costs. The program provided for equitable distribution of energy assistance without eliminating household responsibility for paying energy bills. Various means were used to encourage self-sufficiency, including energy conservation, education, financial planning and coordination with other

programs. Minnesota's Energy Assistance Program is authorized under the federal Low Income Home Energy Assistance Act.

In 1987, a total of \$72 million in federal funds was administered through grantees, mainly community action agencies, county social service agencies, the Minnesota Migrant Council and Indian reservation governments to serve about 120,000 households. ■

Weatherization

The Weatherization Program was established and funded by the U.S. Department of Energy (DOE) under Title IV of the Energy Conservation and Production Act. In 1987, this program handled responsibilities incumbent on the department as a DOE grantee and at the discretion of the governor. Information and other assistance were provided the State Legislature with the objective of enacting and amending legislation and developing weatherization projects for the benefit

of low-income persons.

The Weatherization Program offered energy audits for dwellings of eligible homeowners and renters to determine the need for corrective conservation measures and provided the labor to complete the improvements called for by the audits in order to reduce heat loss and consumption. The program was operated by community action agencies, county boards and Indian reservations, serving approximately 5,000 households with DOE funds of \$8 million. ■

Programs for the Homeless

The shelter survey conducted by the Economic Opportunity Office showed a substantial increase in the number of people needing some type of emergency shelter. From August 1985 to August 1987 there was a 108 percent increase in the number of people using shelters.

The federal government's efforts to address the growing problem are contained in the Stewart B. McKinney Homeless Assistance Act. This legislation contains various programs to assist the homeless in obtaining shelter, health care, job training, literacy training, food and other needs.

The Economic Opportunity Office oversees the various McKinney programs and administers the Housing and Urban Development (HUD) Emergency Shelter Grants Program, the Emergency Community Services Homeless

Grant Program, and the Temporary Emergency Food Assistance Program. The office received two rounds of funding for the state's entitlements for the Emergency Shelter Grants Program of \$120,000 and \$396,000 for FY 1987 and the Community Services Block Grant for the Homeless of \$451,000. The HUD Emergency Shelter Grant funds the rehabilitation and operation of shelters and provision of essential services by these shelters through local units of government. Eight grantees were funded with the first round providing funds to 13 shelters. The Emergency Community Services Homeless Grant is divided among community action agencies, Indian reservations and the Minnesota Migrant Council for services to the homeless. ■



Temporary Housing

The Temporary Housing Program provides funds to initiate, maintain or expand a variety of support services for people in need of temporary housing.

Housing under this program must be designated for independent living and made available to homeless people or families at a rental rate of at least 25 percent of family income for a period of up to six months. Support services must be

provided to assess needs of individuals served and arrangements made for appropriate education, social, legal, advocacy, child care, employment, financial and health care needs. Thirteen projects were funded in 1987 through a \$170,000 state appropriation. An additional \$52,000 Community Services Block Grant Program brings the total Temporary Housing Program funding to \$222,000. ■

Temporary Emergency Food Assistance

The Temporary Emergency Food Assistance Program supplements the food needs of Minnesota's low-income households. The Economic Opportunity Office distributes U.S. Department of Agriculture surplus commodities through this program. The surplus food is distributed through a network of community action agencies, the Minnesota Migrant Council, Indian reservations and other local entities. The state allocated the commodities based on availability and the incidence of poverty and unemployment,

experienced demand for food and the ability to accept, store and distribute commodities. The state contracted for central warehousing and for the trucking of these commodities to approximately 100 destinations, supplying more than 18 million pounds of food to approximately 172,000 households at 694 distribution sites statewide. Upwards of 100 emergency food shelves received commodities. More than 7,000 volunteers make this program possible in Minnesota. ■

Food Demonstration Program

The Food Access Demonstration Program provided funds for four demonstration projects designed to increase participation in the Federal Food Stamp Program, maximize cooperation among a variety of local food programs, their operations and intake, and eliminate duplication of sites, services and personnel.

The 74th Legislature mandated efforts aimed at increasing participation in the Federal Food Stamp Program. The demonstration program was designed to promote efforts which would make the application process for food stamps more accessible to potential participants and to increase coordination and

cooperation among existing food programs, specifically, food stamps, food shelves, WIC, and surplus commodities distribution. These efforts would potentially lead to "one-stop" services for participants to utilize these programs, making them more convenient for recipients and more efficient and cost-effective for service deliverers.

Four food demonstration programs were funded for a total budget of \$35,000. The following projects were funded: St. Paul Emergency Fund Service; Community Action Council, Inc., Burnsville; Duluth Community Action Program; and Channel One, Inc., Rochester. ■

Head Start

The Head Start Program provides comprehensive developmental services primarily to preschool children of low-income families. Head Start programs, with the goal of helping enrolled children to achieve their full potential, provide comprehensive health, nutrition, education, social and other services while involving

parents in the development, implementation, evaluation and all other phases of the program. The 1987 Legislature appropriated \$400,000 for Head Start and designated that 2.5 percent of the Low Income Home Energy Assistance Program Block Grant should go to the Head Start Program. ■

State Job Training Office

The State Job Training Office (SJTO) administers state and federal programs that prepare youths and adults for entry into the labor force. A number of the programs provide job training for people facing barriers to employment.

SJTO also provides profes-

sional staff support to the Governor's Job Training Council (GJTC) which coordinates and oversees employment and training programs in Minnesota, including those covered under the federal Job Training Partnership Act. ■

Federal Programs**Job Training Partnership Act**

The Job Training Partnership Act (JTPA) is a 1982 federal law authorizing programs that help low-income and unemployed people train for jobs and become employed and, at the same time, help private businesses expand.

The programs are funded through federal block grants. In Minnesota, the State Job Training Office is responsible for allocating dollars from the grants to local regions known as service delivery areas (SDAs).

Local elected officials appoint private industry councils made up of business people, educators and labor and community leaders and work together to plan how funds can best be spent for programs that will meet local training needs.

Services that such local

programs frequently provide participants include: assessment and career counseling, on-the-job training, classroom training, job search assistance and placement, basic education, work experience and support services. Employers receive services such as prescreening of applicants, reimbursement of training costs for workers and training especially designed for their particular firm's needs.

SJTO monitors local programs to ensure they meet intended objectives and that they comply with federal law. The office also provides technical assistance to SDAs, acts as a liaison to other state agencies and evaluates performance of programs against national standards. ■

Basic Program

The majority of JTPA funds (78 percent of the Title II-A basic program) goes directly to the 17 SDAs. The balance of the Title II-A funds is used to coordinate job training programs and to

serve special groups.

Minnesota's Title II-A basic grant of \$20 million for the 12-month period ending June 30, 1987 served about 21,000 individuals. ■

Older Worker Training Program

Among the groups given special attention under JTPA are low-income people age 55 and over. A portion of the state's Title II-A block grant is devoted to preparing and placing these

individuals in private-sector positions.

In 1987, 14 projects to serve a total of 638 older workers were funded at a cost of \$776,000. ■

JTPA/Education Coordination Programs

Eight percent of Minnesota's Title II-A JTPA allocation is used to develop cooperative programs between SDAs and educational agencies serving low-income youths and adults. The funds are jointly administered by the State Technical Institute System and the SJTO.

For the period ending June 30, 1987, approximately \$354,300 was awarded to eight innovative programs serving 415 members of special-needs populations, including minorities, people with disabilities, displaced

homemakers, limited-English speakers, offenders, ex-offenders and public assistance recipients.

In addition, \$1,062,109 was allocated for programs in secondary schools, technical institutes, community colleges, state universities and private vocational/trade schools. The programs served 1,772 participants.

The coordination programs generated a total of \$2,215,211 in matching contributions. ■

Summer Youth Employment and Training Programs



JTPA funds also support a Summer Youth Employment and Training Program (SYETP) for economically disadvantaged youth, 14-21 years of age. From the total 1987 national SYETP appropriation of \$650 million, Minnesota received \$7.8 million. The funds were allocated directly to SDAs in accordance with the federal allocation formula and provided jobs for 7,681 youth.

The local programs, 8 to 12 weeks in length, served youth in

programs combining work and learning. They were tailored to each area to meet participants' needs and circumstances. The 1987 programs focused on the formation of partnerships between existing youth agencies and organizations. These partnerships enhanced the basic skill levels of the young people and enabled "at-risk youths" to finish their secondary education while gaining exposure to the world of work. ■

Dislocated Worker Program

JTPA Title III funds support employment and training services to people identified as dislocated workers. These are people with long attachments to the labor force who find themselves without jobs because of plant closings, permanent layoffs, skill obsolescence, technological changes or other economic disruptions.

During 1987, major worker dislocations occurred in the state's mining, electronics, manufacturing, farming and agricultural service industries. Minnesota received \$2,010,014 of formula-allocated Title III funds. Additionally, Minnesota received approximately \$716,000 of Federal Discretionary Title III

funds to serve 427 dislocated workers.

During program year 1986 (July 1, 1986 through June 30, 1987), Title III programs served 6,856 dislocated workers with 4,554 participants leaving the program. Of this number, 2,681 entered employment at an average wage of \$7.72 per hour (an entered-employment rate of nearly 59 percent).

Fifty-one percent of the participants were between the ages of 22 and 39 and almost 74 percent were male. A total of 11.5 percent had not received a high school diploma or equivalent and 5 percent were handicapped. (Data based on program year 1986 figures.) ■

Veterans Employment and Training Program

SJTO received, in late 1987, \$145,000 of JTPA Title IV-C funds to support three programs providing employment and training services to eligible

veterans. Expectations are that approximately 160 veterans will be served either through the grant funds or through matching contributions. ■

Senior Community Service Employment Program

A parallel to JTPA's older worker program is the federal Senior Community Service Employment Program (SCSEP) authorized under Title V of the Older Americans Act. The purpose of the SCSEP, which has just completed its tenth year, is to foster and promote useful part-time employment opportunities in community service for unemployed

low-income people who are 55 years or older.

In addition to employment opportunities, the program provides participants with physical examinations and necessary support services. The SJTO funded 16 projects in 1987, placing 405 persons in subsidized part-time positions at a cost of \$1,460,126. ■

Juvenile Justice Program

The SJTO receives a block grant under the federal Juvenile Justice and Delinquency Prevention Act. Subgrants are awarded on a competitive basis to counties, cities, implementing agencies and state departments for programs to prevent delinquency or work with delinquents. These awards are made by the Minnesota Juvenile Justice Advisory Committee,

whose members are appointed by the governor. In 1987, 28 programs were funded at a cost of \$790,358. These programs provided direct, individual services to juveniles, plus group activities such as recreation, special curricula classroom presentations, workshops and conferences for youth and their families. ■

Food Stamp Employment and Training Program

Federal law requires all states to have a Food Stamp Employment and Training Program (FSET). Each state must designate a participant group within its Food Stamp population, subject to federal approval. In Minnesota, this group consists of: (1) Food Stamp recipients statewide who also receive Work Readiness assistance (described below), and (2) Food Stamp recipients in 26 counties who do not receive public assistance such as AFDC, general assistance, or Work Readiness and who do not meet certain exemption conditions.

For the first group, Work Readiness services count as FSET services. For the second group, FSET services are similar to those in the Work Readiness program — assessment and employability development, job search assistance and referrals to other programs — and are provided by an agency chosen by the county.

The SJTO provides state-level administration for this program under a cooperative agreement between the Department of Human Services and the Department of Jobs and Training. ■

State Programs

Displaced Homemaker Programs

The 10th anniversary of Minnesota's Displaced Homemaker programs will be in 1988. Since its beginning in 1978, the program has expanded from two program operators to 10 who are meeting the service needs of displaced homemakers in the majority of Minnesota counties.

A displaced homemaker is defined as a person who has worked in the home for a minimum of two years caring for the family, has been dependent on the support of a spouse or partner and has lost that support or other kind of support such as Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI).

The 1988-89 biennium funding is \$2 million. This amount

will support personal development and support workshops, intensive career exploration, vocational counseling, job development and placement assistance directed toward self-sufficiency. Services such as child care, tuition assistance, transportation, books and supplies, and support service referrals are provided as necessary. SJTO provides evaluation of the programs.

Almost 94 percent of those completing the program during the 1986-87 biennium either found a job, entered training or went back to school. Almost 52 percent of those leaving the program were employed at the time of exit with an average hourly wage of \$5.47. ■

Minnesota Employment and Economic Development (MEED) Wage Subsidy Program

The MEED Wage Subsidy Program is a permanent state jobs program created to encourage the development of temporary jobs in the public sector and new permanent jobs in the private sector.

To participate in MEED, a person must be a state resident for at least one month, be unemployed, be ineligible for or have exhausted either unemployment insurance or workers' compensation benefits, and be available to work for the duration of the job offered under the program.

Priority is given to eligible job applicants living in households with no other source of income, persons eligible for general assistance, persons eligible for AFDC and farm households that can demonstrate severe financial need.

For each program participant, the state may subsidize up to \$4 an hour in wages and up to \$1 an hour in fringe benefits. The time limit for the subsidy is 1,040 hours over a 26-week period. Both public and private employers can use their own funds to increase the hourly wage rate. Private-sector employers who retain MEED workers in permanent positions do not need to repay the wage subsidy.

The program is run on the local level by local service units. Priority is given to businesses that have a high potential for growth and long-term job creation, are labor intensive,

make high use of local and Minnesota resources, are owned by women or minorities, make high use of new technology, produce energy-conserving materials or services, are involved in the development of renewable sources of energy and have their primary place of business in Minnesota.

Participants may be placed in temporary public sector jobs for up to six months when private sector positions are not available. MEED service providers use public sector employment only as a last resort.

From Jan. 1, 1986, to June 30, 1987, MEED served 11,300 people. During this period, 78 percent found jobs in the private sector.

From July 1, 1987, to June 30, 1989, \$18 million has been appropriated to administer the MEED program. A total of 87.5 percent of the appropriation went to the eligible local service units to administer the program. Five percent was allocated at the discretion of the commissioner and 7.5 percent was allocated for residents of federally recognized Indian reservations.

Local service units cannot spend more than 25 percent of their available funds for wages with eligible government and nonprofit agencies. At least 80 percent of the funds allocated to a local service unit must be used to serve members of the priority groups. ■

Minnesota Youth Program

The Minnesota Youth Program (MYP) employs young people, ages 14 to 21, and operates statewide during the summer months (June 1 to September 30) at a funding level of \$2.35 million per summer. In the summer of 1987, MYP accomplishments included:

- Approximately 2,700 youth were provided with a positive, well-supervised work experience. Sixty-eight percent of the MYP participants were economically disadvantaged; 20 percent were from families receiving public assistance; and 18 percent were handicapped. Youth were employed as teachers' aides, medical aides, groundskeepers, custodial workers and conservation workers.
- Participants were encouraged to remain in school or, if completed, to enroll in a post-secondary educational program. Career workshops at local colleges and technical institutes provided information on post-secondary educational options,



Supported Work Program

The Supported Work Program is a voluntary, transitional employment program for AFDC recipients who have received assistance for three or more years. It offers job training and transitional support and assistance that enables

financing and career opportunities. Vocational evaluations provided youth with direction in selecting fields of study, developing career paths and locating funding for educational goals.

The Department of Jobs and Training is seeking statutory changes in 1988 which would expand the services available under the Minnesota Youth Program to aid at-risk youth in job training programs that combine work and learning, are individualized to each locale and have the flexibility to operate on a year-around calendar.

The Job Service Mini-Office program, which is funded through MYP, resulted in 15,796 placements, 10,822 in agricultural jobs, in the summer of 1987. Youths are trained to operate mini-Job Service offices for young people under the supervision of professional staff. Most mini-offices are located in rural communities that are too small to have a full-time Job Service office. In 1987, 190 mini-offices were operated; 5,663 employers were served and 27,361 employer contacts were made. ■

recipients to maintain jobs in the labor market. Participants receive group counseling for six months after placement into private-sector employment.

The program served 65 people in 1987 and placed 28. ■

Minnesota Grant Diversion

Since its inception in March 1986, 17 counties have implemented the Minnesota Grant Diversion (MGD) program. MGD uses the AFDC grant to provide wage subsidies to employers as an incentive to hire AFDC recipients. The AFDC grant can be used alone as a wage subsidy or in conjunction with WIN, JTPA or MEED funds.

Targeted for services under the program are AFDC single parent families. Participation in MGD is voluntary. MGD provides participants with placement into on-the-job training or employment that becomes permanent at the end

of the subsidy period, which is not to exceed nine months.

Counties electing to operate the program may contract with WIN, JTPA and MEED service providers to deliver MGD services. The 1987 Legislature appropriated approximately \$459,000 to fund both MGD and Supported Work programs (described below) for the biennium. Federal reimbursement of 50 percent is available for appropriate MGD administrative costs incurred by the county and service providers.

The program has served 126 participants with 86 finding permanent employment. ■

AFDC Employment Search Program — Community Work Experience Program

The AFDC Employment Search Program (ESP) and Community Work Experience Program (CWEP) are optional under federal law. The two programs have been operating together on a pilot basis in seven Minnesota counties. AFDC unemployed parents (primary wage earners in two-parent AFDC families) who do not meet certain exemption criteria are required to participate as a condition of continuing AFDC eligibility. Other AFDC recipients may participate voluntarily.

ESP and CWEP both strive to help participants become employed and self-sufficient. ESP helps participants search for employment and CWEP helps them become more employable through work experience. People participate in ESP prior to CWEP.

From July 1, 1986, through

June 30, 1987, 303 participants began ESP and 91 began CWEP. Program costs totaled \$185,325. Of the total, \$96,795 was paid with county funds, \$9,189 with state funds and \$179,341 with federal funds. Federal funds are provided at a matching rate of 50 percent for most program costs.

Of those ESP-CWEP participants who went off AFDC over the period October 1986-June 1987, 57 percent did so within six months of when they began in ESP and 51 percent left AFDC because they found employment.

The SJTO provides state-level administration for the program under a cooperative agreement between the Department of Jobs and Training and the Department of Human Services.

ESP will begin operating statewide on July 1, 1988. Under state statute, CWEP will end by June 30, 1988, unless extended. ■

Work Readiness

The Work Readiness Program is available to people whose income and resources are below the general assistance (GA) eligibility levels, but who are deemed employable. Work Readiness provides participants with financial assistance at the GA level along with a variety of job-seeking services to help them find permanent employment. Participants receive or are reimbursed for needs such as transportation and clothing for interviews. Eligible individuals may receive Work Readiness payments and services for a maximum of six months in a 12-month period,

and must participate in order to receive payments.

SJTO is responsible for monitoring Work Readiness service delivery. The Department of Human Services supervises the counties in their administration of the eligibility and benefit determination aspects of the program.

From July 1, 1986, through June 30, 1987, approximately 20,000 new participants took part in the program at a cost of \$3.9 million. Of those who left the program during the period Jan. 1, 1986, through June 30, 1987, 17 percent were reported as being employed. ■

Youth Intervention Program

The state funds several youth intervention programs which provide education, counseling and referral services for troubled youth and their families. Community-based programs keep the young people living with their families and out of correctional institutions, foster homes, residential treatment and chemical dependency treatment facilities. Problems such as child abuse and family violence, delinquency prevention, chemical abuse, family

economic distress and breakdown are addressed by Youth Intervention programs.

Twenty-four community-based programs operated in rural and urban areas and Youth Intervention programs received \$150,000 for 1987.

Youth Intervention programs serve about 5,000 young people annually. The average cost per client is \$299 with average participation ranging from three to six months. ■

Opportunities Industrialization Centers

The Opportunities Industrialization Center (OIC) program, passed by the 1983 Legislature, authorizes OICs to provide comprehensive job training and placement-related services to the economically disadvantaged, unemployed and underemployed to assist them to gain economic self-sufficiency. Through three centers, the program provides counseling, basic adult education, job development and placement services. OICs offer training in office skills, accounting, computer operations and programming and building maintenance. They also offer pre-vocational training to people who later are referred to area vocational schools or colleges

for other course offerings.

The State Job Training Office provides staff support to the Minnesota OIC State Council which: 1) insures organizational coordination among units and accountability of all OICs in the state; 2) helps to establish OICs in other areas of the state in need of such training programs; and 3) acts as a liaison for the OICs to governmental and industrial sources.

In December 1987, a new OIC was established on the Mille Lacs Indian Reservation.

From July 1, 1986, through June 30, 1987, a total of 1,040 people were served from all sources of funding of OICs and 403 placements made. ■

Rehabilitation Services Division

The Division of Rehabilitation Services (DRS) helps people with disabilities achieve employment goals and increase their independence. Injured workers are rehabilitated and decisions are made regarding

eligibility for Social Security disability benefits. Each of these unique services is provided on a statewide basis through the specialized programs that make up the division. ■

Vocational Rehabilitation

Basic Services

Assessment of strengths, aptitudes, evaluations of disabilities and individualized vocational planning are essential if people are to overcome vocational handicaps and achieve suitable employment. Among the other services that may be provided by vocational rehabilitation counselors or purchased from providers are education/training programs, equipment, transportation, prostheses and job placement.

Students with disabilities needing help with the transition from school to work and those with traumatic brain injuries are examples of people with specialized needs who are served by the vocational rehabilitation program.

Effective partnerships with

other state departments, such as Education, Human Services and Corrections, and with private, nonprofit groups assure maximum, efficient use of employment resources.

In 1987, 3,854 people whose disabilities made getting and keeping a job difficult achieved employment because of DRS programs. More than 50 percent had severe disabilities.

Of the \$23,130,500 spent by the Vocational Rehabilitation Section, \$17,936,727 was used to provide client services. Field operations cost \$3,001,360 and the division spent \$1,220,280 on direct program administration. Indirect administration costs included \$728,317 to DJT and \$243,816 to the state. ■

Workers' Compensation

The Rehabilitation Services Division provides rehabilitation services to workers injured on the job through its Workers' Compensation Unit.

Services are provided or coordinated by the RS-trained vocational rehabilitation counselors who are registered with the Minnesota Department of Labor and Industry as QRCs (Qualified Rehabilitation Consultants).

Costs of these services are

paid by insurance carriers, employers or special state funds, not by the injured worker.

Services are designed to help injured workers return to work as quickly, economically and appropriately as possible. This often means a return to work with the present employer in either the same or another position. In some circumstances, it may be necessary to change both employer and type of work. ■

Extended Employment

Extended Employment programs serve people with very severe disabilities who need more assistance and supervision on the job than is provided normally in competitive employment. Workshop employment, supported employment and other community-based work are extended employment programs subsidized and monitored by the division.

Rehabilitation facilities and Development Achievement Centers provide extended employment services. Facilities offer a variety of evaluation, assessment and job placement services that vocational rehabilitation counselors purchase for their clients. Workshop and community-based/supported employment are other extended employment programs serving

people with severe disabilities.

Businesses in the community also employ people in supported work or other community-based employment. Job coaches provide the needed training and supervision. A number of innovative and integrated community work models are offered.

In 1987, 2,717 people were working in community-based employment — a 63.9 percent increase over 1986.

The following table shows the number of people in various extended employment programs and their average hourly earnings.

Community-Based	2,717	\$3.16
Long-Term Sheltered	2,205	\$2.00
Work Activity	1,339	\$.86
Work Component/ DAC	1,196	\$.63

Independent Living

Independent Living services are designed to help people with severe disabilities become more independent in their homes and communities and to prepare them for employment services offered by DRS. With Independent Living services available, more of these people can leave nursing homes and other segregated settings to live on their own. Referrals to accessible housing, transportation, attendant care and other services increase their independence.

The Independent Living services supplement those offered in the community and by DRS.

In Minnesota, Rehabilitation Services contracts with six Centers for Independent Living to provide a broad array of services. Centers are located in Marshall, Rochester, St. Cloud, Hibbing, East Grand Forks and the Twin Cities metropolitan area.

Centers for Independent

Living are private, nonprofit organizations. A majority of the members of their boards of directors, as well as staff members, are people with disabilities. DRS uses both state and federal funds to help support the centers, which also raise funds on their own from a variety of public and private sources.

DRS certifies that Independent Living Centers treat individuals fairly and meet program standards. The division also evaluates the performance of the centers. Overall guidance on policy for the Independent Living program is provided by a 15-member advisory committee.

In 1987, federal funding was used to institute a system that provided Independent Living services through the DRS field offices. The number of people getting these Independent Living services will be greatly increased as field offices cover the state in areas not easily served by one of the centers.



Disability Determination

The Office of Disability Determination Services (DDS), under an agreement with the Social Security Administration (SSA), makes determinations on a person's eligibility for disability benefits.

DDS examiners make these decisions based on medical information and psychological, vocational and social evaluations according to standards established by the SSA for Social

Security Disability Insurance (SSDI) and Supplemental Security Income (SSI).

People receiving SSDI or SSI benefits have a medical review at least once every three years unless the recipient's disability is considered permanent. The interval for people with permanent disability cases is longer.

The following table summarizes activity for federal fiscal year 1987. ■

Number of determinations	35,700
Number of claims allowed	13,003
Number of claims denied	19,879
Number of allowed claims referred to DRS	908
Number of denied claims referred to DRS	6,343

Research and Policy Development Division

Policy Development Office

The Policy Development Office was established in September 1987, to develop policy recommendations which affect the quality and diversity of programs and services administered by the Department of Jobs and Training. The office develops new program initiatives that result in the drafting and tracking of proposed legislation. Policy Development has accomplished a number of major project objectives including the revision and implementation of the Intake, Referral and Inventory System (IRIS) plan, PATHS program planning, Jobs 2000

program design and legislation and the LSU (local service units) planning process, design and implementation.

Projects are initiated by the commissioner, assistant commissioner, program managers and legislators. The office is a service function for the department with specific responsibilities for department-wide evaluation of program services, development and maintenance of department rules, evaluation of new federal and state legislation and department-wide special reporting. ■

Research and Statistics Office

The Research and Statistics Office administers statistical programs to produce current employment and unemployment estimates and to monitor the activity of the various department programs. The staff also conducts special studies, prepares economic and labor market forecasts and projections, develops a variety of information for user groups and disseminates information through periodicals and reports or through direct responses to requests for data.

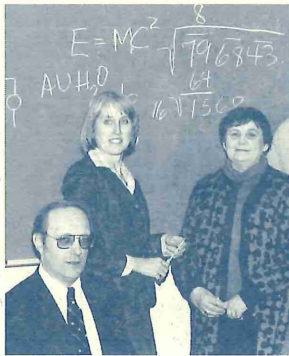
State and regional labor market analysis and special studies are conducted by the Labor Market Information (LMI) Unit. Higher education systems, Job Training Partnership Act and numerous other agencies use LMI data for planning purposes.

The office is the official source of all employment and unem-

ployment data compiled for Minnesota. Occupational employment projections and salary information are available to the year 1990.

The Minnesota Occupational Information Coordinating Committee (MOICC) is associated with the Research and Statistics Office. The Committee includes members from Vocational Education, Job Service, Vocational Rehabilitation, Economic Development and the Governor's Job Training Council. MOICC's focus is to make occupational information accessible and understandable to its users. It functions as a broker between information producers and user groups.

NEWSNET, a bimonthly occupational newsletter, is published by MOICC and distributed throughout Minnesota.



Administrative and Technical Services Division

The mission of the Administrative and Technical Services (ATS) Division is to provide supportive services to the Department of Jobs and

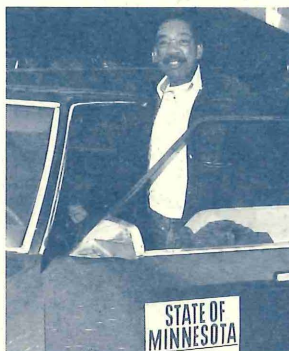
Training in bringing people and jobs together in Minnesota and to do this with excellence, quality and pride.

Office of Administrative and Financial Management

The Financial Services section pays the department's vendors, develops the financial detail of the state biennial budget and various federal budgets and prepares financial reports. It also makes payments to clients, processes subgrants and contracts and controls unemployment insurance trust fund accounts.

Financial Services' systems process the federal grants and state funds which flow through the department to the various programs, and provide audit coordination services to the department.

The Administrative Services section maintains and operates the Central Office building in St. Paul and the department's downtown Minneapolis office. It supports the department's statewide operation through additional administrative functions, including: security, space leasing, warehousing, property inventory, central purchasing, contract monitoring, remodeling, internal moving, forms management and supply, records management, mail services, duplicating and travel coordination.



Office of Labor Relations and Personnel Services

The Office of Labor Relations and Personnel Services develops policies on labor relations and personnel management programs, interprets and oversees administration of the various labor agreements and rules and regulations governing nonrepresented employees, and is responsible for human resources planning and the employee performance appraisal system.

The office serves as the department's representative in dealing with the various exclusive bargaining representatives, the State Negotiator's Office, and the Department of Employee Relations. In addition, the office handles personnel

administration, such as filling of vacancies, classification, testing and recruitment, as well as providing technical assistance and interpretation of personnel policies and procedures.

The office also serves as the department's insurance representative and is responsible for all individual contracts and written communication regarding employee health and insurance benefits.

The office, as part of the state's Employee Assistance Program, provides referral services to employees whose job performance is or may be affected by personal problems. ■

Management Analysis Office

The Management Analysis Office is the department's internal consultation center. It provides management and staff with analytical and technical assistance, including group problem solving, project management, quantitative and qualitative analysis, technical writing and support and policy and procedural development.

Office responsibilities include maintaining the department's Policy and Procedures Manual, the Office Reference Manual and the Employees' Guide to Programs and Services, and acting as the department's liaison to the Minnesota State Register for contracts and grants. The office also manages the department's STEP (Strive Toward Excellence

in Performance) program. STEP projects in 1987 included improving customer service in the Research and Statistics Office and developing an overpayment detection process in the Unemployment Insurance program.

The office designed and assisted in implementing a departmental strategic planning and budgeting process, helped department divisions develop their goals and priorities, facilitated problem-solving in several offices, assisted in a study for the legislature on the placement of an Information Policy Office, and planned and coordinated a number of administrative office moves. ■

Training and Development Office

The Training and Development Office provides employees with a variety of opportunities to improve their skills. The office coordinates all non-programmatic training and employee development, as well as projects and programs that foster job satisfaction and employee involvement.

Training offered in 1987 included: the FrontLine Leadership Program, designed to help supervisors develop and improve leadership skills; plus workshops on career planning

assistance, problem solving, handling anger, writing skills and two classes that were offered outstate on the subjects of clear writing and career renewal.

A Health and Wellness Program was established in which a task force planned program objectives that are expected to lead to increased physical and mental health. An in-house Weight Watchers Program was started and six classes were held on how to stop smoking. ■

Data Processing

The office is responsible for the development, operation and maintenance of the department's computer systems.

In addition to continued improvement of overall management and operation of existing systems, there were significant equipment and systems changes to improve services to department clients. Several equipment upgrades, including new high-speed printers, were made. A new computer, an IBM 3090 series machine, was purchased and will undergo an operating system software upgrade. Planning also was underway to install new data entry equipment in early 1988. The office entered into a corporate service agreement with IBM for the maintenance of its computer center equipment. The agree-

ment, which results in significant reductions in maintenance and service charges, is provided to selected IBM customers who have sound information services management processes.

Legislative action in early 1987 required the use of wage detail data by Jan. 1, 1988, to pay unemployment insurance benefits. Significant staff resources were used to modify existing systems, while plans were drawn up to obtain federal funding for the new system and modifications required by July 1989.

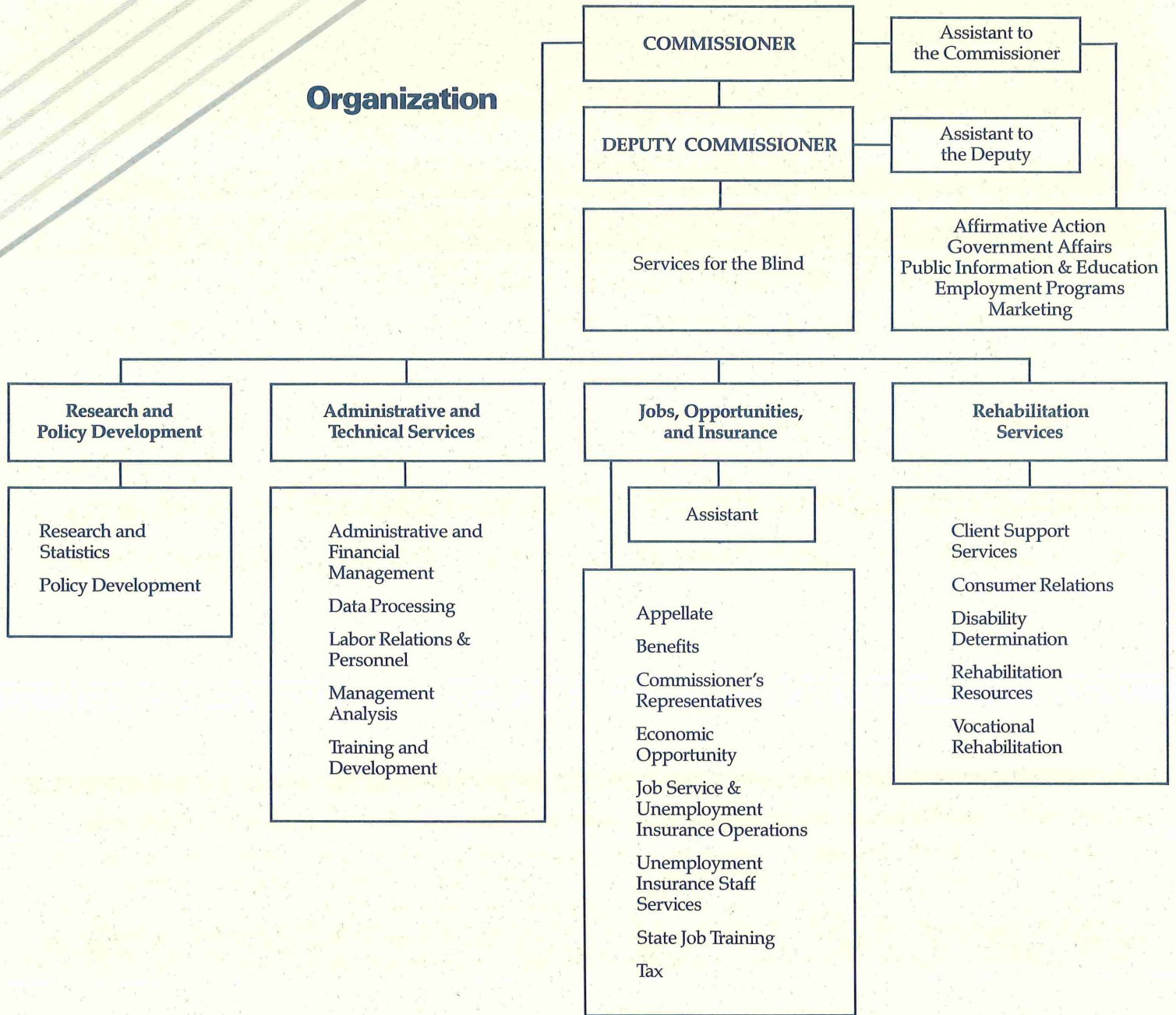
A new Job Search system, using on-line display terminals by Job Service applicants to seek jobs, was introduced at the Minnesota State Fair, and was implemented as a pilot project in 11 Job Service offices in January 1988. ■



**Department of
Jobs & Training
1987 Expenditures**

Job Service and UI Operations	
Personal Services & Personal Benefits	\$ 22,840,428
Nonpersonal Services	3,558,413
Subgrant & Client Payments	6,551,352
Total	\$ 32,950,193
State Job Training Office	
Personal Services & Personal Benefits	\$ 1,081,536
Nonpersonal Services	301,146
Subgrant & Client Payments	61,780,519
Total	\$ 63,163,201
Unemployment Insurance	
Personal Services & Personal Benefits	\$ 9,719,133
Nonpersonal Services	1,154,765
Subgrant & Client Payments	325,328,330
Total	\$336,202,228
Rehabilitation Services	
Personal Services & Personal Benefits	\$ 16,610,839
Nonpersonal Services	3,665,233
Subgrant & Client Payments	21,395,042
Total	\$ 41,671,114
State Services for the Blind	
Personal Services & Personal Benefits	\$ 3,645,353
Nonpersonal Services	1,162,113
Subgrant & Client Payments	2,464,442
Total	\$ 7,271,908
Economic Opportunity Office	
Personal Services & Personal Benefits	\$ 1,355,535
Nonpersonal Services	411,829
Subgrant & Client Payments	88,170,681
Total	\$ 89,938,045
Administrative & Technical Services	
Personal Services & Personal Benefits	\$ 8,905,074
Nonpersonal Services	2,035,080
Subgrant & Client Payments	0
Total	\$ 10,940,154
Total Department	\$582,136,843

Organization



Advisory Councils

Governor's Job Training Council

Business and Industry Representatives

Gene Bier, Minneapolis
Nancy Christensen, St. Paul
Patricia Commers, Minneapolis
Tom Johnson, Brainerd
Mike Lynch, Minneapolis
Austin Sullivan, Golden Valley
Linda White, St. Paul

Local Elected Officials

Marcella Gonsorowski,
Newfolden
Dorothy Grotte, Fairmont
David E. Torgerson, Clinton
Van White, Minneapolis

Other Representatives*

Bernard Brommer, St. Paul
Geraldine Evans, Rochester
Harold W. Peters, Minneapolis
Bill Peterson, St. Paul
Heladio Zavala, St. Cloud

*Representing organized labor, community-based organizations and local education agencies.

State Legislature

Sen. Don Frank, Spring Lake Park
Rep. James Heap, Plymouth
Sen. James Pehler, St. Cloud
Rep. Wally Sparby, Thief River Falls

Minnesota Job Service Employer Committee

State Steering Committee

Gabriel Ducharme, Walker
James Grossman, St. Paul
Oliver Houx, Duluth

Tom Johnson, Brainerd
Betty Lockwood, Marshall
James Tobiason, Anoka
Ron Wenzel, Winona

Minnesota Council for the Blind

Rolland Baldwin, St. Paul
Susan P. Baumgartner,
Maple Grove
Harriet Carlston, Paynesville
Thomas Hein, St. Paul

Leslie Paul Peterson,
Minneapolis
Joyce Scanlan, Minneapolis
David A. Schwartzkopf,
Rochester

SSB Business Enterprise Operator/Management Committee

John Albright, St. Paul
Carol Olson, Minneapolis
Curt Jones, Twin Cities
Jim Collins, Duluth

Peter Wisocki, Hopkins
Al Alton, Brainerd
Merle Ford, Minneapolis
Carl Kuhl, Minneapolis

Independent Living Advisory Committee

Roger Berg, Marshall
Paul Bergquist, Mankato
Susan Ecker, Fergus Falls
Jeanne Forsmark, Hibbing
John Mertens, St. Cloud
Alfred (Bud) Morin, Plymouth
Darwin Nelson,
East Grand Forks

Linda Nelson, St. Paul
Anita Ortis, Hibbing
Barbara Peterson, Rochester
Mary Ellen Pischke, Oronoco
Clarence Sindt, Jr., Farmington
Sandy Swenson, Hastings

Rehabilitation Services Consumer Advisory Council

Thomas Bangsberg,
Minneapolis
Gregory DeWitt, St. Paul
Jerome Froehlig, Minneapolis
(Deceased 10/1/87)
Robert M. Glenn, St. Paul

Marjorie Goldberg, Minneapolis
Margaret Imdieke, Minneapolis
David L. Nash, M.D., Rochester
William R. Thompson,
Bloomington
Percy Tornow, Remer