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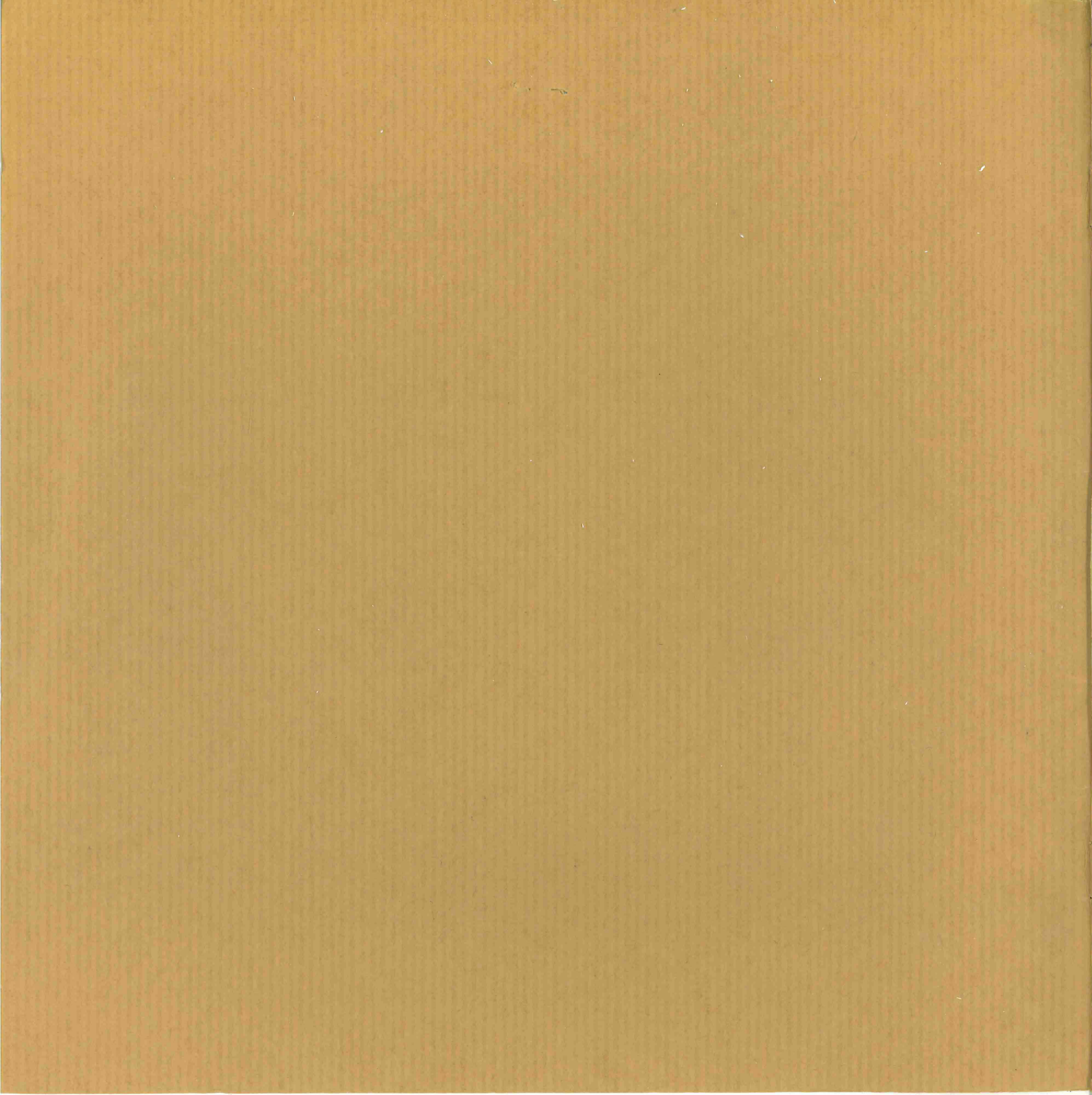
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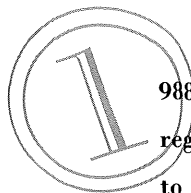
CREATIVELY PUTTING PEOPLE TO WORK

MINNESOTA DEPARTMENT OF
JOBS AND TRAINING
ANNUAL REPORT

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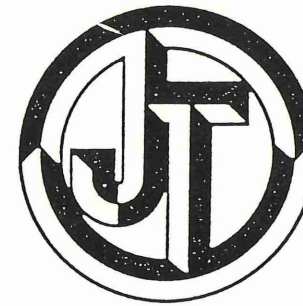


1988 will go down in Minnesota history as a year with many more positives than negatives regarding employment, unemployment and the provision of human services. I'd like to mention just a few that have involved our employees and the programs and services of the Department of Jobs and Training. Here are some facts that definitely were positive in the overall picture of the past year. ■ A record number of the state's workers held jobs last year — reaching a peak of 2,278,300 in October. ■ Minnesota's monthly unemployment rates dropped to levels that hadn't been seen since 1978. A low of 3.2 percent for the year was recorded in November and the year ended with a pretty respectable jobless rate of 4.1 percent. Average for the year was 4.0 percent. ■ The balance in the unemployment insurance trust fund was \$263.7 million on Dec. 31, a record end-of-the-year high. ■ Good things that happened during the year were many — and they made it possible for us to serve more of our citizens better. ■ Our youth programs got a shot in the arm with the Legislature passing a bill to help make them more effective — allowing us to serve more kids year around with both job and classroom training. ■ We signed a first-of-its-kind agreement with the U.S. Department of Health and Human Services to work in partnership administering the Head Start Program in Minnesota. ■ We continued to serve the special groups of people who through no fault of their own had problems "making it." These are the older workers, dislocated workers and displaced homemakers who can take advantage of our services and programs to help make them self-sufficient. ■ Early in the year we launched Job Search, the computerized self-use job listing program developed by our department, in 14 Job Service offices. Other offices were phased in later. Now we also are able to turn the system over to other states that are interested in utilizing our software. ■ Minnesota was chosen by

FROM THE COMMISSIONER

the U.S. Department of Labor as the site of the national Unemployment Insurance Training Center for Quality Control. Department employees are conducting the computer-based training for quality control staffs from throughout the U.S. ■ Our employees again led those from all other state agencies in contributions through payroll deductions to aid Minnesota's hungry and homeless people. So far, 1989 is shaping up well for Jobs and Training. Our employees are prepared to keep on serving the people of Minnesota with the kinds of programs that will provide more jobs, better jobs and, where needed, retraining and relocation.

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MINNESOTA DEPARTMENT OF
Jobs and Training

APRIL 28, 1989

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, 1988, unless otherwise indicated.

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THE YEAR IN BRIEF

JANUARY

Job Search (computerized system to assist applicants) introduced at 14 Job Service locations around the state. . . . Open Your Heart to the Hungry and Homeless state employee campaign received pledges totaling \$188,000 for 1988.

FEBRUARY

New 'state of the art' IBM 3090 computer provided DJT's Data Processing Unit with four times the capacity of previous equipment. . . . JOBS 2000, an employment and training fund to help dislocated workers, proposed at 1988 legislative session. (Legislature failed to enact bill.)

MARCH

State Services for the Blind provided grant to Blind, Inc., Minneapolis, to operate program to help visually impaired students with training in mobility, Braille and daily living skills.

APRIL

Essay winner of Rehabilitation Services journalism contest for high school students given recognition at Capitol. . . . Commissioner Joe Samargia signed agreement with U.S. Department of Health and Human Services to provide partnership for administering Head Start Program in Minnesota.

MAY

Legislature passed bill to expand department's role in providing more job and training opportunities through the Minnesota Youth Program.

JUNE

Minnesota's Unemployment Insurance Trust Fund reached \$175 million by month-end. . . . Public hearings held in Grand Rapids and St. Paul to discuss 1989 state Energy Assistance Plan.

JULY

Re-Employ Minnesota, new pilot project to bring one-on-one help to jobless people, and thus get them back to work more quickly, started July 1. Goal is 20 percent reduction in time they collect unemployment benefits.

AUGUST

Department honors eleven outstanding Minnesota volunteers who have served the state's hungry and homeless people. . . . FrontLine Leadership training for supervisors graduated 143 staffers.

SEPTEMBER

Three department-sponsored exhibits at State Fair attracted large crowds seeking help and information for jobs, rehabilitation and services for the visually handicapped.

OCTOBER

Tenth anniversary of Minnesota Displaced Homemaker programs celebrated with luncheon Oct. 21. Rosalie Wahl, associate justice, Minnesota Supreme Court, was featured speaker.

NOVEMBER

Funds totaling \$3.7 million were allocated to agencies throughout the state to provide weatherization assistance for low-income households. . . . Jobless rate was 3.2 percent, lowest of 1988.

DECEMBER

Minnesota announced as site of new national Unemployment Insurance Training Center for Quality Control, to be operated by Jobs and Training. Year-end balance in unemployment insurance fund was \$263.7 million.

**OFFICE OF THE
COMMISSIONER**



The Department of Jobs and Training's operations continued to follow the organizational structure that was established in 1987, with four divisions to serve diverse groups of clients and employees.

The four divisions, each with special programs and services, are: Jobs, Opportunities and Insurance; Rehabilitation Services; Research and Policy Development; and Administrative and Technical Services.

The Commissioner's Office also oversees the administration of the State Services for the Blind and Visually Handicapped.

In addition, the following support services report directly to the Commissioner's Office: Public Information and Education, Employment Programs Marketing and Government Affairs.

Public Information and Education Office

As the public relations and communications arm of the department, the Public Information and Education (PIE) Office in 1988 developed and produced a variety of printed pieces and involved itself in numerous other activities that served to inform the public, government officials, other agencies and employees.

The PIE Office arranged and coordinated press conferences on such topics as the unemployment insurance fund balance, distribution of food to low-income families, the fifth anniversary of the MEED program and the use and advantages of the department's employment and training services.

The office continued the regular publication of newsletters for both employee and public audiences that informed readers of DJT news, services and programs.

During the year, PIE issued more than 140 news releases and advisories to print and electronic media throughout Minnesota. The staff also developed brochures and fact sheets describing programs and services.

The PIE Office produced the Jobs and Training annual report to the

governor, the Job Training Partnership Act annual report and the Rehabilitation Services *Overview*, a publication that describes the special programs of that division.

Under the direction of the PIE staff, 13 volunteers who have worked tirelessly to help hungry and homeless people were selected for special recognition on behalf of all Minnesota volunteers. The PIE Office planned and made all arrangements for the third annual department-sponsored luncheon honoring them and their outstanding efforts. The office continued to emphasize and promote the department's support for the Open Your Heart to the Hungry and Homeless program. This program enables all state employees to contribute to Minnesota's food shelves and shelters through payroll deductions.

In addition, staff members were involved in planning and arranging details for a number of special events that included "Capital for a Day" in some cities, openings of new or relocated offices and various ceremonies that involved the Governor's Office.

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.

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.

In 1988 the unit won four national awards and two state awards for its productions.

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 U.S. 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 to answer citizen (constituent) questions relating to program services.

Services for the Blind and Visually Handicapped

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

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

Last year 6,740 clients, 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 field offices.

Vocational Rehabilitation

Services for the Blind provides vocational rehabilitation that includes counseling, training to acquire alternative communication and travel techniques, vocational planning, job training and placement, adaptive equipment and follow-up services. In 1988, SSB served 4,370 clients, and 623 of them successfully completed their vocational rehabilitation plans.

Child Rehabilitation

Counselors also work with blind children and their parents, counseling and providing information to help the child to grow and learn, and providing additional services to enable development of skills necessary for achievement of personal and vocational independence as adults.

In 1988, 778 children and their families were served.

Independent Living

Services were provided to 1,582 clients in 1988, and 479 people were able to achieve a more independent life style.

THE CENTER FOR INDEPENDENT LIVING/ PROJECT *CREATE*

works with young adults between the ages of 17 and 25 who are blind and also have a communication disorder. In the past year, the Center worked with other agencies to develop three new Supervised Living Situations (SLS) and seven new community-based employment sites for clients with severe disabilities.

THE ELDEROPTIONS PROJECT, funded by a three-year federal grant, helps elderly blind and visually handicapped people to live independently in their own homes. Four different models of service delivery are being studied for effectiveness, including a peer counseling program in a rural area.

THE SELF-CARE PROGRAM

is similar, serving people 55 and older, but with a goal of their becoming more independent in self-care activities. Older people in this program may be living in their own homes, or they may be living in long-term care facilities.

THE INDEPENDENT LIVING PROGRAM

has other funding available to provide an array of services to people of all ages who are severely visually disabled, assisting them to function independently in their own communities.

Communication Center

The SSB Communication Center is a statewide special library, transcription and radio reading service. In 1988, 14,437 blind and physically handicapped clients were served.

An explosion in demand for services continued in 1988, spurred by a renewed emphasis on literacy (e.g., the Braille Law passed by the legislature in 1987). There was a 32-percent increase in Braille production — 751,738 pages were transcribed. Requests for taped materials increased 23 percent over 1987, and the number of cassette book tapes provided to students, blind workers and other clients totaled 14,386, a 28-percent increase.

With the conversion from land system to satellite, the Radio Talking Book Network expanded to include the Crow Wing County area. Another important event was establishment of Friends of the Communication Center, an organization with goals of providing a broad base of support for both financial assistance and public information.

Business Enterprises Program

Another opportunity for independence is the Business Enterprises Program (BEP) that helps blind vendors to operate as independent business people under franchise agreements.

The businesses are located in public, private and government buildings and include cafeterias, lunchrooms, gift shops and “vendaterias,” in addition to rest areas on the highways.

In 1988, the average annual income of blind vendors exceeded \$20,000 for the first time. The program currently has 83 franchises and is expanding.

**JOBS,
OPPORTUNITIES
AND INSURANCE**



JOB SERVICE & UNEMPLOYMENT INSURANCE OPERATIONS

Job Service continued in its efforts to provide quality service to the unemployed and underemployed of Minnesota.

Co-location, a move to put offices in the same location, is meant to provide convenience to clients in the form of "one-stop shopping" for human services. The integration of offices, started in 1987, was completed by merger of the eight metropolitan area offices.

Labor Exchange

Job Service remains the premier labor exchange for the state. Matching workers with the jobs listed by employers continued with the "Job Match" program, a statewide computerized system which matches each job seeker's skills against all available openings listed on the Job Service Job Bank. Employers benefit from rapid response to their vacancies and job seekers benefit by a quick match, resulting in a shorter period of unemployment.

The Minnesota Job Search program, introduced in 1987, is continuing to expand. This "applicant friendly" job search system is generating 82,000 inquiries per month in the 10 offices where it's operating. The inquiries are resulting in an average of 381 more referrals per month. Applicants often find acceptable openings which are outside the occupational area indicated on their application. Referrals from this system, on the average, account for 37 percent of total referrals in the offices using the "applicant friendly" job search system. Expansion of the system will continue into 1989.

Case Management For Vets

An important part of the Job Service is the preference and priority service given to veterans. Seventy positions for local veterans' employment representatives (LVERs) and disabled veterans' outreach program representatives (DVOPRs) are funded by a contractual arrangement with the Veterans'

Employment and Training Service.

Minnesota was selected last year to develop and implement a case management model for working with veterans. Special training was provided to staff through the National Veterans' Vocational Guidance Program, a part of the University of Colorado at Denver. These trainers then returned to provide training to staff in the field.

Minnesota was the first state to train its veterans staff in this concept. The veterans' program is shifting away from its role as a labor exchange to the one-on-one concept of case management. Case management is a series of interconnected steps with which a case manager negotiates a program of services with one client. Case management means: assessment of needs; provision of or referral to supportive services; consistent and constructive dealing with individuals; tracking; and follow-up. As part of the model states program, staff will receive training in client assessment, interviewing skills and decisions for placement.

Re-Employ Minnesota

A new program set up as an experiment within the division is the Re-Employ Minnesota (REM) Project. This Job Service/Unemployment Insurance cooperative effort seeks to reduce the time workers receive unemployment benefits. Claimants are randomly assigned to control and experimental groups. Those in the control group get the regular UI and Job Service services, while those assigned to the experimental REM group receive more concentrated services in a case management setting. REM clients receive intensive reemployment services on the same day they file for benefits. The REM case managers are limited to a caseload of 40 unemployed individuals. This limitation allows the case managers to devote more time to each client, providing more personal and intensive services.

Resources for the project come from the UI Penalty and Interest Fund. The goal of the project is to reduce the

average time these clients receive benefits by at least 20 percent. After the first six months REM saved \$420,000 and reduced benefit duration time by some 27 percent. If savings continue at current levels more than \$1 million will accrue in the UI Trust Fund from REM.

Activities

The Job Service Employer Committee (JSEC) is vital to the success of Job Service. In 1988, Minnesota's statewide committee conducted a letter-writing campaign to the state's congressional members supporting the maintenance of a healthy and effective Job Service. Local committees also had visits and dialogue with various elected officials.

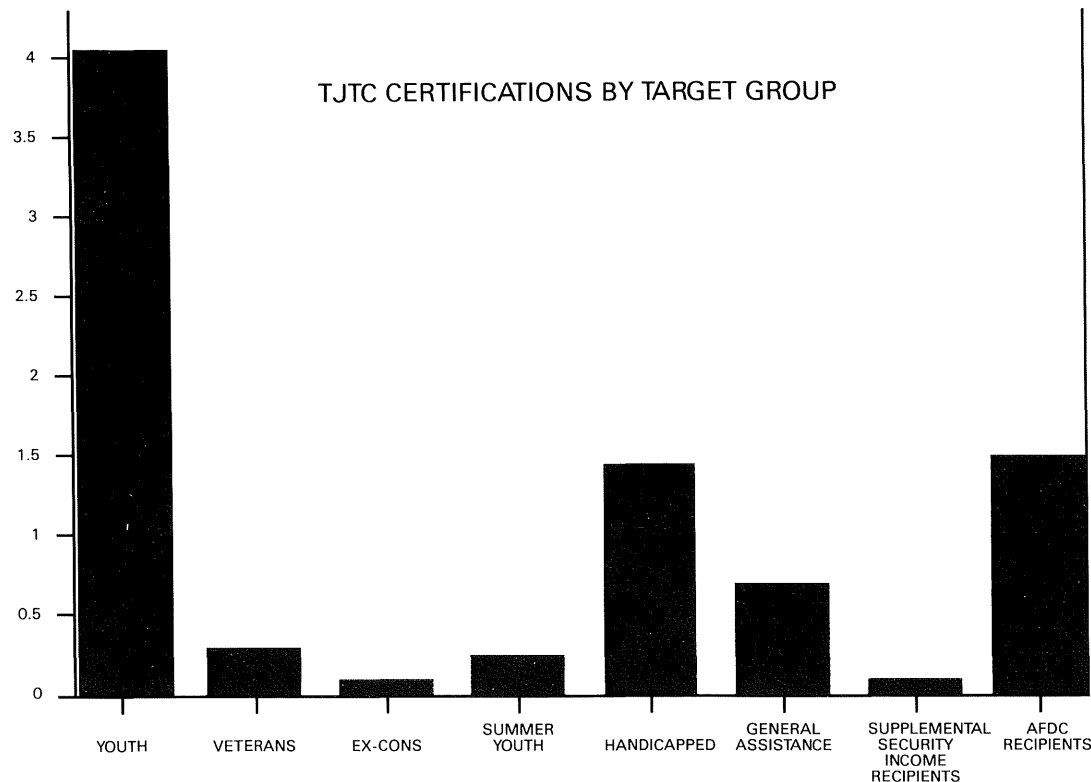
An extensive handbook for the development and operation of JSECs was completed and distributed to each local JSEC, the statewide steering committee, Job Service managers and DJT management.

Local JSECs throughout the state sponsored seminars for employers on the changes in the Unemployment Compensation law.

Labor exchange activities during the last program year were similar to the previous year. Productivity per employee increased while individual placement totals were up. A total of 249,736 new registrants sought employment assistance through Job Service and 90,388 job openings listed by employers were filled. A total of 68,926 job orders were received with 66,737 of them receiving referrals.

The veterans' staff, funded through the Veterans' Employment and Training Service, served 29,875 veterans, placing 7,689 in jobs. In addition, 1,346 were provided with counseling and 29,322 received some other reportable service.

1988 proved to be an unusual year for migrants and seasonal farm workers in Minnesota. Because of severe drought conditions affecting most of the U.S. agricultural area, there was a greater influx of migrant workers to Minnesota. Almost 500 more registrations were taken by Job Service from this group with an accompanying increase in



placement by 17 percent. Bilingual staff stationed in selected offices continue to serve the needs of these workers.

The Trade Adjustment Assistance (TAA) program provides reemployment services to workers who were laid off because of increased import trade. The reemployment services include job placement, training, job allowances, relocation allowances and cash benefits called Trade Readjustment Allowances (TRAs). Three new employers were certified in 1988 allowing their workers to receive TAA services. Among those served: 180 workers received cash benefits (TRAs), 433 got job placement services, 55 received job search allowances, 84 were given relocation allowances and 73 received training.

Minnesota employers potentially are eligible to receive federal tax credits for hiring through the Targeted Jobs Tax Credit Program (TJTC). In 1988, 11,483 individuals were determined eligible (vouchered) and 8,499 were certified under TJTC upon placement on the job. This is an increase of 1,176 vouchers and 585 certifications over the previous year. In TJTC, employers receive federal tax

credits for hiring people who traditionally have difficulty finding work. Job Service determines their eligibility and provides them with certification.

United States Employment Service Test Release Program

The Office of Job Service and Unemployment Insurance Operations has become one of the nation's largest contractors of United States Employment Service (USES) vocational tests. Authorized by the USES, qualified users in Minnesota are eligible to enter into contracts with the Department of Jobs and Training to use these tests in counseling, specifically, employability assessment and career planning. Minnesota is one of the few states that contract with the public and private sectors, profit and nonprofit.

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 help stabilize their income and 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 UI program assists 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

On Jan. 1, 1988, the department changed its 20-year-old method of calculating benefits. The major changes dealt with the period of work history upon which the unemployment claims are based and the method of calculation of the weekly and maximum benefits. Under the previous method, the 52-week period immediately before the filing of a claim was used as the work history. The new base period for a claim uses the first four of the last five completed calendar quarters.

Claims now are based on a "high quarter" wage formula. The "high quarter" is the three-month period (calendar quarter) in the base period in which the claimant had the most earnings. The worker must have earned at least \$1,000 in the high quarter and have total wages during the base period that equal 1.25 times the wages earned during the high quarter.

The weekly benefit amount is determined by dividing the earnings of the high quarter by 26. This equals roughly half of the worker's average weekly wage up to a maximum weekly amount of \$254. Depending upon a claimant's total earnings, these benefits last for up to 26 weeks.

Evaluation

The Nonmonetary Unit continued to emphasize training and adjudication (the process of determining eligibility for benefits) in 1988. A new method of evaluation and training was implemented in three districts of the state, in which a sample of nonmonetary determinations from the district rather than individual offices was evaluated for validity and quality. A report explaining the district results was produced and a training session for the lead workers in each district was held to provide further feedback and corrective action.

The unit adjudicated 488 issues as potential gross misconduct or sensitive issues and nine labor disputes.

Training

Unit staff conducted one-day UI program orientation sessions for 73 Job Service employees and conducted four three-day sessions in unemployment adjudication. These training sessions were part of the preparation for a merged entry-level professional class in which employees perform both Unemployment Insurance and Job Service functions. Nine employer seminars drew more than 280 employer representatives. The employer seminars covered the new UI law and provided information about how the Unemployment Insurance program works. Three sessions were held for high school students. Two of the sessions were presented to economics classes and one was presented to students involved in on-the-job training.

Special Projects

Procedures were designed for implementing new laws to collect unpaid child support. Department forms were revised for conformity to the Plain Language Law. A self-study validation manual was produced for local office use. This manual explains the principles which determine what area office eligibility decisions constitute a countable activity for determining federal funding levels. "SAVE," a simplified

alien verification process, was implemented. Under this new system, the department accesses the records of the Immigration and Naturalization Service by telephone. A federal grant request was drafted for the IRIS pilot project. This project would enable clients to access community resource information on computer terminals using artificial intelligence.

TAX BRANCH

The Tax Accounting Section is responsible for determining which employers are subject to unemployment tax and which workers are covered for unemployment benefits, assigning tax rates, processing quarterly tax and wage detail reports and collecting and accounting for all UI taxes.

During calendar year 1988, a total of 96,142 Minnesota employers paid into the UI Trust Fund. The total amount of payroll taxes and reimbursements paid into the fund was \$392.5 million. Employers paid an additional \$2.1 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 35,000 determinations of employer liability and worker coverage, and more than 146,000 items of correspondence received from employers.

In 1988, Tax Accounting received more than 98,000 telephone calls and mailed out over 282,000 pieces of correspondence, plus 380,000 tax reports and 95,000 tax rate notices.

During fiscal year 1988, the Field Audit Section completed more than 3,700 employer audits involving \$731 million in payroll. These audits uncovered \$59 million in unreported wages and \$1.34 million in unreported taxes. The field auditors also assist employers with resolving UI issues, determining liability for UI taxes, obtaining the necessary reports and collecting the appropriate tax. They collected \$5.38 million in delinquent taxes, interest and penalties. The field auditors completed more than 2,500 wage investiga-

tions involving claims for benefits. The Field Audit Section also trained staff to use 14 portable computers in auditing larger employers.

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, and claimants and employers who are guilty of fraudulent acts are subject to administrative and criminal penalties.

During 1988, the department found 10,654 cases of benefit overpayments amounting to \$5,455,902. While most overpayments were due to error, investigators did uncover 2,336 cases of fraud amounting to \$1,563,069.

In addition to administrative penalties, flagrant fraud cases are referred to county attorneys for criminal prosecution. In 1988, 103 cases were referred.

The department also operates an active ongoing recovery program. Recoveries in 1988 totaled \$3,828,762.

Appellate

The Appellate Branch schedules and conducts hearings and issues decisions on all first-level appeals taken from unemployment insurance benefit and tax determinations.

In 1988, Appellate conducted hearings and issued decisions in 10,613 regular unemployment appeals. Those cases involved appeals from initial department determinations on unemployment benefit eligibility and disqualification issues.

More than 82 percent of the decisions were issued within 45 days of the appeal. Over 58 percent were issued within 30 days of appeal. The 45-day period percentage exceeds the federal timeliness standard. The 30-day period falls somewhat short of the 60-percent federal standard.

Appellate also is exploring the possibility of computerizing its scheduling

and processing information to improve operations.

Commissioner Appeals

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.

In 1988, 2,110 appeals were received by the Commissioner Appeals Unit pertaining to benefit claims. The representative of the commissioner issued 2,073 benefit decisions. There were 143 decisions issued pertaining to appeals in tax and liability cases. Only 14 appeals relating to federal program issues were received; 13 decisions were issued.

Federal standards require that 40 percent of benefit decisions be issued within 45 days. This unit issued 52 percent of the decisions within that time limit. A second federal standard is that 90 percent of benefit appeal decisions of the higher appeal authority be issued within 75 days from the date of appeal. The unit issued 93 percent of the decisions within that limit. For a number of years, the department's timeliness record has been among the best in this region.

The department is evaluating a new computerized processing system which will speed up scheduling of appeals and other procedures and will provide up-to-date appeal status information to the various offices and divisions of the department.

Staff Services

The Unemployment Insurance 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 by the Cost Model Management group. This team monitors staffing patterns weekly throughout the state and distributes staffing reports to every UI activity manager. Managers are then able to respond to workload variations quickly and efficiently. The system also is used for internal decision making, resource adjustments, identification of unnecessary or inefficient procedures, the annual budget allocation process and monitoring the use of resources by the UI program managers.

Another activity in UI Staff Services is the Quality Control Program, a management information system that aids both state and federal UI program staffs.

The system, by an intensive review of a randomly selected sample of UI claims, provides information on the accuracy of UI benefit payments. The program also is building an extensive data base which will be used in the future to improve the UI program in Minnesota.

In the fall of 1988, the U.S. Department of Labor selected Minnesota as the site for a National UI Quality Control Training Center. The center became operational in January 1989. Funding has been provided by the Department of Labor for two years with a third year optional.

The third component of 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.

ECONOMIC OPPORTUNITY OFFICE

The Economic Opportunity Office (EEO) was established to mobilize anti-poverty resources in Minnesota by advising policy makers 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: Community Services Block Grant, Energy Assistance, Weatherization, Temporary Food Assistance and the Housing and Urban Development Emergency Community Services Homeless Grant. State programs administered by EEO include the Minnesota Economic Opportunity Grant and the Temporary Housing Program.

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

Energy Assistance

Minnesota's Energy Assistance Program assists low-income households with home heating payments by reducing energy consumption and costs. The program does this in four ways: 1) with grants to pay heating costs based on income, family size and past heating costs; 2) with financial help to maintain heat in the house on an emergency basis when the household cannot provide it; 3) by providing emergency repair to the dwelling or heating system; and 4) by providing services such as negotiating with vendors on behalf of households, budgeting services, crisis counseling and providing information and referral.

In 1988, \$48.5 million in federal funds was administered through grantees to serve 113,500 households.

The Minnesota Energy Assistance Program (EAP) implemented a state-wide cost-based program during the year. "Cost-based" means that the amount of assistance an eligible household receives is based upon the household's actual heating costs the previous year. Before 1988, assistance was based on average costs to heat a single-family

dwelling. The cost-based assistance determination method is an improved system of distributing limited dollars to households with the greatest need.

Weatherization

The goal of the Weatherization Assistance Program is to cut energy consumption in each weatherized household and thus reduce the impact of high fuel costs on low-income households, particularly those of the elderly and handicapped.

The program is delivered statewide through a network of 35 local agencies which use weatherization funds to purchase and install caulking, weatherstripping, insulation, replacement doors and windows and other materials to prevent heat loss. In addition, mechanical systems are inspected for health, safety and efficiency. These units are cleaned, tuned, repaired or replaced as necessary.

The Weatherization Program last year served approximately 7,500 households with funds of \$13 million.

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 all phases of the program.

The 1988 Minnesota Legislature appropriated \$1 million 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. With this funding, approximately 1,000 additional children were served. The Department of Jobs and Training entered into a formal agreement with the U.S. Department of Health and Human Services to coordinate the administration of the program at the state and federal levels. This agreement has won high praise as being the first of its kind in the nation.

Community Services Block Grant

Funding for community action programs in 1988 was provided through the U.S. Department of Health and Human Services Community Services Block Grant at about \$4 million and through the state Legislature at about \$1 million.

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. Various anti-poverty programs were operated by the 41 grantees. They included housing, education, transportation, senior programs, nutrition and economic development.

Temporary Emergency Food Assistance Program

The Department of Jobs and Training, in partnership with public, local and private entities, is committed to alleviate hunger in the state. The Temporary Emergency Food Assistance Program (TEFAP) is in part a response to this commitment. Through contracted non-profit organizations, the department distributes food products donated by the U.S. Department of Agriculture to eligible low-income households.

In federal fiscal year 1988, Minnesota served, through six statewide commodity distributions, an average of 163,433 households per distribution with as many as 172,000 households being served. Approximately 13.6 million tons of food valued at \$9.75 million were distributed that year.

In 1988, the department entered into an agreement with the U.S. Department of Agriculture to obtain the release of 27,500 bushels of USDA-donated bulk durum wheat which was processed into pasta products. The pasta was provided to TEFAP-eligible households and to statewide food banks and food shelves. This was a national pilot demonstration project and the only one of its kind under TEFAP legislation. The department entered into a processing agreement with Noodles by Leonardo, Inc.,

and delegated responsibility for distribution to Tri-Valley Opportunity Council, Inc., Crookston.

The statewide distribution of pasta was made available through a \$75,000 grant from the state employees' fundraising organization called Open Your Heart to the Hungry and Homeless.

The project processed 15,500 bushels of USDA-donated bulk durum wheat into 19,977 cases of elbow macaroni and 2,419 cases of spaghetti.

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. Between August 1985 and August 1988 there was a 150-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, which covers various ways to assist the homeless in obtaining shelter, health care, job training, literacy training, food and other needs.

EOO oversees the various McKinney programs and administers the Housing and Urban Development (HUD) Emergency Shelter Grants Program, the Emergency Community Services Homeless Grant Program, the Life Skills and Employment Grants and the Temporary Housing Demonstration Program.

The Emergency Shelter Grants Programs (ESG) helps improve the quality of emergency shelters for the homeless, makes available additional emergency shelters, meets the costs of operating emergency shelters and provides essential social services to homeless people, so that they have access not only to safe and sanitary shelters, but also to supportive services and other types of assistance they need to improve their situations. Funding for fiscal year 1988 was \$8 million of national appropriations and \$64,000 of Minnesota funding.

The Emergency Community Services Homeless Grant Program (EHP) was

intended to meet the critically urgent needs of the homeless people in local communities. Funding was \$19.4 million in national appropriations and \$236,317 in Minnesota funding. The number of homeless individuals who received assistance through Sept. 30, 1988, was 5,975.

The 1988 Legislature appropriated \$50,000 for the development and administration of life skills and employment plans for homeless people who reside in dwellings constructed or rehabilitated by the Minnesota Housing Finance Agency (MHFA).

The Temporary Housing Program initiates, maintains or expands programs which provide temporary housing and support services. The funding also provides support services to facilitate long-term independent living. Funding was \$170,000 in state appropriations and \$47,000 in CSBG discretionary funds.

STATE JOB TRAINING OFFICE

The State Job Training Office (SJTO) administers state and federal programs that prepare youth and adults for entry into the labor force. These programs provide people with the necessary skills to overcome employment barriers.

The SJTO also provides professional staff support to the Governor's Job Training Council (GJTC), which coordinates employment and training programs in Minnesota, including those covered under the federal Job Training Partnership Act (JTPA).

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, assist private businesses to expand. The programs are funded through federal block grants which are given to the states to administer.

The SJTO allocates funds to 17 local regions known as service delivery areas

(SDAs). Within each SDA, local elected officials appoint private industry councils made up of business people, educators, and labor and community leaders who work together to plan how funds can be spent to meet local training needs. Typically, local programs provide such services as: assessment and career counseling, on-the-job-training, classroom training, job search assistance and placement, basic education, work experience and support services. Employers receive such services as prescreening of applicants, reimbursement of training costs for workers and training especially designed for their particular firm's needs.

The SJTO monitors local programs to ensure they meet intended objectives and comply with federal law. The office also provides technical assistance to SDAs, acts as a liaison to other state agencies and evaluates performance against state and 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 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, 1988, served approximately 13,000 adults and 7,200 youth over the age of 14. Among the adults receiving services, 7,502 found jobs. Some left the program to pursue further education or to enter the military and others are still in training. The program also offered after-school employment to 1,041 students. The results achieved during the period exceeded all national and state performance standards.

Older Worker Training Programs

Among the groups given special attention under JTPA are low-income people age 55 and over. Three percent of the state's Title II-A block grant is used to prepare and place these workers in private-sector positions.

In 1988, 15 projects were funded and served 690 persons at a cost of approximately \$713,000. About 380 individuals were placed in private-sector jobs at an average hourly wage of \$5.21.

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 administered jointly by the State Technical Institute System and the SJTO.

For the period ended June 30, 1988, approximately \$355,100 was awarded to 13 innovative programs serving 387 members of special needs populations, including minorities, people with disabilities, displaced homemakers, limited-English speakers, high school dropouts, single parents, farmers in crisis and public assistance recipients.

In addition, \$1,053,055 was allocated for programs in secondary schools, technical institutes, community colleges, state universities and private vocational/trade schools. The programs served 1,587 participants. The coordination programs generated a total of \$2.9 million in matching contributions.

Summer Youth Employment and Training Programs

JTPA funds also support Summer Youth Employment and Training Programs (SYETP) for economically disadvantaged youth 14-21 years old. From the total 1988 national appropriation of \$750 million, Minnesota received \$8.3 million. The funds were allocated directly to SDAs in accordance with the federal allocation formula and provided jobs for 6,759 youth.

The local programs, averaging 11.3 weeks in length, served youth in programs combining work and learning which increased the basic skill levels of the young people and enabled "at-risk youth" 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 who find themselves without jobs because of plant closings, permanent layoffs, skill obsolescence, technological changes or other economic disruptions. During 1988, major worker dislocations occurred in the state's banking, electronics, manufacturing, farming and agricultural service industries. During program year 1987 (July 1, 1987 through June 30, 1988), Minnesota received \$2.01 million of formula-allocated Title III funds and \$752,000 of federal discretionary Title III funds.

Title III programs served 4,812 people with 2,458 placed in private-sector jobs. The average wage at placement was \$7.92. Of the participants, 51 percent were between the ages of 22 and 39 and almost 73 percent were male. A total of 10 percent had not received a high school diploma or equivalent before entering the program.

Economic Dislocation and Worker Adjustment Assistance Act

A new dislocated worker program, Economic Dislocation and Worker Adjustment Assistance Act (EDWAA), was passed by Congress in 1988 to replace the JTPA Title III program. Its purpose is to more adequately address the small layoffs which occur on the local level. Fifty percent of a state's allotment under EDWAA is given to sub-state areas, by formula, with an additional 10 percent reserved on an as-needed basis. The other 40 percent is used for such statewide activities as the creation and operation of a rapid response team which deals with layoffs, plant closings and similar occurrences. Minnesota is working on ways to implement the new program.

Veterans' Employment and Training Program

Minnesota received \$145,000 of JTPA Title IV-C funds in 1988 to operate three programs providing employment and

training services to eligible veterans. The programs are located in Detroit Lakes, Hennepin County and Mankato.

During 1988, over 300 veterans were served in the three programs either through the grant funds or through matching contributions. Nearly 80 veterans were placed in unsubsidized jobs as a result of the program.

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 eleventh year, is to foster and promote useful part-time employment in community service for unemployed low-income people 55 years and older. In addition to employment opportunities, the program provides participants with physical examinations and necessary support services. The SJTO funded 16 projects in 1988, placing 444 people in subsidized part-time positions at a cost of approximately \$1.5 million.

Juvenile Justice Program

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 1988, 28 programs were funded at a cost of \$775,516. These programs provided direct, individual services to 3,475 juveniles. Group activities such as recreation, special curricula classroom presentations, workshops and conferences provided service to an additional 27,900 youth.

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 and (2) Food Stamp recipients in four counties who do not receive public assistance such as AFDC, general assistance or Work Readiness and who meet certain other 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 (i.e., assessment and employability development, job search assistance and referral to other programs) and are provided by an agency chosen by the county.

In federal fiscal year 1988, statewide FSET programs were funded at a cost of \$1,314,585.

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

Refugee Employment Program

Working with the Department of Human Services Refugee and Immigrant Assistance Division, SJTO supervises employment and training programs for refugees under funding from the federal Office of Refugee Resettlement. Employment programs are provided under the Targeted Assistance, Social Services and Key State Initiative Grants. All people classified as refugees and people receiving asylum are eligible for services. In 1988, the employment programs served about 1,250 families.

STATE PROGRAMS:

Displaced Homemaker Program

The Displaced Homemaker Program (DHP) celebrated its tenth anniversary, having expanded from two pilots in 1978 to the present 10 programs serving

displaced homemakers in the majority of Minnesota counties. A displaced homemaker is a person who worked in the home, was dependent on the support of a spouse or partner and has lost that support, and must seek training and/or employment to become self-sufficient.

DHP helps participants to remove employment barriers and teaches choices through individual and group resources by providing counseling, support workshops, personal development, vocational exploration and job-seeking skills.

Of those displaced homemakers leaving DHP during 1988:

- 36 percent entered employment with an average wage of \$5.56 per hour;
- 14 percent were in advanced education;
- 12 percent were in skills training.

Of those receiving AFDC when they enrolled, 21 percent were no longer on the program because they found employment, and an additional 22 percent were in advanced training.

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 compensation or workers' compensation benefits, and be available to work for the duration of the job offered under the program.

From July 1987 to November 1988, MEED served 9,478 people. During this period, 68 percent found placements in the private sector. Fifty percent of those who left the program found permanent unsubsidized jobs earning an average hourly wage of \$5.27. In follow-ups conducted 60 days after termination, 87 percent of the participants were still

employed earning \$5.61 per hour.

One of the MEED's activities in 1988 was the commemoration of its fifth anniversary. Governor Rudy Perpich, Commissioner Joe Samargia, and several legislators, employers, workers and local service providers joined to mark the occasion at the Tilt Chair Company, a MEED participating firm.

Minnesota Youth Program

The Minnesota Youth Program (MYP) serves young people, ages 14 to 21, operating statewide at a funding level of \$2.35 million per year. In 1988 MYP accomplishments included:

- 2,656 youth were given positive, well-supervised work experience. More than 68 percent of the participants were economically disadvantaged; almost 21 percent were from families receiving public assistance; and 20 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 they had completed high school, to enroll in a post-secondary educational program. Career workshops at local colleges and technical institutes provided information on post-secondary educational options, 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 obtained changes in 1988 that expanded the services available under MYP to aid at-risk youth with job training programs combining work and learning, individualized to each locale and having the flexibility to operate a year-round program.

In 1988, the Job Service Mini-Office program, funded through MYP, resulted in 13,517 placements, 9,119 in agricultural settings. Youth were trained to operate mini-Job Service offices for other young people, working under the supervision of professionals. Most mini-offices were located in rural communities too small to have a full-

time Job Service office. In 1988, 190 mini-offices were operated, 4,713 employers were served and 26,031 employer contacts were made.

Youth Intervention Program

In 1988, 24 youth intervention programs were funded for education, counseling and referral services for troubled youth and their families. Community-based programs kept the young people living with their families and out of correctional institutions, foster homes, residential facilities and chemical dependency treatment facilities. Problems such as child abuse and family violence, delinquency prevention, chemical abuse, family economic distress and breakdown were addressed. SJTO distributed \$150,000 to serve about 7,500 youth. The average cost per client was \$299.

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 to maintain jobs in the labor market. Participants receive group counseling for six months after placement into private-sector employment. The program is currently being implemented in 27 counties which will serve 183 AFDC recipients in state fiscal year 1989.

Minnesota Grant Diversion

Since its inception in March 1986, 28 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 is voluntary. The process places participants into on-the-job training or jobs that become permanent at the end of the subsidy period,

which is not to exceed nine months.

The 1987 Legislature appropriated approximately \$459,000 to fund both MGD and Supported Work for the biennium. Federal reimbursement of 50 percent is available for appropriate administrative costs incurred by the county and service providers.

Participating counties are projecting 300 placements during the 1989 state fiscal year.

Work Readiness

The Work Readiness Program is available to people whose income and resources are below the general assistance eligibility levels, but who are deemed employable. Work Readiness provides participants with financial assistance at the same level as general assistance 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 the program in order to receive any financial assistance.

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

From July 1, 1987 to June 30, 1988, approximately 20,000 new participants took part in the program at a cost of \$3.5 million.

Paths

PATHS is a joint effort between the Jobs and Training and Human Services departments to implement the Welfare Reform Act of 1987. The goal is to help AFDC recipients achieve self-sufficiency. The program has targeted certain "priority" groups that are most in danger of long-term dependence on public assistance:

■ caretakers (i.e., those with dependent children) under the age of 21

■ caretakers without a high school diploma or GED

■ caretakers who have been on assistance 24 or more of the last 36 months.

Caretakers who fall into these priority groups are eligible to participate in case management, a voluntary program that provides vocational counseling and assessment of employment, training, educational and support needs. Case management was funded at \$6.7 million for the 1987/88 biennium, which included a 25-percent county match.

The second major component of PATHS is the Employment and Training Block Grant, funded at \$3.4 million for the 1987/88 biennium. The grant funded such services as mandatory orientation and employment search. The employment search program became mandatory on July 1, 1988, for principal wage earners in unemployed two-parent families.

The PATHS program became operational in all 87 counties in Minnesota in 1988. To date, enrollments in PATHS appear to be meeting or exceeding projections.

Opportunities Industrialization Centers

The Opportunities Industrialization Centers (OICs) offer comprehensive education, skills training and placement-related services to the economically disadvantaged and hard-to-reach groups such as minorities and welfare recipients. In cooperation with local JTPA operations, the OICs also offer special programs for youth, older workers, Asian immigrants and female offenders. The operating centers in Minnesota include Twin Cities OIC, Ramsey County OIC and the American Indian OIC. Last year efforts were made towards establishing the first OIC program on an Indian reservation with the formation of the Anishinabe OIC on the Mille Lacs Indian Reservation.

The SJTO provides staff support to the Minnesota OIC State Council. In 1988, all three OIC programs became fully accredited by the North Central Association of Colleges and Schools.

This accreditation proves that the programs are of the highest quality.

During the past year, the Minnesota OIC State Council and an inmate group at Stillwater State Prison co-sponsored a demonstration of a remedial education and employment program for offenders and ex-offenders.

In June 1988, the Minnesota OICs hosted the national convention of OICs of America in Minneapolis.

In fiscal year 1988, the OIC programs enrolled and served 1,203 people. Of this number, 405 were successfully placed in jobs with an average of \$12,877 per year; 566 moved to other training or higher education. Of those placed, 54 percent were welfare recipients, 26 percent were black, 20 percent were white, and 43 percent were American Indian.

Policy Development Office

Helping policy makers identify and focus on policy issues in the employment and training field is a major responsibility of the Policy Development Office.

Dislocated Workers

An example of an ongoing policy issue is the fact that official "full employment" continues to find numerous Minnesotans grappling with the hardships which stem from plant closings, down-sizings and mergers. As a result of development work completed by this office, the Governor and legislative leaders agreed on the establishment of a Commission on Economic Dislocation. The Commission has held public hearings, formed subcommittees, agreed upon a definition of "dislocated worker," and is in the process of making preliminary recommendations. Policy Development shared staffing responsibilities for the Commission with the State Job Training Office.

Policy Development staff designed and conducted a random statewide telephone survey of 96,000 households to determine the extent and characteristics of economic dislocation in Minnesota.

Strengthening Employment and Training Information Systems

Minnesota has one of the most highly developed and comprehensive systems of human services of any of the 50 states. This abundance of service "riches" can also mean that clients are not always referred to the service which would be most appropriate for them. It may also mean that intake workers and counselors struggle with the maze of state, county and nonprofit programs for which a potential client may qualify. In 1985, the Minnesota Legislature addressed this problem by mandating that an Intake, Referral and Inventory System (IRIS) be developed to provide "single-point client intake with direct access to a statewide data base."

Major development efforts on the

IRIS project were initiated in 1988. These included:

- Completion of the feasibility study and the needs assessment interviews for the intake and tracking subsystem;
- Development of policies on access to client data for IRIS purposes in a joint effort with the Department of Human Services;
- Completion of a program plan and work plan on the inventory and referral subsystem; and
- Initiation of a feasibility study to ascertain if a computer-based system can satisfy requirements for the IRIS inventory and referral subsystem.

Developing Consensus on Statewide Employment and Training Needs

The Policy Development Office coordinated the 1988 Work Minnesota Conference. This annual meeting attracts more than 400 Minnesotans who work in various phases of the state's employment and training system. It also draws major national leadership from the U.S. departments of Labor and Health and Human Services and other federal agencies.

The conference provides a vital forum for maintaining and strengthening communication and cooperation in the employment and training system.

Public Participation in Departmental Rules

The Minnesota Administrative Procedures Act requires an agency to solicit and receive outside opinions before it adopts policies affecting the general public. Public participation is important because it can determine who gets served and the quality of the service.

Rules development and revisions completed by the Policy Development Office in 1988 included: UI tax; youth employment opportunities; long-term sheltered employment; MEED/Wage Subsidy; UI appellate.

Other accomplishments included a position paper explaining the need for administrative rules, a complete and bound version of all departmental

rules, and a preliminary plan for the coordination of all departmental rules.

Development of New Program Initiatives

The Policy Development Office participated in three new program initiatives. First, the JOBS 2000 effort resulted in a proposal to the Minnesota Legislature to create a state-funded employment and training fund.

Second, a staff member served on an inter-office team which designed the Re-Employ Minnesota Program, which is a Job Service project funded by \$800,000 in UI penalty and interest money. The project seeks to demonstrate that intensive job placement services provided at the earliest possible date to new UI claimants can result in a speedy return to work for most of them. The savings in UI payments to the individual will offset the cost of providing the placement service.

Third, legal assistance was provided to the Rehabilitation Services Division in an effort to determine that services provided to mentally retarded participants in work activity were qualified Medicaid reimbursements.

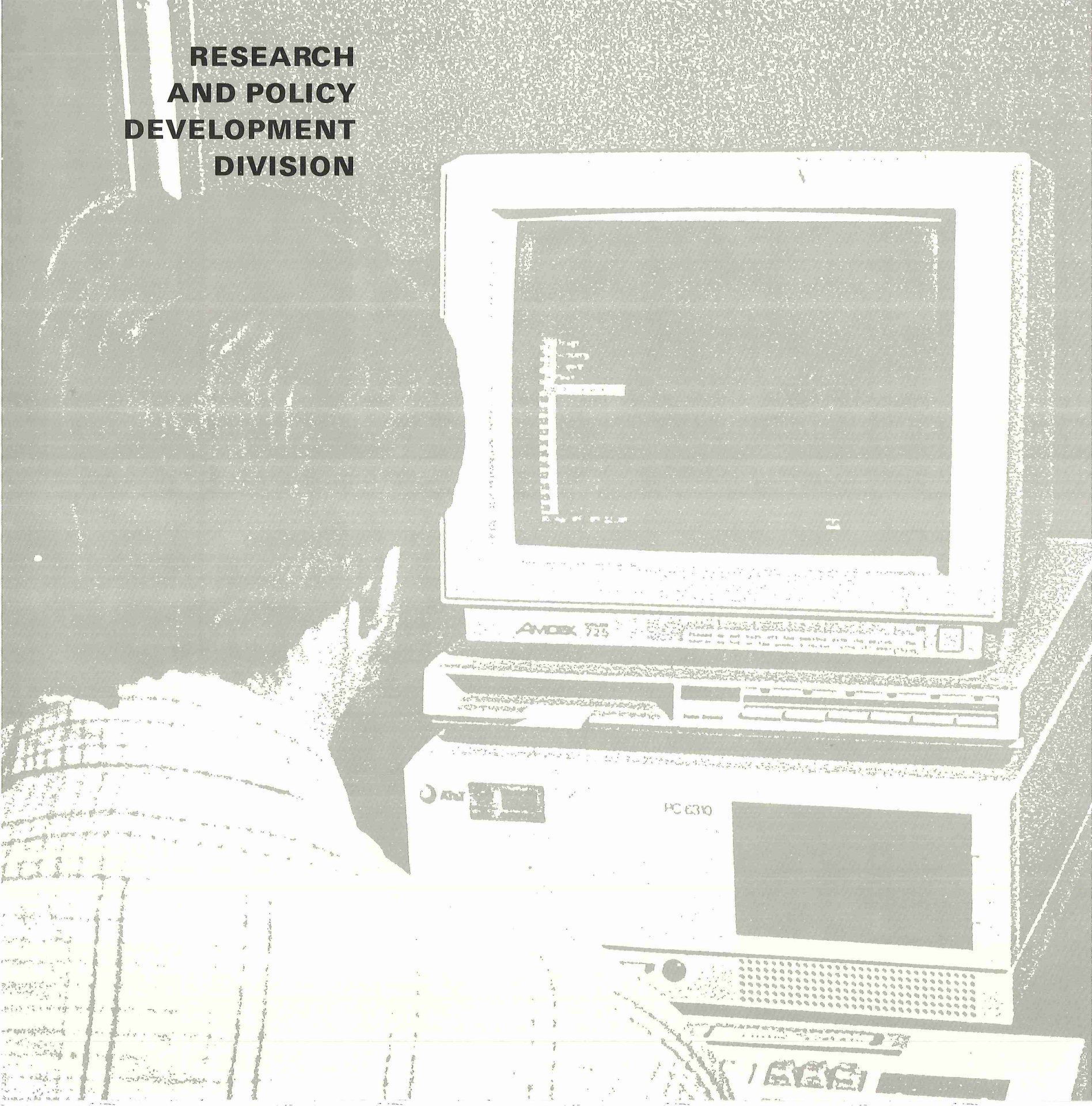
Strengthening Employment and Training Systems

The office continued to be responsible for the review of Local Service Unit plans for employment and training programs submitted by each of the 87 LSUs (counties). This has included certifying employment and training service providers within the LSUs and monitoring the operation of the employment and training component of the PATHS program.

Other Responsibilities

The Policy Development Office continued to provide policy direction to the department's Goals Management System. This is the major control used by top management to insure that divisions and other units of the department establish annual goals and systematically move toward their achievement. The office assisted in the overall

**RESEARCH
AND POLICY
DEVELOPMENT
DIVISION**



coordination of the department's Fiscal Year 1990-91 biennial budget request.

Research and Statistics Office

The mission of the Research and Statistics Office is to produce, analyze and disseminate labor market information. Customers include other offices of the department, other government departments and agencies, business firms and labor unions, educational and economic development planners.

The staff produces estimates and forecasts of employment and unemployment and of wages and salaries. The office is the state agent for the U.S. Bureau of Labor Statistics (BLS) and the official source of all Minnesota employment and unemployment estimates. It tallies industry employment of the cities, counties and regions as well as of the state as a whole. It provides forecasts of future employment demand which now are available through 1993.

Information is provided in published form and in response to written and telephone requests. The office serves as a source for price level, economic activity, income and population information from federal and other sources within the state. Summaries appear in the *Minnesota Labor Market Review*, published monthly and sent at no cost to 6000 Minnesota citizens and organizations. The office has plans to provide information on a seven-day, 24-hour basis through a bulletin board operating on the office Local Area Network.

Analyses are routinely conducted for the State Job Training Office, JTPA Service Delivery Areas, and the *Economic Report to the Governor*. Special reports are prepared by request.

The Minnesota Occupational Information Coordinating Committee (MOICC) is associated with the office. This committee is made up of members from state departments concerned with occupational employment and training issues. Its mission is to make occupational information accessible and understandable to users.

NEWSNET, a bimonthly occupa-

tional newsletter, is published by MOICC and distributed throughout Minnesota.

Wage Detail Project

The Wage Detail Project was created to implement the laws enacted by the 1987 Minnesota Legislature mandating the use of wage records for determining the amount of unemployment insurance claimants are entitled to. Prior to this legislation, UI benefit entitlement was based on information from employers when claims were filed. This new legislation authorized the determination based on quarterly wage records which the department had, by law, been collecting for all Minnesota workers since 1984. As the 1987 Legislature also significantly changed the method of determining UI benefit eligibility and benefit amounts, major changes were required in the automated UI Benefits System. The task of implementing these changes was given to the Wage Detail Project.

The Wage Detail Project took significant steps in 1988 towards rebuilding the department's aging Unemployment Benefits data processing system to comply with these legislative changes. Published in April was the Benefits System User Requirements Report, based on interviews with nearly 100 staff members, that detailed specific requirements for a wage-detail-based Benefit System from an end-user perspective.

Following the presentation of this report to the project advisory group and DJT management, work was begun on developing a user design for the new system. Completed in June 1988, the user design presented a picture of how the new system would look to end-users and included the design for all data entry and inquiry screens, system reports and forms which would be a part of the new system. The Benefits System Technical Design, completed in July, gave a technical view of the system design and included system flow diagrams for the major system processes, an inventory of programs required to perform each process, a logical data base

and a recommendation for a preliminary conversion approach.

Concurrently with the preliminary design work for the new Benefits System, the current UI Tax System was reviewed and analyzed to document the existing tax system, organize and rank proposed system improvements and analyze the feasibility of converting the tax system to a database structure. The major products of this portion of the Wage Detail Project were a Tax System Overview Report, Tax System Enhancements Report and Tax System Preliminary Conversion Plan. This portion of the project was completed in July 1988.

Following completion of the Benefits System User and Technical Design, reactions and suggestions were requested from area office and Central Office staffs. Many of the suggestions received were incorporated into a revised User/Technical Design, which was finalized in November. By the end of the year, the implementation of the project began; the production of program specifications, program coding and planning for conversion, user training and system documentation are underway in preparation for the first conversion phase planned for July 1, 1989.

**REHABILITATION
SERVICES**



The Division of Rehabilitation Services (DRS) had an exciting and productive year. A number of new programs were launched and others continued to ensure that services are responsive to the rapidly changing needs and expectations of consumers and employers.

The Vocational Rehabilitation Program

This basic program offers the essential services people with disabilities need to find suitable employment. Assessment of strengths and aptitudes, evaluation of disabilities and personalized vocational planning and job placement are keys to successful rehabilitation. Other services such as training, education, transportation and supply of equipment may be provided if necessary to achieve the vocational rehabilitation goals established for each person.

In 1988, the VR program had an active caseload of 19,687 clients. More than two-thirds of them will become employed as a result of the services received. On the average, their rehabilitation will be accomplished in a little over two years.

Vocational Rehabilitation continued to meet the needs of students with disabilities in the transition from school to work, people with traumatic brain injury and others with severe and persistent mental illness.

Projects with Industry

A federal grant program intended for corporations or private nonprofit service providers was expanded to include state vocational rehabilitation agencies. DRS submitted one of the first proposals and received a grant to establish three Projects With Industry (PWIs) that will help rural students with disabilities find jobs in their community. A major factor in the success of the three PWIs has been the enthusiastic and committed involvement of local business leaders and educators.

PWIs have been operating in three of the division's field offices — Mankato,

Grand Rapids/Cloquet and Cambridge — since early in 1988.

Supported Employment and Rehabilitation Technology

Counselors are helping more people with severe disabilities by using new resources. The St. Peter field office was the first to hire job coaches as part of its placement team. In Brainerd the Regional Evaluation Center is now able to assist all northern area offices with their "rehab tech" needs.

Partnerships

Numerous programs have been developed through partnership with the Multi Resource Center. One of the most recent is computer training for business people with severe disabilities. This project involves major corporations such as IBM, General Mills, NSP and IDS. It includes development of curricula and jobs for graduates.

Home-Based Options was launched in November 1988. It serves people whose employment needs can best be met by working out of their homes and provides a variety of training and rehabilitation services.

Extended Employment

The number of sheltered workshop employees who moved into community-based employment for part of their day was 260 in 1983. Last year, that number had soared to 3,360. There has been revolutionary change in the way rehabilitation facilities provide employment opportunities.

A main reason behind these changes was that the DRS Extended Employment Program changed how it gave funding to the facilities. In response to changes in the law, Extended Employment now uses a funding formula based on facility performance, economic/geographic factors and benefits for workers.

Self-advocacy for supported employment workers in Developmental Achievement Centers and Regional Treatment Centers was the goal of a project funded through the DRS

Extended Employment Program in 1988.

A cost study was begun in 1988 which provided data on the actual cost of providing services. In the past, total program costs were divided by the number of people receiving services — a less accurate measurement.

Independent Living Services

Independent Living Services is a two-part program to help people with severe disabilities live more independently and participate in community activities and, when possible, enter vocational rehabilitation.

In Part A of the program, counselors in local DRS field offices purchase or provide needed services. Part B is a grant program that provides funding to six regional Centers for Independent Living.

Significant expansion of DRS ability to provide independent living services around the state occurred in 1988. A Center for Independent Living located in East Grand Forks, known as Options, Inc., was funded and its services offered to people in the eight adjacent Minnesota counties.

By July 1988, each of the other five centers had opened a branch office to serve a greater geographic area.

Also in 1988, federal funding became available for home adaptive modifications, computer-aided communication devices and other equipment previously not affordable.

Disability Determination

In accordance with Social Security Administration regulations, the Disability Determination Services Section determines if Minnesotans claiming disability benefits meet the criteria for Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) benefits.

Since 1986, the DDS has reduced the time for processing SSDI claims by seven days and 13 days for SSI.

The Minnesota Disability Determination Services was rated sixth most productive of the 52 DDS programs in

the nation. The record of accuracy for the continuing Disability Review Section is a remarkable 99 percent. Reviews of eligibility are required to determine if benefits should continue.

To improve the quality of its service to the public, the Minnesota DDS, in cooperation with the U.S. Department of Human Services, is providing training on eligibility criteria and SSA documentation requirements to local social services agencies. This should help the agencies to appropriately refer clients for disability benefits.

Minnesota Supported Employment Project

A 1985 federal Department of Education grant from the Office of Special Education and Rehabilitation Services established the Minnesota Supported Employment Project (MnSEP).

It is a multi-agency, five-year effort to effect systems change for programs that serve the employment needs of people with severe disabilities.

Using a variety of strategies such as job coaching and other supports, supported employment offers community-integrated job opportunities. In contrast, Development Achievement Center and Sheltered Workshop programs traditionally have not provided for similar types of interaction with non-disabled co-workers.

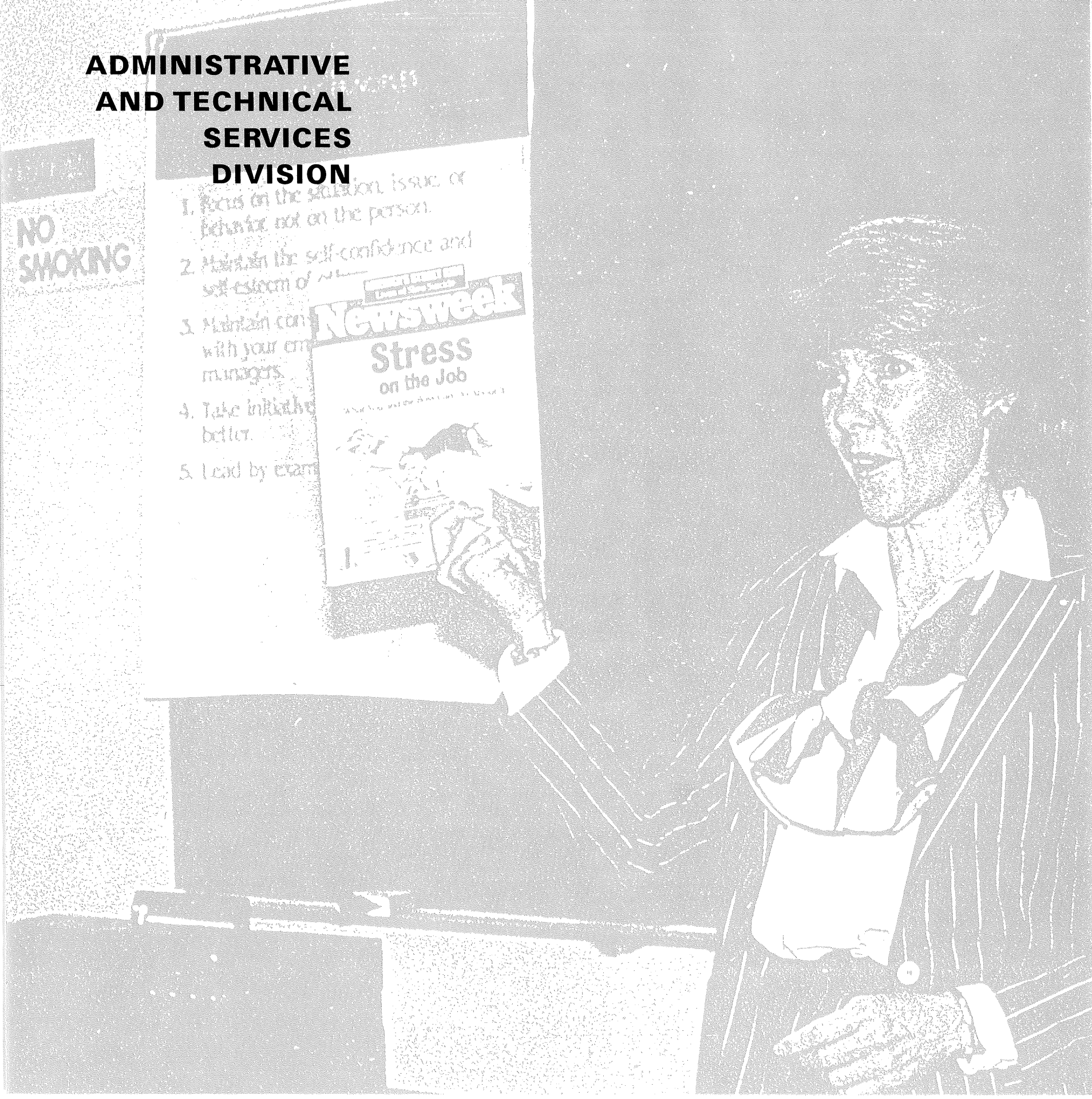
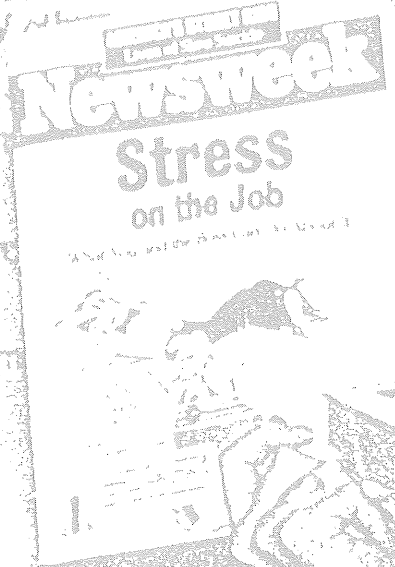
Minnesota is a trendsetter in a national initiative to convert to and/or expand supported employment services. In a recent survey conducted by Virginia Commonwealth University, Minnesota reported supported employment services delivered to 4,500 people during fiscal year 1988. The survey results reported to Congress in January 1988 clearly indicate Minnesota's leading position nationally in this conversion activity.

People with severe disabilities who benefit from supported employment include those with developmental disabilities or other related conditions, serious and persistent mental illness, traumatic brain injury, severe physical and multiple disabilities.

ADMINISTRATIVE AND TECHNICAL SERVICES DIVISION

NO
SMOKING

1. Focus on the situation, issue, or behavior, not on the person.
2. Maintain the self-confidence and self-esteem of subordinates.
3. Maintain contact with your employees and managers.
4. Take initiative and be better.
5. Lead by example.



The mission of the Administrative and Technical Services 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.

Administrative and Financial Management

The Office of Administrative and Financial Management processes federal grants, state funds, subgrants and contracts; develops financial data for budgets and reports; and pays vendors and clients. It also provides business services to the department's offices.

During the past year:

■A "Letter of Credit" (which is a contract between DJT and a subgrantee specifying a fixed dollar amount available to the subgrantee) procedure was developed. It helps subgrantees minimize their cash-on-hand and improves the transfer time at drawdown. A drawdown is when the subgrantee requests portions of the available dollars specified in the Letter of Credit and "draws the balance down."

■The office staff processed thousands of transactions each month and was cited for exceeding the state's timely payments standard of 98 percent.

■Use of personal computer systems in managing department local records continued to grow. Each file and system that was organized contributed to improved processing time.

■A redesign of workflow in the Central Office mailroom improved the efficiency of handling and distributing department mail.

■Work also began on designing a computer forms-ordering system which will allow staff to place orders through network terminals in their offices.

Labor Relations and Personnel Services

The Office of Labor Relations and Personnel Services processes personnel changes and represents the department in labor negotiations. During the past year:

■Staff teams addressed human relations problems and suggested workable solutions. One example was the team addressing behavior in the workplace which found a workable definition of harassment and determined ways in which such harassment could be dealt with.

■Staff began working with Jobs, Opportunities and Insurance Division staff to develop an organizational structure for area offices that promotes integrated services to clients and includes the establishment of clear responsibilities for top management and all other levels of supervision within the area office.

■Working with field operations managers, the Minnesota Association of Professional Employees, and the Department of Employee Relations, office staff made progress in merging the Unemployment Insurance representative and Job Service interviewer classes.

■Working relationships with labor organizations were strengthened by increasing the number of "meet and confer" sessions, and starting joint training ventures with exclusive bargaining representatives and the Employee Assistance Program.

■Because of tremendous increases in health insurance premiums, information sessions were held throughout the state to assist employees in selecting health plans.

Training and Development

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

During the past year:

■"Creating Satisfied Customers" was a two-day course introduced to all department employees to gain new skills in providing quality customer service.

■Department supervisors completed the FrontLine Leadership training begun in 1987. Development of a system

for introducing this management training to new supervisors is under way.

■Employee self-improvement opportunities provided were: career enrichment workshops for both professionals and clericals, CPR training, business writing classes, the Oneida Program's "Human Relations in Business," listening skills workshops for outstate employees and monthly programs on various health education topics.

Management Analysis

The Management Analysis Office is the department's internal consultation center providing analytical and technical services in the following areas: group problem solving; project management; statistical analysis; method and procedures studies; automated office design; surveys and needs assessments; writing and editing; and procedures documentation.

Staff activities during the year:

■Assisted in further development of the department's strategic planning system.

■Conducted a needs assessment for the planned Intake, Referral and Inventory System (IRIS). This included input from 560 direct client service workers and all management staff. The results of the assessment will provide a guide for the eventual design of IRIS.

■Designed a strategic planning system in the computing area. A consultant began implementing the design, with the office acting as project manager.

■Designed a plan for conducting a comprehensive analysis of present and future space needs of the department's administrative offices.

■Led the implementation of legislation requiring that all department publications used by the public be written in easily understood language.

■Led the implementation team which is installing a computer access security package.

■Conducted various organizational audits aimed at improving the operation of the department's administrative offices.

Data Processing

The Data Processing Office continued to maintain a high standard of uninterrupted service to the department's programs and clients while installing technological improvements. These changes meant improved quality of products, speed of delivery to the end user and improved maintenance of present systems.

Significant activities during the past year:

■ Installation of an IBM 3090 Central Processing Unit marked the beginning of a number of hardware and software improvements.

■ In addition, the department's telecommunication network was revised in light of future needs to give area offices better response time. Also, network security was tightened through the expanded use of Access Control software.

■ Application software developments were directed not only toward maintaining the basic program needs, but also to enriching the service tools used by programs and clients. Among the improvements were:

- Phase I of Applicant Friendly Job Search (AFJS)
- Network expansion of JOBS to Community Colleges and Vo-Techs
- On-line (available through the terminal network) reports processing for Tax Accounting
- On-line services to Disability Determination Services

■ The development of a common intake system for Unemployment Insurance and Job Service registration provided for the electronic transfer of information to both programs, which speeds the application and data entry processes.

■ Completion of the first phase of the department's conversion to wage record reporting in the UI program resulted in claimants' applications for benefits being determined by wage information already collected from employers. The ability to make on-line monetary determinations at the time people initially apply for benefits resulted in quicker and more accurate service to the

clients.

Affirmative Action

The Affirmative Action Office works to eliminate and prevent discrimination in the department's employment practices. Harassment or any verbal or physical behavior which is perceived as creating an intimidating or hostile environment is a major concern for which this office provides confidential advice.

During the past year, office staff conducted sexual harassment training in St. Paul, Willmar, Mankato, Detroit Lakes, Duluth and St. Cloud for district managers and supervisors. Training also was held for St. Cloud employees at the request of the St. Cloud manager.

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.

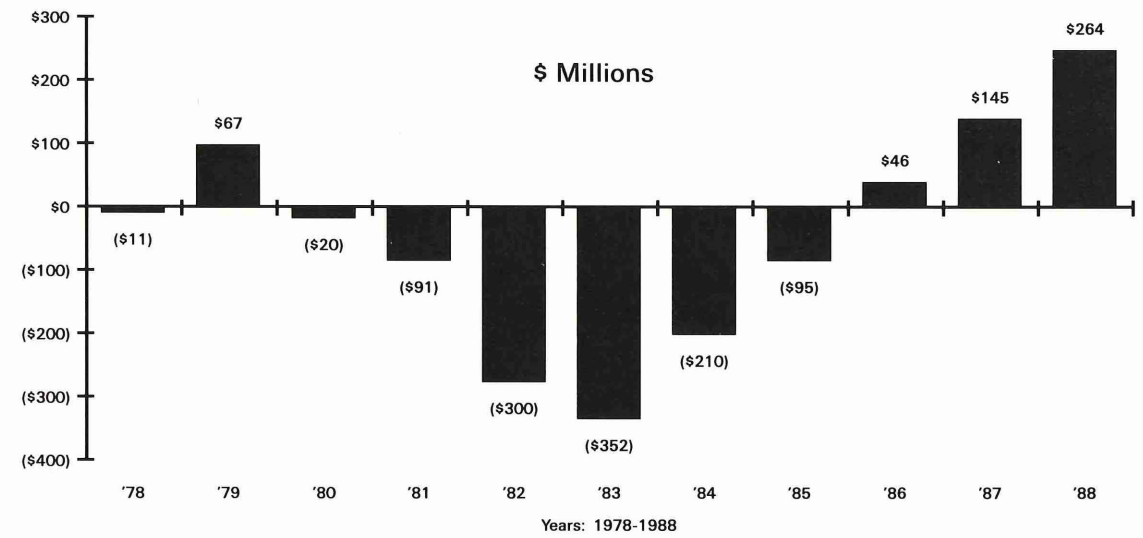
No employee or client will be denied an opportunity for employment advancement or program participation based on race, color, creed, sex, age, national origin, religion, disability, marital status, status with regard to public assistance or political affiliation. Harassment, or any verbal or physical behavior which is perceived as creating an intimidating or hostile environment, will not be tolerated in this agency.

The Affirmative Action Office offers confidential advice, conducts impartial investigations of discrimination, provides reasonable accommodation and conducts training on such subjects as sexual harassment and legal interviewing.

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 and service delivery and in meeting agency objectives.

**YEAR-END
BALANCE
UNEMPLOYMENT
INSURANCE
TRUST
FUND**



**DEPARTMENT OF
JOBS & TRAINING
1988
EXPENDITURES**

JOB SERVICE AND UI OPERATIONS	
Personal Services & Personal Benefits	\$22,169,959
Nonpersonal Services	3,814,095
Subgrant & Client Payments	3,557,567
TOTAL	\$29,541,621
STATE JOB TRAINING OFFICE	
Personal Services & Personal Benefits	\$ 1,209,249
Nonpersonal Services	435,027
Subgrant & Client Payments	51,607,701
TOTAL	\$53,251,977
UNEMPLOYMENT INSURANCE	
Personal Services & Personal Benefits	\$ 9,628,751
Nonpersonal Services	1,442,162
Subgrant & Client Payments	311,947,488
TOTAL	\$323,018,401
REHABILITATION SERVICES	
Personal Services & Personal Benefits	\$17,376,989
Nonpersonal Services	5,383,461
Subgrant & Client Payments	21,941,049
TOTAL	\$44,701,499
STATE SERVICES FOR THE BLIND	
Personal Services & Personal Benefits	\$4,128,637
Nonpersonal Services	1,461,425
Subgrant & Client Payments	3,171,494
TOTAL	\$8,761,556
ECONOMIC OPPORTUNITY OFFICE	
Personal Services & Personal Benefits	\$ 1,414,535
Nonpersonal Services	528,935
Subgrant & Client Payments	83,900,730
TOTAL	\$85,844,200
ADMINISTRATIVE & TECHNICAL SERVICES	
Personal Services & Personal Benefits	\$ 9,779,548
Nonpersonal Services	7,066,051
Subgrant & Client Payments	0
TOTAL	\$16,845,599
TOTAL DEPARTMENT	\$561,964,853

ADVISORY COUNCILS

GOVERNOR'S JOB TRAINING COUNCIL

BUSINESS AND INDUSTRY REPRESENTATIVES

Gene Bier, Plymouth
Patricia Commers, Minneapolis
Betty Lockwood, Marshall
Mike Lynch, Minneapolis
Austin Sullivan, Golden Valley
Linda White, Minneapolis

STATE LEGISLATURE/AGENCIES

Sen. Don Frank, Spring Lake Park
Rep. Wally Sparby, Thief River Falls

LOCAL ELECTED OFFICIALS

Marcella Gonsorowski, Newfolden
Dorothy Grotte, Fairmont
David Torgerson, Clinton

ORGANIZED LABOR/COMMUNITY- BASED ORGANIZATIONS

Bernard Brommer, St. Paul
Betty Bednarczyk, Minneapolis
Pat Kiminski, Cloquet
Efren Tovar Leon, St. Cloud
Harold Peters, Minneapolis
Bill Peterson, St. Paul

GENERAL PUBLIC

Geraldine Evans, Rochester
Nancy Christensen, St. Paul

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STATE STEERING COMMITTEE

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Steve Gehrke, New Ulm
Thomas J. Johnson, Brainerd
Betty Lockwood, Marshall, state chair
James Tobiason, Anoka

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Rosanne Kazee, Faribault
Thomas Heintz, St. Paul
Jodell Bromeland, St. Paul
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Curtis Chong, Minneapolis
David A. Schwartzkopf, Rochester

SSB BUSINESS ENTERPRISE OPERATOR/MANAGEMENT COMMITTEE

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Merle Ford, Minneapolis
Gary Heit, St. Paul
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Chuck Cerisier, Minneapolis
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Chris Schoeller, Minneapolis
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Leah Welch, Minneapolis
Charlie Wittwer, Hermantown
Linda Wolford, St. Paul

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Marjorie Goldberg, Minneapolis
Bruce Hodek, St. Paul
Margaret Imdieke, Minneapolis
Judie Rivkin, Minneapolis
Percy Tornow, Inver Grove Heights
Bruce Waugh, Minneapolis
Elin Ohlssen, Minneapolis
Mary Ellen Pischke, Oronoco
Jan Norris, Woodbury