ALASKA WORKFORCE INVESTMENT BOARD

STATE TRAINING AND EMPLOYMENT PROGRAM (STEP)

STEP TECHNICAL ASSISTANCE (TA) GUIDE

COMPREHENSIVE APPLICANT HANDBOOK

PROGRAM YEAR 2027

Version: 1.0
Updated: March 2026

Table of Contents

This guide is designed to help applicants design structurally aligned STEP proposals by modeling program design, operational capacity, budget architecture, and performance projections before drafting narrative responses.

List of Figures and Conceptual Models

This technical assistance guide includes visual models, diagrams, and conceptual frameworks that illustrate key concepts used in designing, evaluating, and implementing STEP projects.

These figures summarize relationships between program design, fiscal structure, performance projections, evaluation criteria, and post-award performance management.

Applicants may find it helpful to review these visuals when designing their program model, developing projections, or verifying alignment across application components.

These visuals function as reference tools throughout the guide and may be revisited when designing program models, validating projections, or preparing application materials.

Applicants may find it helpful to review these figures before drafting their application narrative to understand how program design, projections, and budget structure interact during evaluation.

Reviewer Evaluation Insight Boxes

This guide includes several reviewer insight boxes that explain how STEP applications are evaluated and how reviewers verify structural alignment across program design, performance projections, budget structure, and employer demand documentation.

Quick Start Guide

Read this first (5-minute orientation)

This Quick Start Guide summarizes the most important principles applicants must understand when preparing a STEP proposal.

Applicants must review the full STEP Request for Grant Applications (RGA) and appendices for official submission requirements.

This guide provides detailed technical assistance. If you are short on time, start here.

How to read this guide

Throughout this document, guidance is categorized using the following labels.

- ⚙️ **Model Framework**
  Conceptual models or program design frameworks are used to explain how STEP operates or how proposals should be structured.
- ✓ **Requirement**
  Binding statutory, regulatory, or RGA requirement.
  Failure to meet these requirements may result in an application being deemed non-responsive or subject to corrective action during grant implementation.
- ✓ **Required for Compliance**
  Required elements necessary for application completeness and compliance screening.
  Missing required elements may result in an application being deemed non-responsive**.**
- 💡 **Best Practice**
  Recommended practices that improve scoring strength, program feasibility, and implementation success.
- ⚠️ **Reviewer Risk Indicator**
  The following patterns may signal structural risk or reduce reviewer confidence in the feasibility of the proposed project.

Who Should Use This Guide

This technical assistance guide is intended for applicants preparing applications to the State Training and Employment Program (STEP), including:

- Employers and industry associations
- Apprenticeship sponsors and labor-management training trusts
- Workforce training providers
- Nonprofit and community-based organizations
- Public workforce partners

The guide provides technical assistance for designing competitive STEP proposals and understanding program expectations.

What STEP funds

STEP funds employment-focused training aligned with documented employer demand, leading to measurable workforce outcomes and unsubsidized employment.

Training is the pathway.
Employment is the goal.

Programs that clearly connect training activities to real hiring demand are more competitive during evaluation.

▌ ⚠️ Five things you must get right
These principles drive both compliance screening and competitive evaluation.

- ☐ Enrollment matches training capacity.
- ☐ Budget exceeds the 50 percent participant services requirement.
- ☐ Employer demand supports placement projections.
- ☐ Numbers reconcile across all application documents.
- ☐ Performance projections are realistic and defensible.

If these five conditions are satisfied, the proposal typically demonstrates structural alignment and feasibility.

1. Your enrollment must match training capacity
Enrollment must reflect the training model's actual capacity.
Cohort size × cohorts per year = annual enrollment

Enrollment projections must align with:
- Instructor availability
- Training facility capacity
- Tuition allocations
- Program staffing structure

Applications that project enrollment exceeding operational capacity may be considered unrealistic during evaluation.

2. At least 50 percent of STEP funds must support participant services
STEP requires that at least 50 percent of the requested funds directly benefit participants.

Eligible participant services may include:
- Tuition
- Credential or testing fees
- Required tools and equipment
- Supportive services
- Participant-facing staff time (allocated proportionally)

Indirect costs, executive overhead, and general administration do not count toward the 50 percent requirement.

Applicants must demonstrate compliance using:
Appendix A – Participant Services 50% Validation Worksheet.

3. Employer hiring demand must support placement
Projected placement outcomes must be supported by documented employer demand.

Examples of acceptable documentation include:
- Employer hiring commitments
- Apprenticeship sponsor intake capacity
- Documented labor market demand

Projected placements should not exceed documented hiring demand.

When placement projections exceed employer capacity, reviewers typically identify inflation risk.

4. Your numbers must match across all documents
Key data must reconcile across the full application package.

Enrollment, training capacity, and placement projections must align across:

- EGrAMS narrative responses
- Appendix A – Budget Narrative
- Appendix A – Participant Services Validation Worksheet
- Appendix C – Performance Projection Table

Applications with inconsistent data across documents may receive reduced scores or may be deemed non-responsive.

5. Your projections must be realistic

- Performance projections should reflect program design, employer demand, and participant characteristics.
- Completion and placement rates should be supported by program structure and documentation.
- Completion or placement projections above 95% require a strong justification.
- Unrealistic projections may reduce competitiveness during evaluation.

▌ ⚠️ **Reviewer Evaluation Insight**

Most reviewers first examine the projected enrollment,
budget scale, and employer demand.

If these elements appear realistic and aligned,
reviewers proceed to a detailed narrative review.

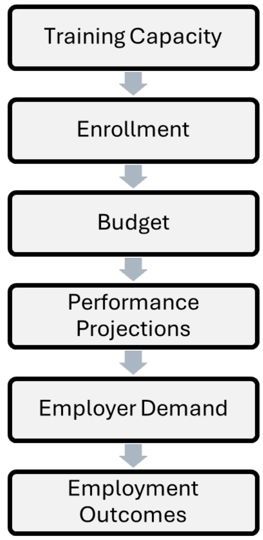
If they appear inconsistent or inflated,

Reviewers may identify structural concerns before completing the full review.

If you can answer "yes" to these five questions
☐ Does enrollment match training capacity?
☐ Does the budget clearly exceed the 50 percent participant services requirement?
☐ Does the employer demand support placement projections?
☐ Do all numbers reconcile across documents?
☐ Are projections realistic and defensible?

If yes, proceed to the full guide for detailed modeling guidance.

Figure 0-1. STEP Evaluation Logic
Illustrates the core evaluation logic used in STEP, showing how training capacity, budget structure, performance projections, and employer demand support employment outcomes.



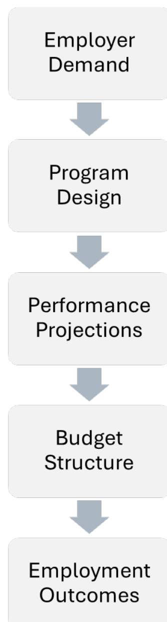
STEP Application At-a-Glance

Purpose

This page summarizes the core design logic used in the State Training and Employment Program (STEP) application process. Competitive STEP applications demonstrate clear alignment between program design, projected outcomes, budget structure, and documented employer demand.

Figure 0-2. The STEP Workforce Investment Logic

Illustrates the core program design sequence used in STEP, showing how employer demand informs program design, which in turn drives performance projections, budget structure, and employment outcomes.



This sequence reflects the core logic reviewers use when evaluating STEP applications.

The Four Core Components of a STEP Application

A strong STEP application demonstrates alignment across four primary components.

Component	Purpose
Program Design (Narrative)	Explains how the training program leads to employment outcomes.
Performance Projections (Appendix C)	Quantifies expected enrollment, completion, credential attainment, placement, and wages.
Budget Structure (Appendix A)	Demonstrates how the requested funds support the proposed training program.
Employer Demand Documentation	Confirms that projected employment outcomes are supported by real hiring demand.

Reviewers evaluate how these components align with one another across the application package.

Five Fundamentals of Competitive STEP Applications

Successful applications consistently demonstrate the following:

1. Program design leads to employment outcomes
   Training activities clearly connect to employment opportunities supported by employer demand.
2. Enrollment projections match training capacity
   Cohort size, training duration, and instructional capacity support the projected number of participants.
3. The budget supports the proposed program scale
   Training costs, staffing allocations, and supportive services align with the projected enrollment.
4. Employer demand supports projected placement
   Projected job placements are supported by employer hiring commitments or documented labor market demand.
5. Participant services represent the majority of the investment

At least 50 percent of STEP funds must be allocated to eligible participant services.

How Reviewers Evaluate Applications

Reviewers do not evaluate each section independently. Instead, they trace the proposal's logic across the application components.

Reviewers typically verify that:

- Program design explains how training leads to employment
- Enrollment projections align with training capacity
- Budget allocations support projected enrollment
- Employer demand supports projected placements
- Participant services expenditures meet the required threshold

Applications that demonstrate clear alignment across these components are easier to evaluate and more competitive during scoring.

Reader Navigation Guide

How to Use This Technical Assistance Guide

Purpose of this guide

This Technical Assistance (TA) Guide provides detailed guidance for applicants preparing proposals under the State Training and Employment Program (STEP). The guide explains the STEP investment model, application structure, program design expectations, budget development, performance projection modeling, alignment requirements, and post-award implementation expectations.

Because STEP applications involve multiple organizational roles, including program managers, finance staff, employer partners, and executive leadership, not every reader needs to review the entire guide.
The navigation guide below helps readers identify the sections most relevant to their role in the proposal development process.

Suggested Reading Path by Role

Program Directors/Project Leads

Program directors or project leads responsible for overall proposal development should review the full guide. At a minimum, they should review the following sections in sequence.

Recommended sections:

- Section 1 – How STEP Investments Work
- Section 2 – Program Governance and Evaluation Framework
- Section 3 – Program Design Architecture
- Section 4 – Budget Architecture and Cost Modeling
- Section 5 – Performance Projection Modeling
- Section 6 – Alignment Architecture and Risk Prevention
- Section 7 – After You Submit

These sections explain how the STEP investment model works, how applications are evaluated, and how to design a program that aligns with funding expectations.

Finance Staff/Budget Developers

Finance staff responsible for developing the budget, calculating participant service expenditures, and ensuring fiscal compliance should focus primarily on the following sections.

Recommended sections:

- Section 4 – Budget Architecture and Cost Modeling
- Section 6 – Alignment Architecture and Risk Prevention
- Section 7 – Post-Award Financial and Monitoring Expectations

These sections explain how STEP budgets are evaluated, how the 50 percent participant services requirement is calculated, and how financial monitoring occurs after award.

Program Designers / Training Coordinators

Staff responsible for program design, training delivery, participant recruitment, and employer engagement should focus primarily on the sections below.

Recommended sections:

- Section 1 – How STEP Investments Work
- Section 3 – Program Design Architecture
- Section 5 – Performance Projection Modeling

These sections explain how to design a training program that leads to measurable employment outcomes and how to build realistic projections for enrollment, completion, and placement.

Employer Partners/Industry Representatives
Employer partners involved in training design, hiring commitments, or apprenticeship alignment may benefit from reviewing selected sections that explain how employer demand influences STEP investments.

Recommended sections:

- Section 1 – How STEP Investments Work
- Section 3 – Program Design Architecture
- Section 5 – Placement Modeling and Employer Alignment

These sections explain how employer demand supports program design and how employment outcomes are evaluated.

Executive Leadership/Organizational Decision Makers
Executive leaders responsible for approving participation in STEP should focus on the sections that explain the program model, funding structure, and accountability expectations.

Recommended sections:

- Section 1 – How STEP Investments Work
- Section 2 – Program Governance and Evaluation Framework
- Section 6 – Alignment Architecture and Risk Prevention
- Section 7 – After You Submit

These sections explain how STEP funds are awarded, how applications are evaluated, and what responsibilities apply to successful grantees.

Recommended Reading Sequence for New Applicants
Applicants new to STEP may find it helpful to review the guide in the following order:

1. Section 1 – How STEP Investments Work
   Understand the STEP workforce investment model.
2. Section 2 – Program Governance and Evaluation Framework
   Learn how applications are evaluated.
3. Section 3 – Program Design Architecture
   Design the training and employment pathway.
4. Section 4 – Budget Architecture and Cost Modeling
   Build the budget structure.
5. Section 5 – Performance Projection Modeling
   Develop realistic projections for enrollment, completion, and placement.
6. Section 6 – Alignment Architecture and Risk Prevention
   Confirm that the full application is internally consistent.
7. Section 7 – After You Submit
   Understand the review process and post-award expectations.

Key Concept for Applicants
Strong STEP applications are designed first and written second.

Applicants should design the training model, confirm employer demand, build the budget structure, and model performance projections before drafting narrative responses.

Following this approach significantly improves the clarity and competitiveness of proposals.

STEP Application Development Roadmap

Recommended order for designing a strong STEP proposal

Purpose of this Roadmap
This roadmap illustrates the recommended order for designing a STEP application, based on the technical assistance guidance provided in this document.

Strong STEP applications are designed first and written second. Applicants who follow the sequence below typically produce proposals that are easier to evaluate and demonstrate stronger alignment across program design, projections, and budget structure.

The roadmap below shows the recommended design sequence for building a competitive STEP application.

STEP Application Development Roadmap
Step 1 – Understand the STEP investment model
Reference: Section 1 – How STEP Investments Work
Before designing a program, applicants should understand the core purpose of STEP funding and how investments are evaluated.

Key concepts include:

- STEP is a workforce investment program, not a reimbursement model
- Training must lead to measurable employment outcomes
- Employer demand drives program design
- Applications are evaluated based on alignment across components.

Understanding this framework helps applicants design programs that match reviewer expectations.

Step 2 – Understand how applications are evaluated
Reference: Section 2 – Program Governance and Evaluation Framework
Applicants should review how proposals are evaluated before drafting narrative responses.

Section 2 explains:

- The evaluation framework used during scoring
- Statutory and program performance expectations
- The alignment model used by reviewers
- The relationship between narrative, projections, and budget

Understanding how reviewers evaluate proposals helps applicants structure stronger applications.

Step 3 – Design the program model
Reference**:** Section 3 – Program Design Architecture
Once the STEP investment model and evaluation framework are understood, applicants should design the training-to-employment pathway.
Key design components include:

- Participant recruitment strategy
- Eligibility screening procedures
- Training structure and credential outcomes
- Employer engagement and hiring commitments
- Participant support services

Strong STEP proposals clearly demonstrate the pathway from recruitment through employment.

Step 4 – Build the budget structure
Reference: Section 4 – Budget Architecture and Cost Modeling
After the program model is designed, applicants should develop a budget structure to support program delivery.

Budget development should address:

- Staffing structure and program management
- Training costs and tuition calculations
- Participant services and support costs
- Compliance with the 50 percent participant services requirement

Budgets should clearly demonstrate how requested funds support participant outcomes.

Step 5 – Develop performance projections
Reference: Section 5 – Performance Projection Modeling
Applicants should develop realistic performance projections based on the program design and budget scale.

Key projection components include:

- Enrollment projections
- Completion rate modeling
- Credential attainment projections
- Employer-supported placement outcomes
- Cost-per-participant and cost-per-placement calculations

Performance projections should reflect operational capacity and documented employer demand.

Step 6 – Verify application alignment
Reference: Section 6 – Alignment Architecture and Risk Prevention
Before submitting the application, applicants should verify that all components align.

Alignment checks include:

- Enrollment projections align with training capacity
- Budget allocations support projected enrollment
- Employer demand supports placement projections
- Staffing capacity supports program scale
- Participant services meet or exceed the required threshold

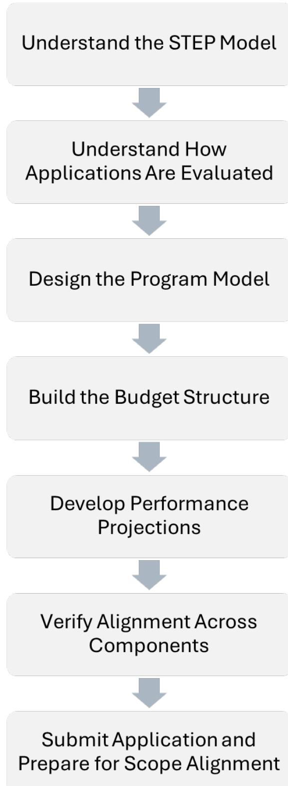
Strong applications demonstrate consistency across the narrative, projections, budget, and supporting documentation.

Step 7 – Submit the application and prepare for post-award alignment
Reference: Section 7 – After You Submit
After submission, applications move through review, scoring, and funding determination.

If selected, applicants participate in a post-award scope alignment process before contract execution.

This process ensures that program scale, performance benchmarks, and budget allocations remain proportional to the final award amount.

Figure 0-3. STEP Application Development Roadmap
Shows the recommended order for designing a STEP proposal using the sections of this technical assistance guide.



STEP Application Lifecycle Map

How the Sections of This Guide Work Together

Section Purpose

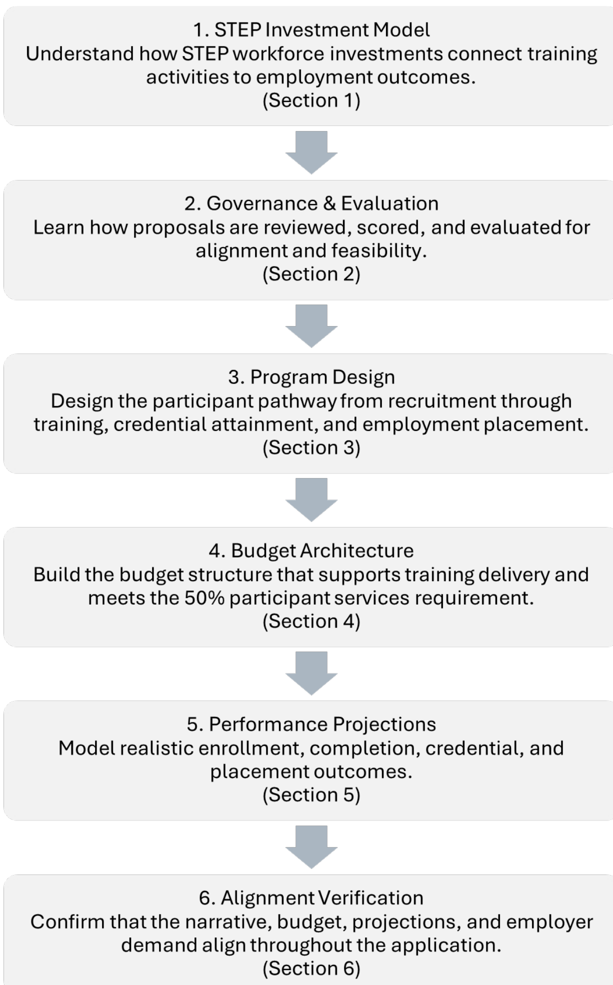
This lifecycle map explains how the sections of this technical assistance guide connect and how applicants should use the guide when developing a STEP proposal.

The guide follows the natural lifecycle of designing, modeling, and aligning a workforce training investment before submitting an application.

Applicants are strongly encouraged to follow the sequence below when developing their proposal.

Figure 0-4. STEP Application Lifecycle

Illustrates how the sections of this guide correspond to the stages of designing, modeling, and aligning a STEP proposal.



How the Lifecycle Works in Practice
Each stage of the lifecycle corresponds to a section of this guide and represents a step in designing a competitive STEP proposal.

Stage 1 – Understand the STEP investment model
Reference: Section 1 – How STEP Investments Work
Applicants begin by understanding the purpose of STEP funding and how workforce investments are evaluated. STEP funds employment-focused training that aligns with employer demand and is designed to produce measurable workforce outcomes.

Training is the pathway. Employment is the goal.

Stage 2 – Understand how proposals are evaluated
Reference: Section 2 – Program Governance and Evaluation Framework

Applicants should review how proposals are evaluated before drafting narrative responses.

Section 2 explains:
- Statutory authority and performance expectations
- The evaluation architecture used by reviewers
- How alignment affects scoring
- How compliance screening works

Understanding how applications are evaluated helps applicants structure stronger proposals.

Stage 3 – Design the program model
Reference: Section 3 – Program Design Architecture

Once the STEP model and evaluation framework are understood, applicants should design the training-to-employment pathway.

Key program design components include:
- Recruitment strategy
- Eligibility screening procedures
- Training delivery model
- Credential outcomes
- Employer engagement and placement strategy
- Participant support services

Strong STEP proposals clearly demonstrate how participants move from recruitment through employment.

Stage 4 – Build the budget structure
Reference: Section 4 – Budget Architecture and Cost Modeling

After the program design is established, applicants develop the budget structure that supports program delivery.

The budget should clearly demonstrate:
- Staffing capacity
- Training costs and tuition allocations
- Participant services and support costs
- Compliance with the 50 percent participant services requirement

Budgets must align with the program scale and training capacity.

Stage 5 – Develop performance projections
Reference: Section 5 – Performance Projection Modeling

Applicants develop realistic projections based on training capacity, staffing resources, and employer demand.

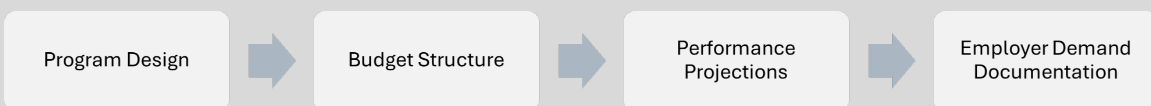
Projections should include:
- Enrollment
- Completion rates
- Credential attainment
- Employment placement outcomes
- Cost-per-participant calculations

Performance projections should reflect operational capacity rather than aspirational outcomes.

Stage 6 – Verify alignment before submission
Before submitting the application, applicants should confirm that all components are logically and numerically aligned.

Reviewers typically evaluate alignment by tracing application logic across the following components.

Reviewer Alignment Trace



If these components support one another, reviewers can easily verify the feasibility of the proposed workforce investment.

Applications that demonstrate alignment across these components are typically easier to evaluate and more competitive during scoring.

Structural takeaway
Strong STEP applications follow a clear design lifecycle: Understand → Design → Budget → Model → Align → Submit.

Applicants who follow this sequence typically produce proposals that demonstrate stronger alignment across program design, projections, budget structure, and employer demand.

Key Terms Used in This Guide

Key Terms Used in This Guide
This technical assistance guide uses several key workforce development and grant administration terms throughout.

To ensure consistent interpretation of program guidance, Appendix D provides a complete glossary of terms.

Appendix D includes definitions for terminology related to:
- STEP program structure
- workforce development terminology
- performance measurement concepts
- budget and fiscal terminology
- application and evaluation terminology

Applicants are encouraged to consult Appendix D – Glossary of Terms if clarification is needed for terminology used in the narrative guidance, application requirements, or evaluation criteria described in this guide.

Common Terms Referenced Throughout the Guide

The following concepts appear frequently throughout the guide:

Term	General Meaning
Alignment	The degree to which program design, projections, budget, and employer demand support one another across the application.
Employer demand	Documented hiring demand for occupations targeted by the training program.
Enrollment	The number of participants expected to begin training during the grant period.
Placement	The number of participants expected to obtain unsubsidized employment after training.
Participant services	Direct services supporting participants, including tuition, training materials, tools, and supportive services.
Cost-per-participant	The estimated training investment per participant.

Complete definitions and additional terminology are provided in Appendix D.

SECTION 1 – STEP INVESTMENT MODEL

Understanding how STEP functions as a workforce investment program.

This section explains:

- The STEP workforce investment model
- How employer demand drives program design
- How training leads to employment outcomes
- The evaluation logic used in STEP applications

Section Purpose

This section introduces the STEP workforce investment model and explains how employer demand, program design, funding structure, and projected outcomes must align to create a competitive and feasible application.

Who should read this section

- Program designers responsible for developing the workforce training model
- Organizational leadership is responsible for strategic program direction and funding decisions
- Grant writers preparing the application narrative
- New applicants seeking to understand the STEP investment framework

STEP Investment Model Overview

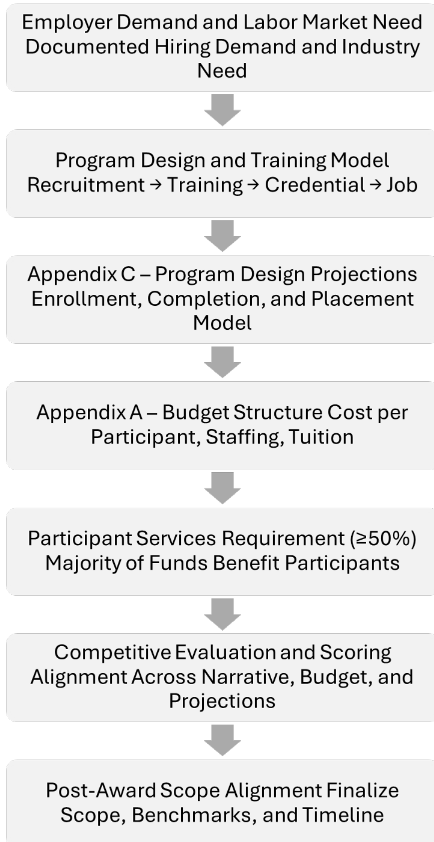
The State Training and Employment Program (STEP) is a workforce investment program that supports employer-aligned training activities leading to measurable employment outcomes for Alaska residents.

STEP investments are evaluated based on how effectively proposed projects connect workforce training activities to real employment opportunities supported by documented employer demand.

Applicants who understand the STEP investment model before drafting an application are better positioned to design programs that align with evaluation expectations and demonstrate feasibility during the competitive review process.

The model below illustrates how these elements interact within the STEP program.

Figure 1-1. STEP Workforce Investment Model
Illustrates the relationship between employer demand, program design, performance projections, budget structure, and evaluation.



The following subsections explain the core design principles applicants should understand before drafting a STEP application.

1.0 How STEP Investments Work

1.0.1 What this section covers

This section explains:

- What STEP is designed to fund
- How funding decisions are evaluated
- How proportional program design is assessed
- Why alignment across application components is critical
- How program design projections are used during evaluation
- How post-award scope alignment functions

Understanding these concepts before drafting an application helps applicants:

- Design stronger workforce programs
- Reduce revision risk
- Improve competitiveness during evaluation

1.0.2 Core principle: STEP is a performance-based workforce investment model

STEP invests in employer-aligned workforce development activities that produce measurable employment outcomes for Alaska residents.

Training activities are a means to an outcome.

The primary objective of STEP investments is unsubsidized employment and long-term workforce advancement.

⚙️ Model Framework

STEP operates as a performance-based workforce investment model, with funding supporting training activities that lead to measurable employment outcomes for Alaska residents.

1.1 Workforce Investment vs Reimbursement Model

1.1.1 What this section covers

This section explains:

- The difference between investment-based and reimbursement-based program framing
- What STEP investments are intended to produce
- What STEP funding is not designed to support
- How Project Framing Influences Competitiveness During Evaluation

⚙️ Model Framework

STEP investments differ from reimbursement-based training programs. Funding is structured to support workforce development activities that lead to measurable employment outcomes rather than simply reimbursing training expenses.

1.1.2 Core principle

STEP projects should be framed as workforce investments that produce employment outcomes, not as funding requests for training delivery.

1.1.3 What STEP is – and is not

STEP Is	STEP Is Not
Employment-focused workforce investment	Tuition reimbursement program
Employer-aligned workforce development	General workforce subsidy
Performance-driven	Administrative funding source
Outcome-focused	Revenue stabilization mechanism
Labor market responsive	Program sustainability grant

1.1.4 Required outcome focus

Required Outcome	Purpose
Industry-recognized credentials (where applicable)	Demonstrate skill attainment
Unsubsidized employment	Primary program outcome
Employment retention	Workforce stability
Wage progression	Economic advancement
Employer demand alignment	Labor market responsiveness

Structural takeaway

Training completion alone does not demonstrate program success. STEP investments are evaluated based on employment outcomes and workforce advancement.

1.1.5 Strong vs weak application framing

Framing Element	Strong	Weak
Focus	Employment pipeline	Tuition coverage
Employer role	Defined hiring pathway	General letter of support
Performance emphasis	Placement and retention	Training seat counts
Budget logic	Tied to outcomes	Tied to program sustainability

1.1.6 Framing risk indicators

Program Framing Scenario	Reviewer Risk Level
Employment outcomes central	Low
Mixed training and employment focus	Moderate
Training volume emphasized without a placement strategy	High

⚠️ Reviewer Risk Indicator

Emphasizing training volume without a placement strategy signals weak program alignment and may reduce reviewers' confidence in projected employment outcomes.

1.1.7 Structural takeaway

Applicants are most competitive when projects are framed as employment investments supported by employer demand and outcome-driven budgeting.

1.2 STEP is Employment-Driven

1.2.1 What this section covers

This section explains:

- What “employment-driven” program design means under STEP
- What applicants must demonstrate for alignment with employer demand
- How to structure a complete training-to-employment pathway
- How reviewers identify proposals that emphasize training activity without clear employment outcomes

⚙️ Model Framework

STEP is an employment-driven workforce investment program. Training activities are funded to produce measurable employment outcomes, not training completion alone.

1.2.2 Core principle

Training alone is not the end product.

The intended outcome of STEP investments is employment.
Projects that emphasize training activity without a clearly defined pathway to employment outcomes are unlikely to score competitively during evaluation.

1.2.3 Required employment alignment elements

Element	What Must Be Shown
Occupational demand	Documented labor market need
Employer validation	Employer letters confirming hiring demand
Hiring pathway	Clear transition from training to employment
Credential relevance	Industry-recognized or employer-required
Placement pipeline	Realistic placement projections supported by demand

1.2.4 Full employment pathway model

Phase	Required Definition
Recruitment	Target population and outreach strategy
Screening	Eligibility and readiness criteria
Training	Duration, curriculum, credential pathway
Credential	Industry-recognized credential, where applicable
Placement	Defined hiring process
Retention	Follow-up and employment tracking
Wage growth	Documented wage progression

1.2.5 Strong vs weak program structure

Factor	Strong	Weak
Demand	Documented	Assumed
Employer role	Hiring commitment	Generic support
Credential	Job-required	Optional or unclear
Placement	Defined pipeline	Vague employment expectation
Retention	Defined strategy	Not addressed
Wage growth	Supported by employer data	Not discussed

1.2.6 Employment alignment risk indicators

Scenario	Risk Level
Full pathway defined	Low
Demand implied but not quantified.	Moderate
Placement pathway undefined	High
Credential unrelated to occupation	High
Wages unsupported	Moderate

1.2.7 Employment alignment check

Before drafting the application narrative, confirm:

- ☐ Occupational demand identified
- ☐ Employer hiring demand is documented.
- ☐ Credential tied to the occupation.
- ☐ The placement process is clearly defined.
- ☐ Retention approach identified
- ☐ Wage progression supported by employer data

▌1.2.8 Structural takeaway

Strong applications demonstrate a complete pathway from recruitment through employment outcomes supported by employer validation and realistic placement planning.

▌💡 Best Practice

Design the full-employment pathway before drafting the narrative to ensure enrollment, training capacity, and employer demand remain aligned.

1.3 Proportional Investment Model

⚙️ Model framework

STEP investments operate under a proportional model in which program scale, budget structure, and employment outcomes must align with employer demand and operational capacity.

1.3.1 What this section covers

This section explains:

- What does proportional investment mean under STEP
- Which program elements must scale together?
- How disproportionate program design appears during review
- How proportionality is evaluated

1.3.2 Core principle

Funding level, enrollment scale, staffing capacity, training delivery, and placement outcomes must scale proportionally.

1.3.3 Proportional alignment framework

Component	Must Scale With
STEP funding request	Enrollment volume
Enrollment	Training capacity and tuition
Staffing	Program scale and participant volume
Placement projections	Documented employer demand
Cost per outcome	Industry wages and training intensity

1.3.4 Structural takeaway

When enrollment, staffing, placement, and budget scale together, reviewers see the project as feasible and operationally sound.

When one element increases without support from the others, reviewers may identify inflation risk or feasibility concerns.

1.4 Alignment in Application Evaluation

1.4.1 Core principle

Applications are evaluated collectively rather than as isolated components.

Reviewers examine alignment across narrative responses, budget documentation, and program design projections.

1.4.2 Core components reviewed together

Component	Purpose
EGrAMS Narrative	Program design and services
Appendix A – Budget Narrative	Financial structure
Appendix A – Participant Services Worksheet	Participant services requirement
Appendix C – Projections	Program scale and operational capacity

1.4.3 Structural takeaway

Alignment means that numbers and assumptions match across all application components.

Misalignment reduces credibility even when narrative responses appear strong.

1.5 Performance Projections

1.5.1 Core principle

Program design projections inform evaluation and scope alignment, but do not automatically become contractual performance benchmarks.

1.5.2 Structural takeaway

Realistic projections strengthen credibility.

Inflated projections increase reviewer concern and may reduce evaluation scores.

1.6 Participant Services Requirement (50 Percent Rule)

✓ Requirement

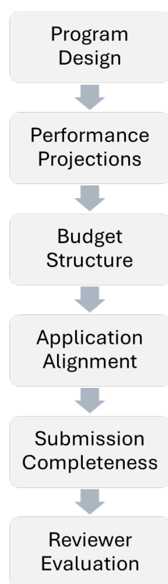
At least 50 percent of total STEP funds must be allocated to eligible participant services.

Compliance must be demonstrated through the Participant Services Validation Worksheet included in Appendix A.

Failure to meet this requirement may result in the application being deemed non-responsive.

Figure 1-2. STEP Program Architecture

The STEP program evaluates proposals as an integrated workforce investment system.
Program design informs performance projections, which determine the budget structure and investments in participant services. Reviewers evaluate whether these components align across the full application package.



1.7 Application Timelines and Post-Award Scope Alignment

Detailed implementation timelines are finalized during post-award scope alignment to ensure sequencing reflects the final approved scope of work.

Applicants are not required to submit a timeline during the application stage, but must present a coherent service delivery model.

1.8 Post-Award scope Alignment

Following award determination, selected applicants participate in structured scope alignment discussions to finalize:

- Scope of work
- Enrollment targets
- Budget alignment
- Implementation timeline
- Performance benchmarks

Final requirements are documented in the executed grant agreement.

1.9 Inflation Detection and Modeling Risks

Reviewers identify unrealistic proposals through:

- Cross-document inconsistencies
- Mathematical misalignment
- Unsupported projections

Narrative quality alone does not offset structural weaknesses.

> ⚠️ **Reviewer Risk Indicator**

Cross-document inconsistencies often signal projection inflation or unrealistic assumptions about program scale.

1.10 Foundational Design Self-Assessment

Before drafting narrative responses, applicants should confirm that:

- The employment pathway is clearly defined
- Projections align with staffing and employer demand
- The budget primarily benefits participants
- Major costs connect directly to participant outcomes
- Enrollment aligns with training capacity

Programs should be structurally sound before drafting begins.

1.11 Allowable costs clarification for this funding cycle

Employer wage reimbursement is not an allowable cost for this funding cycle.
STEP funds may not be used to subsidize employer-paid wages.
Projects must demonstrate placement outcomes through employer demand and hiring pathways rather than wage subsidies.

The principles described in this section explain how STEP functions as a workforce investment program and how reviewers interpret program design during evaluation.

The next section explains the statutory and governance framework that defines the STEP program requirements and the authority for evaluation.

SECTION 2 – APPLICATION ARCHITECTURE AND EVALUATION

Understanding how the STEP application is structured and evaluated.

This section explains:

- How the STEP application components fit together
- How reviewers evaluate proposals
- How alignment affects scoring
- What statutory and program requirements govern review
- What characteristics define a strong application

Section Purpose
This section explains how the STEP application package is structured and how proposals are reviewed and evaluated. It describes how the narrative, projections, budget, and supporting documentation work together and how reviewers assess feasibility, proportionality, alignment, and compliance when making funding recommendations.

Who should read this section

- Grant Writers preparing the application narrative
- Proposal Coordinators managing the submission process
- Program Designers responsible for developing the project model
- Internal Reviewers conducting pre-submission proposal reviews

2.0 STEP Application Evaluation Overview

2.0.1 What this section covers

This section explains:
How STEP applications move through review
How proposals are evaluated before scoring
How reviewers assess feasibility and alignment
How the application structure supports evaluation

2.0.2 Core principle

STEP applications are evaluated as integrated workforce investment proposals rather than as isolated narrative responses or attachments.

Reviewers assess how the application components work together to demonstrate a feasible, proportional, and employer-aligned training investment.

2.1 Program Governance Overview

2.1.1 What this section covers

This section explains:

- The broader governance framework that supports STEP evaluation
- Why statutory, regulatory, and fiscal requirements matter during application review
- How governance and evaluation work together

2.1.2 Core principle

STEP-funded projects operate within a defined statutory and regulatory framework that establishes program authority, performance expectations, and fiscal governance requirements.

This framework ensures that STEP investments are administered consistently, transparently, and in alignment with statutory requirements and statewide workforce priorities.

2.1.3 Structural takeaway

Applicants who understand the governance and evaluation structure are better positioned to design proposals that meet compliance requirements and align with the competitive review process.

2.2 How STEP Applications are Evaluated

2.2.1 What this section covers

This section explains:

- The stages of application review
- How compliance review occurs
- How scoring occurs
- How award decisions are made

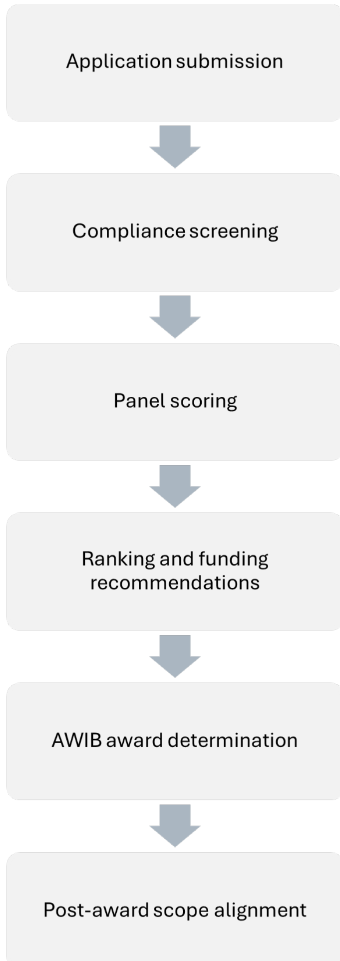
2.2.2 Core principle

STEP applications move through a structured evaluation process that includes compliance screening, reviewer scoring, and final award determination.

Applications must first pass a mandatory compliance review confirming that all required components are present. Applications that pass this review proceed to scoring, where reviewers evaluate the strength, feasibility, proportionality, and alignment of each proposal using the weighted evaluation categories defined in the RGA.

AWIB makes final award determinations based on scoring results, available funding, and statewide workforce priorities.

Figure 2-1. STEP Application Evaluation Flow
Shows the stages of application review, including compliance screening, scoring, ranking, and award determination.



2.3 How Reviewers Read Your Application

2.3.1 What this section covers

This section explains:

- How reviewers trace application logic
- What reviewers evaluate before assigning scores
- Why consistency across documents matters

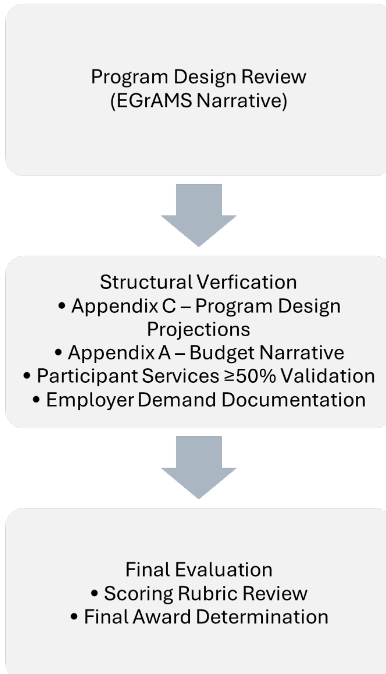
2.3.2 Core principle

Before assigning scores, reviewers evaluate whether the application presents a coherent and feasible workforce investment model.

Reviewers examine how key components of the application align across narrative responses, required appendices, and performance projections.

Applications that maintain consistent assumptions and a proportional design across these components are easier to evaluate and typically receive higher scores.

Figure 2-2. STEP Application Reviewer Evaluation Pathway
Illustrates how reviewers trace application logic across narrative, projections, budget, and employer demand documentation.



Reviewer Perspective: How Evaluators Read STEP Applications

Understanding how reviewers read applications can help applicants structure proposals that are easier to evaluate. Reviewers typically do not read the application sequentially from beginning to end. Instead, they trace key assumptions across multiple components of the submission package.

A common review sequence may look like this:

- Review the narrative to understand the proposed training model
- Examine Appendix C to verify enrollment and outcome projections
- Review Appendix A to determine whether the budget supports the proposed program scale
- Check employer documentation to confirm hiring demand
- Compare these elements to determine whether the program model is feasible and aligned

If assumptions match across these components, reviewers can quickly determine that the project is structurally sound. If numbers or assumptions differ across documents, reviewers may identify feasibility concerns or inflation risk.

Strong applications make it easy for reviewers to trace:

- Enrollment assumptions
- Cost per participant
- Employer hiring demand
- Staffing capacity
- Projected outcomes

Applications that clearly align these elements are easier to evaluate and typically receive stronger scores.

Structural takeaway

Strong applications allow reviewers to easily trace the program model across the narrative, projections, budget, and employer documentation.

2.4 What Reviewers Look for at Each Step

2.4.1 Review focus by component

Review component	Reviewer focus
EGrAMS narrative	Program design, employer engagement, and service delivery strategy
Appendix C projections	Realistic enrollment, completion, and training scale
Appendix A budget	Alignment between funding request, staffing capacity, and training costs
Participant services worksheet	Compliance with the 50 percent participant services requirement
Employer documentation	Evidence that placement projections are supported by hiring demand
Scoring rubric	Strength of the proposal across weighted evaluation categories

2.4.2 Why alignment matters

Reviewers evaluate applications by tracing project logic across multiple documents.
If the narrative, projections, and budget reflect consistent assumptions, reviewers can easily determine that the project is feasible and proportionally designed.

If assumptions differ across documents, reviewers may identify structural concerns related to feasibility, proportionality, or inflation risk.

Strong applications make it easy for reviewers to trace:

- Enrollment assumptions
- Cost per participant
- Employer hiring demand
- Staffing capacity
- Projected outcomes

2.4.3 Structural takeaway

Strong applications demonstrate clear alignment across all required components.

Applicants who design their program model first, then ensure that the narrative, projections, and budget reflect the same assumptions, produce proposals that are easier to evaluate and more competitive during scoring.

2.5 Common Reviewer Questions

2.5.1 Common reviewer questions

How reviewers Typically Evaluate STEP Applications

During application review, evaluators trace key assumptions across the application components to determine whether the proposed program is feasible and proportionally designed.

Reviewers commonly ask the following questions.

Program design

- Does the proposed training clearly lead to employment outcomes?
- Does the service flow explain how participants move from recruitment through employment?

Enrollment and training capacity

- Does projected enrollment match the training capacity described?
- Do cohort structure and staffing support the projected program scale?

Budget structure

- Does the budget support the services described in the narrative?
- Does tuition funding align with projected enrollment?

Performance projections

- Are completion and credential projections realistic for the training model?
- Do placement projections align with documented employer demand?

Alignment across application components
Do enrollment, budget, and projections reflect the same assumptions?
Do totals reconcile across the narrative, budget, and projections?

Structural takeaway
Strong applications tell one consistent story across program design, projections, budget structure, and employer demand documentation.

2.5.2 Structural takeaway

Strong applications tell one consistent story across program design, projections, budget structure, and employer demand documentation.
When these elements align, reviewers can quickly determine that the project is feasible and proportionally designed.

2.6 STEP Application Architecture

2.6.1 Purpose statement

This section explains how the components of the STEP application fit together and how reviewers evaluate alignment across the narrative, projections, budget, and supporting documentation.

The STEP application consists of multiple components submitted through EGrAMS along with required appendices. Each component provides information reviewers use to evaluate program design, feasibility, proportionality, and compliance.

The components are evaluated together. Reviewers examine how the narrative, projections, budget, and documentation align to demonstrate a coherent workforce investment model.

Figure 2-3. STEP Application Structure
Shows the major components of the STEP application package submitted through EGrAMS, along with the required appendices.

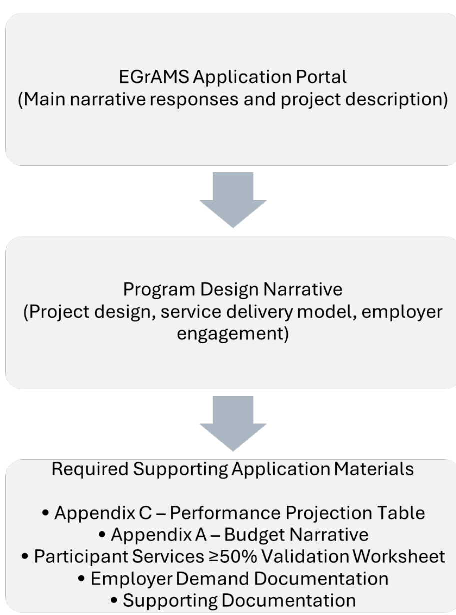
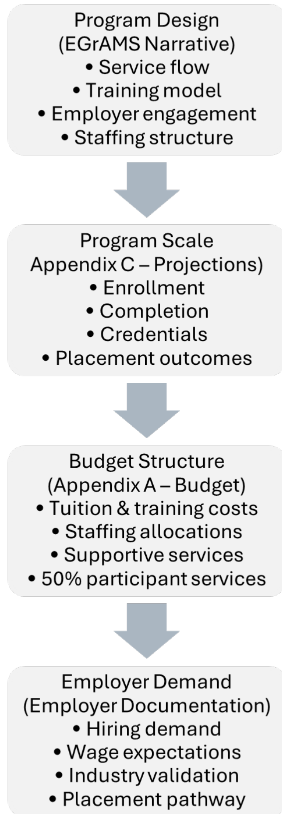


Figure 2-4. STEP Application Alignment Model
Illustrates how the narrative, budget, projections, and employer-demand documentation must align throughout the application.



2.6.2 A strong application demonstrates that:

- Program design explains how training leads to employment outcomes
- Projections reflect realistic program scale
- The budget supports the projected level of service
- Employer demand supports projected placements

If any component conflicts with the others, reviewers may identify concerns about feasibility or proportionality.

2.6.3 How application components work together

Application component	Purpose
EGrAMS narrative	Describes the program design, service delivery approach, and employer engagement strategy
Appendix C – Performance projection table	Provides enrollment and completion projections that define program scale
Appendix A – Budget narrative	Explains how funds will be used and how costs support program delivery
Participant Services Validation Worksheet	Demonstrates compliance with the 50 percent participant services requirement
Employer demand documentation	Confirms that employment projections are supported by hiring demand
Supporting attachments	Provide additional documentation required by the RGA.

2.6.4 How reviewers use the application package

Reviewers do not evaluate each document independently. Instead, they trace key assumptions across the full submission package.

Reviewers typically verify:

- Enrollment projections align with training capacity
- Budget allocations support projected enrollment
- Staffing capacity supports program scale
- Employer demand supports placement projections
- Participant services expenditures meet the required threshold

If these components align, the application demonstrates a coherent workforce investment model.
If these elements conflict, reviewers may identify feasibility or proportionality concerns.

2.6.5 Structural takeaway

The STEP application is designed as an integrated package.

Strong applications demonstrate consistency across the narrative, projections, budget, and documentation. Applicants should design the program model first and then ensure that all application components reflect the same assumptions.

2.7 Design Before Drafting Checklist

2.7.1 Purpose

Before beginning detailed narrative responses, applicants are strongly encouraged to confirm that the proposed project design is structurally sound.

Strong STEP applications are designed first and written second.
Applicants who begin writing narrative responses before confirming the underlying program model often encounter misalignment between the narrative, projections, and budget.

2.7.2 Program design readiness checklist

Design question	Yes	No
We can clearly explain how this project leads to employment outcomes.	☐	☐
The occupations targeted by the program reflect documented labor market demand.	☐	☐
Employer partners have confirmed hiring demand.	☐	☐
Training leads to an industry-recognized credential or employer-required skill.	☐	☐
We can explain the full pathway from recruitment through employment.	☐	☐

2.7.3 Program scale and capacity

Design question	Yes	No
Enrollment projections match available training capacity.	☐	☐
Training duration and cohort size are clearly defined.	☐	☐
Staffing capacity supports the proposed enrollment volume.	☐	☐
Employer demand supports the projected placement outcomes.	☐	☐

2.7.4 Fiscal alignment

Design question	Yes	No
Budget calculations support the projected enrollment.	☐	☐
Training costs per participant are clearly defined.	☐	☐
Staffing costs reflect program scale.	☐	☐
At least 50 percent of funds support eligible participant services.	☐	☐

2.7.5 Projection integrity

Design question	Yes	No
Enrollment projections align with training capacity.	▯	▯
Completion assumptions reflect the rigor of the training program.	▯	▯
Placement projections are supported by employer demand.	▯	▯
Wage expectations reflect documented labor market conditions.	▯	▯

2.7.6 Application alignment

Design question	Yes	No
Narrative assumptions match projected enrollment and outcomes.	▯	▯
Budget calculations match the enrollment model.	▯	▯
Employer documentation supports placement projections.	▯	▯
All required appendices have been prepared and are internally consistent.	▯	▯

2.7.7 If any question is "No"

If any item in this checklist cannot be answered "Yes," applicants should refine the program design before drafting narrative responses.

Common issues that arise when programs are drafted before being designed include:

- Enrollment projections that exceed training capacity
- Budgets that do not support projected enrollment
- Placement projections not supported by employer demand
- Misalignment between narrative responses and appendices

Addressing these issues before drafting significantly improves the clarity and competitiveness of the proposal.

2.8 Common Errors That Lower Scores

2.8.1 Introduction

Applicants often focus heavily on writing quality while overlooking structural issues that reviewers use to evaluate feasibility, proportionality, and fiscal alignment.

Avoiding these errors significantly improves application competitiveness.

2.8.2 Common structural issues

Common issue	**Why** does **it** lower **scores**
Misalignment between narrative, projections, and budget	Creates feasibility concerns and reduces reviewer confidence
Enrollment projections exceeding training capacity	Suggests unrealistic program modeling
Placement projections are unsupported by employer demand	Weakens the employer engagement evaluation
Budgets that barely meet the 50 percent participant services requirement	Raises fiscal risk concerns
Lump-sum budget entries without explanation	Reduces fiscal defensibility
Generic employer support letters	Do not demonstrate hiring demand or placement pathways.
Training programs not clearly tied to occupations	Weakens employment alignment
Narrative-heavy responses without clear modeling	Makes assumptions difficult for reviewers to verify

2.8.3 Documentation and compliance issues

Common issue	**Why** does **it** lower **scores**
Missing required appendices	Results in non-responsive applications
Incomplete budget explanations	Prevents reviewers from assessing fiscal alignment
Weak documentation of labor market demand	Reduces the credibility of placement projections
Employer documentation is not aligned with the proposed occupations	Creates inconsistency across application components

2.8.4 Projection and modeling issues

Common issue	**Why** does **it** lower **scores**
Completion rates near 100 percent without explanation	Appears unrealistic
Placement projections exceeding employer demand	Indicates inflation risk
Cost per participant calculations are not explained	Weakens fiscal transparency
Enrollment increases without corresponding staffing increases	Creates feasibility concerns

2.8.5 Structural takeaway

Strong applications demonstrate alignment between:

- Program design
- Enrollment projections
- Budget structure
- Employer demand documentation

When these elements are inconsistent, reviewers may identify structural risk, which can reduce overall scores.

2.9 What Strong Applications Demonstrate

2.9.1 Introduction

Strong STEP applications consistently demonstrate alignment between program design, employer demand, fiscal structure, and projected outcomes.

The characteristics below correspond to the evaluation categories in the STEP scoring rubric.

2.9.2 Characteristics of strong STEP applications

Evaluation category	What strong applications demonstrate
Organizational capacity	Clear management structure, defined roles, and demonstrated experience delivering training programs.
Project design and implementation	Well-defined service delivery model with a clear pathway from recruitment to employment
Employer engagement	Documented hiring demand and active employer participation in program design
Participant services and eligibility	Participant-centered program design with strong support services and clear eligibility procedures
Outcomes and accountability	Realistic projections supported by documented employer demand and internal tracking systems
Budget and fiscal management	Budget aligned with program scale, transparent cost calculations, and strong participant service investment

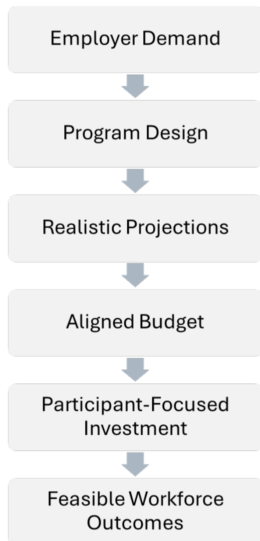
2.9.3 What reviewers expect to see

Strong applications typically demonstrate:

- Clear alignment between narrative, projections, and budget
- Documented employer hiring demand
- Realistic enrollment and completion projections
- Transparent cost calculations
- A budget that primarily benefits participants

These elements allow reviewers to easily trace the logic of the proposed program across application components.

Figure 2-5. Characteristics of a Strong STEP Application
Visual summary of the structural characteristics commonly observed in competitive applications.



2.9.4 Structural takeaway
Strong STEP applications are defined by alignment and proportionality, not narrative length.
Applicants who design their program model first and then ensure that all application components reflect the same assumptions produce proposals that are easier to evaluate and more competitive during scoring.

2.10 Program Governance Framework
2.10.1 What this section covers
This section explains:
- The statutory and regulatory framework governing STEP
- The difference between binding statutory requirements and supplemental AWIB-defined metrics
- How application evaluation and scoring work within the broader program framework
- Pass/fail compliance screening requirements
- AWIB governance authority and award discretion
- How projections are used during evaluation
- Fiscal governance requirements under 2 CFR 200
- How reviewers consider risk tiers and contextual factors

⚙️ Model Framework
STEP operates within a statutory and regulatory framework that defines program authority, evaluation processes, and fiscal governance requirements.

2.10.2 Core principle
STEP-funded projects operate within a defined statutory and regulatory framework.

This Technical Assistance Guide provides explanatory guidance to help applicants understand and apply those requirements.

If any inconsistency exists between this guide and the governing authorities, the following sources control:

1. Alaska Statutes (AS 23.15.620–652)
2. Alaska Administrative Code (8 AAC 84)
3. The official STEP RGA and appendices

This guide is instructional and does not modify statutory, regulatory, or RGA requirements.

2.11 Statutory Authority and Regulatory Framework

2.11.1 What this section covers

- Where STEP authority comes from
- What the statute and regulations establish
- Which documents govern when inconsistencies occur

▌2.11.2 Core principle

STEP operates within a statutory and regulatory framework established under state law.

▌✓ Requirement

All STEP-funded projects must comply with.

- AS 23.15.620–652
- 8 AAC 84.

STEP is authorized under:
• AS 23.15.620–652
• 8 AAC 84

These authorities establish the legal framework governing STEP awards.

Governance topic	What it covers
Allowable use of STEP funds	What may and may not be funded
Performance accountability	Required outcome expectations
Reporting obligations	Data and documentation requirements
Enforcement authority	Corrective action authority
Administrative structure	Oversight and management

The RGA and TA Guide do not replace statute or regulation. If any provision of the RGA or TA Guide conflicts with statute or regulation: control.

▌2.11.3 Structural takeaway

All STEP projects must be designed and implemented within this legal framework.

The TA Guide supports applicants in understanding and applying these requirements; it does not modify them.

2.12 Statutory Performance Requirements

2.12.1 What this section covers

- Which metrics are statutory and binding
- When statutory standards apply
- Consequences of failing statutory requirements

▌2.12.2 Core principle.

Statutory performance standards apply regardless of award size.

✓ Requirement

Statutory performance standards apply to all STEP-funded projects, regardless of award size, sector, population served, or geographic location. These requirements are established in statute and regulation and are binding for all STEP awards.

Statutory performance metric	Binding
Employment retention (12 months)	Yes
Wage gain	Yes
Training relevance to employment	Yes
Participant satisfaction	Yes
Employer satisfaction	Yes

These measures apply to all funded projects, even when AWIB-defined metrics are calibrated or refined.

2.12.3 If statutory standards are not met

Potential outcome	Examples
Corrective action	Required remediation steps
Required technical assistance	Structured support plan
Performance improvement planning	Written improvement expectations
Future-cycle limitations	Award limitations or reduced competitiveness

Statutory compliance is not discretionary.

2.12.4 Structural takeaway

Statutory requirements remain binding even if AWIB-defined targets are refined during post-award scope alignment.
Scope alignment may adjust projections. It does not waive statutory performance obligations.

2.13 Supplemental AWIB Performance Metrics

2.13.1 What this section covers

- What supplemental metrics AWIB uses in evaluation
- Why these metrics exist
- How they relate to statutory performance requirements

2.13.2 Core principle

AWIB-defined metrics supplement statutory requirements. They do not replace them.

Statutory metrics remain binding. AWIB-defined metrics strengthen evaluation and oversight.

Category	Binding	May be refined during alignment
Statutory metrics	Yes	No
AWIB-defined metrics	Supplemental	Yes

2.13.3 AWIB-defined metrics

Metric	Purpose
Completion rate	Evaluate training success
Enrollment	Evaluate scale and proportionality.
Documentation compliance	Evaluate administrative discipline and file integrity.

These metrics support:

- Structured evaluation
- Comparability across applications
- Fiscal defensibility
- Proportional investment analysis

They are used during:

- Application scoring
- Post-award scope alignment
- Ongoing monitoring

2.13.4 Structural takeaway

Applicants should design with these metrics in mind because they influence scoring and oversight.

However, statutory requirements remain the binding legal standard.
Supplemental metrics refine evaluation. They do not override statute.

2.14 Calibration Framework

2.14.1 What this section covers

• What calibration means in this funding cycle
• Why calibration is used
• What calibration does and does not change

⚙️ Model Framework

Calibration is used during evaluation to improve the realism and proportionality of proposed enrollment, budget, and performance projections.

2.14.2 Core principle

Calibration strengthens realism and proportionality. It does not reduce accountability.
Statutory requirements remain binding.

2.14.3 Calibration purpose

Purpose	Practical meaning
Improve projection realism	Reduce inflation risk
Account for sector variation	Recognize that industries perform differently.
Recognize geographic constraints	Reflect rural and regional delivery realities.
Strengthen proportional alignment	Ensure funding, scale, and outcomes remain aligned.

Calibration helps reviewers distinguish realistic projections from inflated ones.

2.14.4 What does calibration mean?

Concept	Explanation
Projection evaluation	Realism is assessed within context.
Target ranges	Consider sector and geography variation.
Final benchmarks	May be refined during post-award alignment
Statutory minimums	Not negotiable

Calibration may influence how supplemental metrics are interpreted. It does not override statutory performance standards.

2.14.5 Structural takeaway
Calibration applies to AWIB-defined metrics and performance modeling.

Statutory performance requirements remain binding and are not subject to calibration.

2.15 Evaluation and Scoring Structure
2.15.1 What this section covers
- How applications are scored
- Category weights used in evaluation
- What the scoring scale means

⚙️ Model Framework
Applications are evaluated using weighted scoring categories.

2.15.2 Core principle
Applications are evaluated using weighted categories aligned with the RGA.

💡 Best practice
Applications that meet minimum standards may still be less competitive for funding. Scoring evaluates both compliance and overall project strength.

2.15.3 Weighted categories
Category	Weight
Organizational capacity	15%
Project design and implementation	25%
Employer engagement	15%
Participant services and eligibility	15%
Outcomes and accountability	15%
Budget and fiscal management	15%
Bonus	Up to +5 points

These categories reflect the elements most strongly associated with successful program implementation.

2.15.4 Scoring scale
Score	Meaning
5	Excellent – exceeds requirements.
4	Good – strong response with minor weaknesses
3	Satisfactory – meets minimum requirements.
2	Weak – significant gaps
1	Poor – fails to meet requirements.

Reviewers assign scores based on evidence, alignment, and feasibility.

2.15.5 Structural takeaway
A score of 3 indicates the application meets minimum requirements but may not be competitive.

Strong applications demonstrate:
- Clear alignment across documents
- Documented employer engagement
- Realistic projections
- Defensible budget structure

2.16 Compliance Screening Requirements

2.16.1 What this section covers

- What reviewers verify before scoring begins
- What conditions may result in an application being deemed non-responsive
- Why can missing components not be corrected through narrative quality

▌✓ Requirement

Applications must pass compliance screening before advancing to scoring review. All required appendices and EGrAMS narrative sections must be submitted for an application to be considered responsive.

▌ 2.16.2 Core principle

Compliance screening occurs before scoring.

Applications must pass the compliance review to advance to scoring.

2.16.3 Pass/fail requirements

Requirement	Consequence of missing
EGrAMS narrative sections completed.	Non-responsive
Appendix A – Budget narrative	Non-responsive
Appendix A – Participant services worksheet	Non-responsive
Appendix C – Performance projection table	Non-responsive
≥ 50% participant services	Non-responsive or required revision

▌ 2.16.4 Structural takeaway

Strong narrative writing cannot compensate for missing required components.
Compliance screening verifies that the application includes all required elements before evaluation begins.

2.17 AWIB Governance Authority and Award Discretion

2.17.1 What this section covers

- AWIB's role in administering STEP
- How award decisions are made
- How scope alignment may occur after selection

▌ 2.17.2 Core principle

AWIB retains authority to make final award determinations and conduct post-award scope alignment.

Award decisions are informed by scoring results but may also take into account statewide program balance and available funding.

2.17.3 AWIB roles

Function	Description
Issue RGA	Publish solicitation requirements
Convene review panels	Conduct structured scoring
Make funding determinations	Approve final award decisions.
Make partial awards	Adjust the award size when appropriate.
Conduct scope alignment	Refine enrollment targets, projections, and budgets.
Execute grant agreements	Finalize benchmarks and reporting expectations.

2.17.4 Determination considerations
Funding decisions may consider:
- Scoring results and rankings
- Geographic balance
- Industry balance
- Available funding
- Statewide workforce priorities

▌ 2.17.5 Structural takeaway
Applicants should design projects proportionally and be prepared for possible adjustments during post-award scope alignment.

Award size, enrollment targets, or budget allocations may be refined to ensure alignment between funding, scale, and outcomes.

2.18 Performance Projections in Evaluation
2.18.1 What this section covers
- How projections are used during evaluation
- Why projections do not automatically become contract terms
- How the alignment process protects both applicants and AWIB

▌ 2.18.2 Core principle
Applicants should treat projections as disciplined planning commitments supported by documentation.

Projections inform evaluation and post-award alignment. They do not automatically become contractual benchmarks.

2.18.3 Projection use
Projection function	Purpose
Inform evaluation	Assess realism and feasibility.
Support alignment analysis	Confirm alignment between narrative, budget, and outcomes.
Demonstrate planning capacity	Show disciplined modeling and program design.

Final benchmarks are incorporated into the executed grant agreement after post-award scope alignment.

2.19 Fiscal Governance and Cost Principles (2 CFR 200)
2.19.1 What this section covers
- Allowability, allocability, and reasonableness expectations
- Documentation requirements for STEP expenditures
- The relationship between federal cost principles and the 50 percent participant services rule

▌ 2.19.2 Core principle
STEP expenditures must follow federal and state fiscal governance rules.

▌ ✓ Requirement
All STEP-funded costs must be necessary, reasonable, allocable, and properly documented in accordance with federal cost principles (2 CFR 200) and applicable state fiscal rules.

2.19.3 Cost standards

Standard	Meaning
Necessary	Required to implement the approved project scope
Reasonable	Cost reflects fair market value and is not excessive.
Allocable	Cost is directly tied to the STEP-funded activity or purpose.
Documented	Appropriate financial and program records support the cost.

The 50 percent participant services requirement operates within this fiscal framework.

2.20 Evaluation Risk Indicators

2.20.1 Core principle

Reviewers assess feasibility and implementation risk by examining alignment across the narrative, budget, and projections.

Patterns of misalignment signal increased structural risk.

⚠️ Reviewer Risk Indicator

Misalignment across narrative design, budget structure, and projections signals elevated implementation risk and may undermine reviewers' confidence in the project's feasibility.

2.20.2 Risk tier examples

Risk level	Examples
High	Failure to meet the 50 percent participant services requirement, inflated projections, and enrollment exceeding budget capacity
Moderate	Vague employer letters; staffing capacity misalignment; weak documentation
Low	Minor rounding discrepancies; limited detail in optional sections

2.21 Geographic and sector considerations

2.21.1 Core principle

Context may be considered during evaluation, but it must be clearly explained and documented.

Reviewers evaluate what applicants demonstrate, not what they assume.

2.21.2 Context factors

Context factor	Examples
Rural delivery challenges	Travel requirements and limited scale
Specialized industries	Higher credential costs or equipment intensity
Seasonal employment cycles	Hiring windows and seasonal rehire patterns.
Employer concentration	Limited number of potential employers

Applicants should explain how these factors affect program design, costs, and projections.

2.22 Performance Accountability and Monitoring

2.22.1 Core principle

STEP is a performance-based program. Strong accountability systems support successful implementation.

2.22.2 Expected practices

Awardees are expected to:

- Enter participant data into AlaskaJobs
- Track participant progress
- Monitor training and employment outcomes

- Implement internal quality assurance procedures

2.23 Bonus Point Criteria

2.23.1 Core principle

Bonus points cannot offset compliance failures or structural weaknesses.

2.23.2 Bonus parameters

Rule	Meaning
Optional	Bonus responses are not required.
Awarded after base scoring	Evaluated separately from base scoring
Cannot cure non-responsiveness	Missing components still result in non-responsiveness
Cannot compensate for weak design	Structural alignment still drives scoring.

2.24 Reviewer Evaluation Approach

2.24.1 Core principle

Reviewers evaluate structural feasibility and defensibility.

2.24.2 Evaluation lens

Governance lens	What reviewers look for
Proportionality	Funding scale matches enrollment and projected outcomes.
Alignment	Narrative, budget, and projections match.
Feasibility	Staffing and instructional capacity support design
Fiscal defensibility	Costs are allowable, allocable, and documented.
Employer validation	Placement supported by documented hiring demand
Outcome likelihood	Service flow creates realistic employment pathways.

2.25 Governance Readiness Self-Check

2.25.1 Self-check table

Statement	Yes	No
We understand the difference between statutory and supplemental metrics.	☐	☐
We understand projections inform evaluation, but do not automatically become contract terms.	☐	☐
We understand the 50 percent participant services requirement is mandatory.	☐	☐
We understand funding decisions consider proportionality and alignment.	☐	☐
We understand AWIB retains discretion during scope alignment.	☐	☐
We understand that missing required components cannot be corrected after submission.	☐	☐

If any “No” is checked, review the RGA and appendices before drafting the application.

2.26 Final Structural Takeaway

Structural takeaway

Section 2 establishes how STEP applications are reviewed, what standards govern that review, and how applicants can structure proposals to align with reviewer expectations.

The next section provides practical tools for designing a structurally aligned STEP project before drafting the application narrative.

SECTION 3 – PROGRAM DESIGN, ARCHITECTURE, AND OPERATIONAL MODELING

Design the employment pathway before drafting the narrative.

This section explains:

- Participant service flow
- Employer engagement strategies
- Cohort structure and training capacity
- Training models for new entrants and incumbent workers

Section Purpose
This section guides the design of a STEP project that aligns training activities, employer demand, operational capacity, and projected workforce outcomes before drafting the application narrative.

Strong STEP applications are built through disciplined program design before narrative responses are written.

Who should read this section

- Program Designers responsible for developing the project model
- Training Providers delivering workforce training programs
- Grant Writers preparing the application narrative
- Employer Partners involved in program planning

3.0 Program Design Foundations

3.0.1 What this section covers

This section provides applicant-facing modeling tools to help design a STEP project before drafting narrative responses.

It covers:

- Service flow design (training-to-employment pathway)
- Operational capacity modeling (instruction, coordination, and employer engagement)
- Enrollment modeling (cohort-based and rolling models)
- Employer integration tiers and documentation expectations
- Training pathway logic (credential → occupation → wage)
- Rural, seasonal, apprenticeship, and union-aligned design considerations
- Strong vs weak design comparisons
- Applicant worksheets, cross-checks, and self-assessment tools

Reviewers evaluate feasibility and defensibility, not ambition.

▌ 3.0.2 Core principle: Design before you draft

Strong STEP applications are built, not written.

Applicants should first design the operational model, then draft narrative responses to describe and document the design.

▌ ⚙️ Model Framework

Strong STEP applications are built through a clearly defined program design before narrative responses are drafted.

3.1 Design for Employment Outcomes

3.1.1 What this section covers

- What constitutes a complete STEP employment pathway
- The required service flow components
- How missing steps create structural risk

▌ ⚙️ Model Framework

Participant pathway from recruitment through employment.

▌ 3.1.2 Core principle

Every STEP project must demonstrate a complete training-to-employment pathway.

3.1.3 Core service flow model

A typical STEP project follows the service flow below.

▌ ⚠️ Reviewer Risk Indicator

Missing service flow steps weaken program credibility.

Figure 3-1. STEP Participant Service Flow
Illustrates the participant pathway from recruitment through training, credential attainment, employment placement, and retention follow-up.

Each phase of the service flow should be described in the application narrative so reviewers can understand how participants progress from recruitment through employment outcomes.

Missing or unclear steps in the service flow make it difficult for reviewers to determine how training activities lead to employment outcomes.

⚙️ Model Framework

Reviewers typically verify that:

- Recruitment targets the intended population
- Training leads to a credential or skill outcome
- Employers participate in hiring or placement
- Outcomes can be verified after training completion

💡 Best Practice

Applicants should finalize their service flow and cohort structure before drafting narrative responses.

Strong vs weak service flow
Reviewers evaluate whether the service flow is clearly defined and operationally feasible.
The comparison below illustrates common characteristics of strong and weak service flow design.

Strong service flow	Weak service flow
Cohort size defined	Cohort structure unclear
Employer participates in hiring.	Employer mentioned, but not operational.
Placement process documented	Placement assumed
Retention follow-up defined	Post-training support unclear

3.1.4 Service flow risk indicators

Scenario	Risk level
All phases are defined and connected.	Low
The employer's role is unclear.	Moderate
The placement step is undefined or aspirational.	High

3.1.5 Structural takeaway

Design the employment pathway first.

Then write the narrative describing each step, including:

- Staffing roles
- Employer engagement
- Training delivery
- Projected outcomes

Applications that clearly demonstrate the service flow allow reviewers to visualize how participants move from recruitment through employment outcomes.

3.2 Service Flow Architecture

3.2.1 What this section covers

- How to define each phase of the service flow
- What reviewers expect to see in operational detail
- How to distinguish strong vs weak service flow design

3.2.2 Core principle

A strong service flow is defined clearly enough that a reviewer can visualize how participants move from recruitment to employment.

3.2.3 Service flow framework

Phase	Must be defined
Recruitment	Target population and outreach strategy
Screening	Eligibility criteria and documentation process
Training	Duration, delivery method, and credential relevance
Placement	Employer coordination and hiring process
Retention	Follow-up plan and outcome verification method

3.2.4 Strong vs weak service flow

Factor	Strong	Weak
Cohort defined	Yes	No
Credential identified	Yes	Implied
Employer role	Operational	Generic
Placement process	Documented	Aspirational

3.2.5 Service flow check

Applicants should confirm:

☐ A reviewer can clearly visualize each phase of the service flow.
☐ The employer role is operational (not just supportive)
☐ Placement is described as a defined process.

3.2.6 Structural takeaway

If the service flow cannot be clearly visualized, the project design will be scored as weaker regardless of narrative quality.

3.3 Operational Capacity Modeling Framework

3.3.1 What this section covers

- How enrollment must align with operational capacity
- Why STEP does not use a case management capacity model
- How to model instructional capacity, coordination capacity, and employer/placement capacity
- How reviewers detect operational strain

3.3.2 Core principle

Enrollment must align with operational capacity rather than a traditional case management model.

STEP grantees typically do not provide individualized case management services. Staffing must support:

- Training delivery
- Cohort coordination
- Employer engagement
- Participant support administration
- Reporting and compliance

All core functions must scale proportionally with enrollment.

⚠️ Reviewer Risk Indicator

Enrollment levels that exceed instructional or coordination capacity raise feasibility concerns during evaluation.

3.3.3 Operational capacity framework

Capacity area	Key question
Instructional capacity	Can instruction deliver the proposed cohorts?
Program coordination capacity	Is administrative coordination sufficient for the proposed scale?
Employer coordination	Is employer engagement supported at projected placement levels?

3.3.4 Instructional capacity modeling

Capacity formula

Annual enrollment capacity = Cohort size × Cohorts per year

Example – aligned model

Element	Value
Cohort size	15
Cohorts per year	4
Annual enrollment	60

If one instructor can deliver four cohorts annually, instructional capacity supports 60 participants.

Inflation scenario

Element	Value
Instructor capacity	60
Projected enrollment	90

If projected enrollment exceeds instructional capacity, projections are inflated.

Instructional risk indicators

Scenario	Risk level
Enrollment matches instructional capacity.	Low
Slight overage with explanation	Moderate
Enrollment exceeds instructional limits.	High

⚙️ Model Framework
Annual enrollment capacity = cohort size × cohorts per year.

⚠️ Reviewer Risk Indicator
Enrollment projections exceeding instructional capacity signal an inflated program scale and raise feasibility concerns during evaluation.

3.3.5 Program coordination capacity modeling
- STEP projects require administrative coordination time for:
- Eligibility documentation
- Cohort coordination
- Supportive service administration
- Employer communication
- AlaskaJobs data entry
- Outcome tracking and verification

Coordination hours formula
Total coordination hours required = Enrollment × Estimated hours per participant

Example:

Element	Value
Enrollment	60
Hours per participant	5
Total hours required	300

If a coordinator allocates 25% FTE (~520 hours annually), that capacity supports approximately 60 participants.

3.3.6 Employer and placement coordination modeling
Applicants must define:
- Who schedules interviews
- Who manages hiring timelines
- Who conducts follow-up
- Who verifies employment outcomes?

Placement workload increases in proportion to the projected number of placements.

3.4 Enrollment Modeling
3.4.1 What this section covers
- How should enrollment be calculated?
- Cohort-based versus rolling enrollment models
- How tuition capacity and employer demand constrain enrollment

Implementation Reality Check

Before finalizing program design, confirm that the following operational elements are clearly defined:

- Cohort size and training schedule
- Recruitment and eligibility screening process
- Employer hiring demand
- Participant support services capacity

Programs designed without a clearly documented operational capacity may appear difficult to implement at the proposed scale.

Reviewers often compare projected enrollment with the resources required to deliver training and support to participants. If training capacity, staffing, or employer hiring demand is unclear, reviewers may question the feasibility of the proposed program model.

3.4.2 Core principle

Enrollment is a function of capacity and demand.

It must align with:

- Cohort size
- Facility constraints
- Instructional availability
- Employer hiring demand
- Coordination capacity
- Budget scale

3.4.3 Cohort-based enrollment formula

Enrollment = Cohort size × Cohorts per year

Example:
15 participants × 4 cohorts = 60 annual enrollment
If the tuition budget supports only 40 participants, enrollment must be adjusted.

3.4.4 Rolling enrollment model

If training uses rolling admission:

- Monthly intake × 12 = Annual enrollment
- Applicants must justify intake assumptions and demonstrate feasibility.

3.4.5 Enrollment modeling risk indicators

Scenario	Risk level
Enrollment clearly calculated	Low
Calculated but not reconciled to tuition	Moderate
Enrollment projected without modeling.	High

3.5 Employer Integration Tiers

3.5.1 What this section covers

- How employer engagement is evaluated in depth
- What engagement levels mean in practice
- A checklist to strengthen employer validation

3.5.2 Core principle

- Employer engagement is evaluated by depth, not quantity.
- Level 3–4 engagement typically results in stronger scoring.

3.5.3 Employer engagement levels

Tier	Description
Level 1 – Endorsement	Generic letter of support
Level 2 – Informational	Occupation identified, no hiring commitment.
Level 3 – Operational	Employer participates in screening or interviews.
Level 4 – Strategic	Employer commits to hiring or provides resources.

3.6 Training Credential Pathway Modeling

3.6.1 Core principle

Training must lead to a credential or skill outcome that logically leads to employment in a defined occupation with a defensible wage range.

3.6.2 Credential logic chain

Training → Credential → Occupation → Wage range
If any link is unclear, the project design becomes structurally weaker.

3.7 Rural Program Modeling

3.7.1 Core principle

Rural cost structures may be higher, but they must be clearly justified.

3.8 Apprenticeship and Union-Aligned Programs

STEP projects may support training pathways that prepare participants for registered apprenticeship programs or union-aligned employment opportunities.

3.8.1 Core principle

STEP projects may support training pathways that prepare participants for registered apprenticeship programs or union-aligned employment opportunities.

✓ Requirement

STEP funds may support training and participant services that prepare individuals for apprenticeship or union-aligned employment pathways.

STEP funds may support training and participant services that prepare individuals for apprenticeship or union-aligned employment pathways, including:

- Pre-apprenticeship training
- Related technical instruction
- Credential preparation
- Required tools and equipment
- Participant supportive services

3.9 Seasonal industry modeling

Placement projections must reflect documented hiring windows and seasonal cycles.

3.10 Strong vs weak project design comparison

Element	Strong	Weak
Cohort size	Defined	Not specified
Employer role	Operational	Generic
Credential	Identified	Implied
Staffing capacity	Modeled	Unstated
Enrollment math	Explained	Estimated
Placement logic	Employer-driven	Aspirational

3.11 Cohort Capacity Worksheet

Applicants are strongly encouraged to complete this worksheet before drafting narrative responses or finalizing Appendix C.

All values must align with:

- EGrAMS narrative
- Appendix A – Budget Narrative
- Appendix C – Performance Projections

3.12 Design Risk Triggers and Self-Assessment

⚠️ Review Risk Indicator

The following patterns are commonly associated with reduced scoring.

Risk tier examples

Risk level	Design signals
High	Enrollment exceeds demand or capacity.
Moderate	Employer documentation weak
Low	Minor rounding discrepancies

Design self-assessment

☐ Service flow is clearly defined.
☐ Operational capacity supports enrollment.
☐ Employer commitments support placements.
☐ Credentials lead to employment.
☐ Enrollment aligns with tuition capacity.

If the numbers do not work on paper, revise the design before writing the narrative.

Structural takeaway

Design clarity is the foundation of scoring strength.
Narrative drafting should document a model that already works operationally.

In plain language

- Before drafting your narrative:
- Confirm cohort math
- Confirm instructor capacity
- Confirm the employer hiring volume
- Confirm credential logic
- Confirm enrollment matches tuition capacity

💡 Best Practice

Narratives should describe a model that already works operationally.

The next section explains how STEP budgets must be structured to support participant services and the program's operational scale.

SECTION 4 – BUDGET ARCHITECTURE AND COST MODELING

Building a budget that supports the proposed program scale.

This section explains:

- Cost-per-participant modeling
- Budget structure and proportionality
- Participant services investment requirements
- How reviewers evaluate fiscal alignment

Section Purpose

This section explains how to build a STEP budget that aligns with program design, projected enrollment, participant services requirements, and fiscal governance standards.

A strong STEP budget is not simply compliant. It demonstrates that the proposed project is financially supportable, proportionate to scale, and defensible under review and monitoring.

Who should read this section

- Fiscal Staff responsible for budget preparation
- Budget Developers building the financial model
- Program Designers responsible for aligning budget and program scale
- Grant Writers preparing the Appendix A budget narrative

4.0 Budget Development and the 50 Percent Participant Services Requirement

4.0.1 What this section covers

This section explains how to build a STEP budget that is:

- Compliant with the 50 percent participant services requirement
- Proportional to enrollment and service design
- Aligned with Appendix C performance projections
- Allocable, reasonable, and well-documented
- Defensible under review and monitoring

Employer wage reimbursement is not allowable this cycle.

It provides:

- Participant services definitions and exclusions
- Direct instruction definition and allocation rules
- Personnel allocation modeling (participant-facing vs administrative)
- Strong vs weak budget case study
- Cost-per-participant and cost-per-outcome modeling
- Budget-to-projections alignment matrix
- Budget-based inflation detection ratios
- 50 percent worksheet walkthrough expectations
- Risk tiers and final self-assessment checklist

4.0.2 Core principle: The budget is a service delivery blueprint

The STEP budget is not a fiscal attachment.

It is a structural representation of program design.

Reviewers evaluate whether:

- Dollars translate into participant benefits
- Costs are proportional to enrollment and training scale
- Staffing allocations reflect operational reality
- Participant services meet, and ideally exceed, the 50 percent minimum
- Cost per participant is defensible
- The budget aligns with Appendix C projections

Misalignment between narrative, projections, and budget is one of the most common causes of reduced scores.

Cost-per-participant logic model

Before building detailed line items, applicants should test whether the budget can realistically support the number of participants they propose to serve.

This simple logic model helps prevent one of the most common STEP budget errors: proposing enrollment that the budget cannot actually support.

Figure 4-1. Cost-Per-Participant Logic Sequence
Shows how program costs, staffing structure, and enrollment projections interact to determine cost-per-participant.

How to use this model
Applicants should confirm the following in sequence:

- Projected enrollment reflects actual cohort capacity or documented intake assumptions
- Tuition and training costs support enrollment
- Participant-facing staffing supports the projected participant volume
- Supportive services are sufficient for training participation and completion
- The total budget remains proportional to the scale of the project
- The resulting cost per participant is reasonable for the industry, geography, and training intensity

Structural takeaway
If the budget cannot support the projected number of participants, the application is structurally weak even if the narrative is strong.

4.1 Structural Intent of the 50 percent Participant Services Rule

4.1.1 What this section covers

- The purpose of the 50 percent rule
- Why the rule is a structural requirement rather than an accounting exercise
- What happens when compliance is unclear

4.1.2 Core principle
STEP prioritizes direct participant investment.

✓ Requirement
At least 50 percent of total STEP funds must be allocated to eligible participant services as defined in the RGA.

This requirement is mandatory and binding.

4.1.3 Structural intent

Structural objective	Why it matters
Participant-centered investment	STEP funds primarily benefit participants
Outcome orientation	Training and employment outcomes are prioritized.
Fiscal discipline	Administrative-heavy models are discouraged.
Program integrity	Misuse and misclassification risk are reduced.

4.1.4 Compliance consequence

Applications that do not clearly demonstrate compliance with the 50 percent participant services requirement may be deemed non-responsive or require revision during review.

Ambiguous cost classifications or incomplete documentation may prevent reviewers from verifying compliance.

▌4.1.5 Structural takeaway

Design the budget from the participant outward.

The 50 percent rule is a design constraint that should be satisfied from the beginning.

4.2 What Qualifies as Participant Services

4.2.1 What this section covers

- What counts toward the 50 percent threshold
- What does not count
- Common misclassification pitfalls

▌4.2.2 Core principle

Participant services are direct costs that primarily benefit enrolled participants and support:

- Training participation and completion
- Credential attainment, where applicable
- Employment placement
- Retention and follow-up, where applicable

4.2.3 Typically counted toward 50 percent

Cost type	Examples
Training costs	Tuition, instructional fees, contracted trainers
Credential costs	Testing fees, licensing fees
Required participant items	Books, tools, PPE, and required equipment
Supportive services	Transportation, childcare supports (if allowable), and required participation supports.
Participant-facing staff time	Only the participant-facing portion of time is charged proportionally.

▌✓ Required for Compliance

Appendix A – Participant Services 50 Percent Validation Worksheet must clearly distinguish qualifying and non-qualifying costs to demonstrate compliance with the 50 percent participant services requirement.

4.2.4 Does not count toward 50 percent

Non-qualifying cost	Examples
General administration	Grant management, reporting, and general oversight are not directly tied to participant service delivery.
Executive and overhead	Executive leadership, HR, accounting, payroll processing
Indirect costs	Approved indirect cost rate allocations
General operations	Non-training rent, utilities, insurance, and general facility overhead
Employer wage reimbursement	Employer-paid wages or compensation
Payroll subsidies	Any form of employer wage subsidy or reimbursement
Unallocable shared costs	Costs are not proportionally allocated to STEP-funded activities.

If incorrectly included, the 50 percent calculation may fail compliance review.

4.2.5 Structural takeaway

If a cost cannot be clearly explained as directly benefiting participants, treat it as non-qualifying unless guidance states otherwise.

If a cost primarily benefits the employer rather than the participant, it does not qualify.

Implementation Reality Check

Before finalizing the STEP budget, confirm that the proposed funding request supports the projected program scale.

If the project plans to serve a large number of participants, verify that the following elements are clearly supported in the budget:

- Tuition or training costs for the projected number of participants
- Participant supportive services funding
- Staffing capacity for coordination and employer engagement
- Administrative and reporting capacity

Budgets that increase enrollment without proportional increases in staffing, tuition funding, or participant services may appear structurally misaligned during review.

Reviewers often compare cost-per-participant calculations with projected enrollment to determine whether the proposed program scale is financially feasible.

4.3 Direct Instruction Definition and Shared Cost Allocation

4.3.1 What this section covers

- What direct instruction means for budgeting
- What costs qualify
- How to allocate shared instructional costs proportionally

4.3.2 Core principle

Direct instruction costs must be allocable and proportional when shared across programs.

4.3.3 Direct instruction includes

Category	Examples
Instruction delivery	Instructor compensation for training delivery
Contracted delivery	Contracted training services
Instructional space	Classroom or lab space used for training
Instructional materials	Materials used directly in instruction

4.3.4 Proportional allocation rule

✓ Requirement

Shared costs must be allocated using a rational and documentable methodology consistent with federal cost. principles (2 CFR 200).

If an instructor spends 40 percent of total time delivering STEP-funded cohorts, only 40 percent of the salary may be charged to STEP.

4.3.5 Structural takeaway

Shared costs must be allocated using a rational, documentable basis and then explained clearly in Appendix A.

4.4 Personnel Cost Allocation

4.4.1 What this section covers

- How to allocate personnel costs correctly
- How to determine what portion counts toward 50 percent
- How to explain calculations in Appendix A

4.4.2 Core principle

Personnel costs must be allocable, proportional, documented, and justified.

4.4.3 Allocation example (two-step allocation)

⚠️ Reviewer Risk Indicator

Personnel costs charged to STEP without a clear allocation methodology increase both audit risk and reviewer concern during evaluation.

Scenario

- Program coordinator salary: $80,000
- Time charged to STEP: 50 percent
- Participant-facing activities: 60 percent of STEP time

Step	Calculation	Result
STEP allocation	$80,000 × 50%	$40,000
Counts toward 50 percent	$40,000 × 60%	$24,000
Does not count	$40,000 × 40%	$16,000

Applicants must clearly document this allocation logic in Appendix A – Budget Narrative.

4.4.4 Personnel allocation risk indicators

Scenario	Risk level
The allocation method is explained and defensible	Low
The allocation method is stated but not calculated	Moderate
Personnel charged with no allocation basis	High
Participant-facing time overstated without support.	High

4.4.5 Structural takeaway

Personnel is one of the most common audit points. Transparent allocation math strengthens both the defensibility of scoring and future monitoring.

4.5 Full Budget Case Study

4.5.1 What this section covers

- How two budgets with the same request can score differently
- What proportional alignment looks like
- Why administrative-heavy budgets trigger risk

4.5.2 Core principle

Reviewers do not evaluate line items independently.

They evaluate proportional alignment between:

- Enrollment
- Tuition capacity
- Participant services
- Staffing
- Placement projections

4.5.3 Scenario overview

Both applicants request: $500,000

Budget structure comparison

Budget element	Strong model	Weak model
STEP request	$500,000	$500,000
Projected enrollment	50	80
Tuition allocation	$220,000	$180,000
Supportive services	$85,000	$20,000
Participant-facing staff	$75,000	$20,000 (unclear allocation)
Administrative and other	$120,000	$280,000
Total participant services	$380,000	$220,000
A 50 percent threshold is required	$250,000	$250,000
Actual participant services percent	76%	44%
Budgeted tuition slots	50	30 (implied by tuition allocation)
Tuition per participant	$4,400	$6,000 (but insufficient slots)

4.5.4 Structural alignment assessment

Evaluation factor	Strong model	Weak model
Meets 50 percent requirement	Yes	No
Tuition supports enrollment	Yes	No
Placement logic supported	Yes	Weak or unsupported
Administrative-heavy	No	Yes
Enrollment proportional to budget	Yes	Inflated
Reviewer risk level	Low	High

4.5.5 Why the weak model fails

Failure pattern	What it signals
Tuition supports fewer participants than enrollment.	Scale inflation
Administrative costs dominate	Misaligned investment
Participant services below 50 percent	Compliance failure
Placement assumed without investment.	Weak outcome credibility

4.5.6 Structural takeaway

Budget strength is proportional to strength. If the budget cannot carry the enrollment and outcomes, the narrative cannot fix it.

4.6 Cost-Per-Participant and Cost-Per-Outcome

4.6.1 What this section covers

- The basic formulas reviewers use
- How to calculate costs per participant, placement, and credential
- How to interpret high and low cost patterns
- How to cross-check costs against Appendix A and Appendix C

4.6.2 Core principle

Cost ratios are not a separate scoring category, but they strongly influence fiscal reasonableness judgments.

4.6.3 Core reviewer formulas

Metric	Formula
Cost per participant	Total STEP request ÷ Projected enrollment
Cost per placement	Total STEP request ÷ Projected placements
Cost per credential	Total STEP request ÷ Credential attainments

💡 Best Practice

Applicants should calculate the cost per participant and the cost per placement before finalizing enrollment and budget projections. These calculations help confirm that the projected program scale is financially realistic.

4.6.4 Example calculation

Assumptions:

- STEP request: $500,000
- Enrollment: 50
- Placements: 35
- Credentials: 40

Metric	Calculation	Result
Cost per participant	$500,000 ÷ 50	$10,000
Cost per placement	$500,000 ÷ 35	$14,285
Cost per credential	$500,000 ÷ 40	$12,500

4.6.5 Interpreting cost metrics

High cost per participant may be defensible when justified by:

- High-wage occupations
- Equipment-intensive training
- Certification fees
- Rural delivery costs
- Smaller cohorts due to facility constraints

Low cost per participant may signal risk when driven by:

- Underinvestment in participant supports
- Inflated enrollment projections
- Inadequate staffing allocation

4.6.6 Cost efficiency risk indicators

Indicator	Risk level
High cost with clear justification	Low
High cost with no explanation	Moderate
Low cost with inflated enrollment	High
Placement cost exceeds the realistic wage context.	Moderate
Cost per participant is inconsistent with the tuition allocation	High

4.6.7 Cost cross-check (Appendix A and Appendix C)

- Cost per participant aligns with the tuition budget and tuition slots
- Cost per placement aligns with employer demand
- Enrollment projection matches tuition slots
- 50 percent of participants remain satisfied after allocations

If cost modeling reveals misalignment, revise the budget or projections before submission.

4.6.8 Structural takeaway

Design the budget so enrollment is financially supported, participant services exceed 50 percent, and cost metrics are defensible within the sector and geographic context.

4.7 Budget and Projection Alignment Matrix

4.7.1 What this section covers

- How reviewers cross-check budget lines against projected outcomes
- What misalignment looks like

4.7.2 Core principle

Budget lines must support the outcomes projected in Appendix C.

4.7.3 Budget and projections alignment matrix

Budget line	Must support
Tuition	Credential and completion projections
Instructional salary	Cohort capacity
Supportive services	Completion feasibility
Employer coordination	Placement volume
Participant-facing staff	Enrollment scale

Example misalignment: tuition supports 40 participants, and projections show 60 credentials.

4.7.4 Structural takeaway

If the budget cannot support the projected outcomes, revise either the budget allocations or the projections.

4.8 Budget-Based Inflation Detection Ratios

4.8.1 What this section covers

- How reviewers identify inflation using budget ratios
- Common red flag patterns

4.8.2 Core principle

Inflation is often detected first in the budget.

4.8.3 Common red flags

Budget line	Must support
Tuition	Credential and completion projections
Instructional salary	Cohort capacity and training scale
Supportive services	Completion feasibility and retention support
Employer coordination	Placement volume and hiring pipeline
Participant-facing staff	Enrollment scale and participant oversight capacity

4.8.4 Structural takeaway

If the budget ratios appear strained, reviewers may perceive a feasibility risk and reduce scoring.

4.9 Appendix A – 50 Percent Validation Worksheet

4.9.1 What this section covers

- What the worksheet must show
- How totals must reconcile across documents
- Common responsiveness issues

4.9.2 Core principle

The worksheet is required and must reconcile with all submitted budget totals.

4.9.3 Worksheet must include:

- Identify the total STEP request
- Identify eligible participant service totals
- Exclude indirect costs
- Calculate the percentage

Totals must reconcile with:

- EGrAMS budget entries
- Appendix A budget narrative
- Appendix C projections

Inconsistent totals are a common reason for responsiveness issues.

✓ Required for Compliance

Worksheet totals must reconcile exactly with EGrAMS and Appendix A.

4.9.4 Structural takeaway

Reconcile totals before submission. If worksheet math does not match the narrative and budget totals, fix it before finalizing.

4.10 Budget Risk Tiers

4.10.1 What this section covers

- Common high, moderate, and low-risk budget signals
- What triggers scrutiny and revisions

4.10.2 Risk tier table

Risk level	Budget signals
High	Below 50 percent, tuition mismatch, lump-sum entries, indirect misclassification, and staffing inflation
Moderate	Minimal calculation explanation, barely above 50 percent, unclear staffing allocation
Low	Minor rounding differences, small variances explained.

4.10.3 Structural takeaway

Budget risk is proportional risk. High-risk patterns reduce competitiveness and may trigger compliance issues.

4.11 Budget Self-Assessment Checklist

4.11.1 What this section covers

A final budget readiness check before submission.

4.11.2 Checklist

- ☐ 50 percent of participant services clearly met the margin
- ☐ Tuition supports projected enrollment and tuition slots.
- ☐ Staffing allocations are proportional and calculated.
- ☐ Cost per participant is defensible and explained, if unusually high or low.
- ☐ Budget aligns with Appendix C projections.
- ☐ No indirect costs counted toward 50 percent
- ☐ Personnel allocations are explained clearly in Appendix A

If any element is unclear, revise before submission.

4.11.3 Structural takeaway

A strong STEP budget makes the pathway credible on paper. It funds enrollment, supports placement, and demonstrates participant-centered investment.

4.12 Appendix A Reconciliation Walkthrough

4.12.1 What this appendix covers

This walkthrough shows applicants how to:

- Build a compliant participant services calculation
- Correctly classify costs as counts versus those that do not count
- Reconcile totals across the three places reviewers cross-check:
    - EGrAMS budget totals
    - Appendix A – Budget narrative totals
    - Appendix A – 50 percent validation worksheet totals

This is one of the most common areas where otherwise strong applications are delayed, downgraded, or required to revise.

4.12.2 Core principle: One budget, three views

The budget is presented in different formats, but it is still one budget.

If totals do not match across EGrAMS, Appendix A, and the 50 percent worksheet, reviewers may assume:

- Misclassification risk
- Math errors
- Weak fiscal controls
- Unclear participant investment

4.12.3 Step-by-step reconciliation process

Step	Action	Output
1	Finalize the full STEP request amount	Total STEP request
2	Build a detailed budget by category	Line-item totals
3	Tag each line item as a count or as one that does not count	Classification key
4	Sum counts lines	Participant services total
5	Divide participant services total by total STEP request	Participant services percent
6	Enter totals into EGrAMS, Appendix A narrative, and worksheet	Reconciled totals
7	Run a final cross-check	Confirm all totals match

4.13 Mock Appendix A Reconciliation Example

4.13.1 Scenario overview

Item	Value
Total STEP request	$500,000
Projected enrollment	50
Budgeted tuition slots	50

4.13.2 Example budget lines with 50 percent classification

Budget line	Amount	Counts toward 50 percent	Notes
Tuition and instructional fees	$220,000	Yes	Participant training cost
Credential and testing fees	$15,000	Yes	Direct credential cost
Required tools and PPE	$25,000	Yes	Required participation items
Supportive services	$60,000	Yes	Transportation requires support
Instructor salary (STEP share)	$50,000	Yes	Direct instruction portion only
Program coordinator (STEP share)	$40,000	Partially	Split participant-facing vs admin
Employer liaison (STEP share)	$20,000	Partially	Split if duties include admin
Travel (program operations)	$10,000	No	General operations
Supplies (general admin)	$5,000	No	General administration
Indirect costs	$35,000	No	Does not count
Other admin and overhead	$20,000	No	Example

4.13.3 Personnel split example

Program coordinator (STEP share = $40,000)

Portion of coordinator time	Amount	Counts toward 50 percent
Participant-facing support administration = 60%	$24,000	Yes
Grant administration and general oversight = 40%	$16,000	No

Employer liaison (STEP share = $20,000)

Portion of liaison time	Amount	Counts toward 50 percent
Placement coordination directly supporting participants = 70%	$14,000	Yes
Employer outreach and general administration = 30%	$6,000	No

4.13.4 Total participant services calculation

Counts category	Amount
Tuition and instructional fees	$220,000
Credential and testing fees	$15,000
Required tools and PPE	$25,000
Supportive services	$60,000
Instructor salary (STEP share)	$50,000
Program coordinator (counts portion)	$24,000
Employer liaison (counts portion)	$14,000
Total participant services	$408,000

Total budget	Amount
Total STEP request	$500,000

Participant services percent = $408,000 ÷ $500,000 = 81.6%

4.13.5 Reconciliation table reviewers expect

Budget view	Total STEP request	Participant services total	Participant services percent
EGrAMS budget total	$500,000	$408,000	81.6%
Appendix A – Budget narrative	$500,000	$408,000	81.6%
Appendix A – 50 percent worksheet	$500,000	$408,000	81.6%

If any of these totals differ, reviewers flag misalignment.

4.13.6 Common reconciliation errors

Error	What happens
Total STEP request differs between EGrAMS and Appendix A	Non-responsiveness risk
Participant service lines were counted inconsistently.	The 50 percent calculation fails.
Indirect costs are counted as participant services	Compliance failure
Staff time is not split between participant-facing and administration	Inflated participant services percent
Tuition slots do not match enrollment projections	Inflation concern
Placement projected without employer documentation.	Projection credibility concern

4.13.7 Final lock check

- [ ] Total STEP request is identical in EGrAMS and Appendix A
- [ ] Every budget line is clearly classified.
- [ ] Personnel splits calculated and explained.
- [ ] Worksheet totals match budget narrative totals.
- [ ] Tuition allocation supports projected enrollment and training duration.
- [ ] Appendix C enrollment and outcomes are feasible given the budget.

4.13.8 Structural takeaway

A strong STEP budget is not just compliant; it is also effective. It is traceable.

When the same totals appear consistently across:

- EGrAMS
- Appendix A – Budget narrative
- Appendix A – 50 percent worksheet

Reviewers gain confidence that the project is financially disciplined, participant-centered, and implementable.

4.14 Example: Barely Compliant Budget

4.14.1 Why this matters

Budgets that land at 50 to 55 percent participant services may be compliant, but often come under scrutiny because small reclassifications can drop them below the required threshold.

4.14.2 Example pattern

Item	Value
Total STEP request	$500,000
Participant services total	$255,000
Participant services percent	51%

⚠️ Reviewer Risk Indicator

Budgets near the 50 percent participant services threshold may receive heightened scrutiny during evaluation.

Risk: If a single cost is reclassified as non-qualifying, the project may fall below the 50 percent requirement.

4.14.3 Structural takeaway

Applicants are strongly encouraged to build in a margin of at least 50% to reduce the risk of reclassification.

In plain language
Your budget must:

- Exceed 50 percent participant services
- Fund the number of participants you plan to enroll
- Allocate staff proportionally
- Produce a defensible cost per participant
- Reconcile across all documents

If totals differ between Appendix A and EGrAMS, fix them before submission.

The next section explains how applicants develop realistic projections for enrollment, completion, and employment that align with program capacity and employer demand.

4.15 Indirect Cost Limit

4.15.1 What this section covers

This section explains:

- The indirect cost limit applicable to STEP-funded projects
- How the 15 percent indirect cost cap applies to STEP awards
- When applicants may apply a federally negotiated indirect cost rate
- When the 10 percent de minimis indirect cost rate may be used
- How indirect costs must be calculated and documented in the project budget

This section also explains how reviewers verify compliance with the indirect cost limit during application review.

▌✓ **Requirement**
Indirect costs charged to STEP awards may not exceed 15 percent of modified total direct costs (MTDC).

Applicants with a federally negotiated indirect cost rate may apply their approved rate up to the 15 percent cap.

Applicants without a federally negotiated rate may elect to use the 10 percent de minimis indirect cost rate consistent with 2 CFR 200.414(f).

Indirect costs must be clearly identified in the budget and may not be applied to excluded cost categories defined under MTDC.

▌⚠️ **Reviewer Risk Indicator**
Indirect costs that exceed the allowable cap or are not clearly explained in the budget narrative may require revision during review.

SECTION 5 – PERFORMANCE PROJECTION MODELING

Developing realistic projections that reflect program design.

This section explains:
- How enrollment projections are modeled
- Completion, credential, and placement projections
- How reviewers validate performance projections
- Common projection errors applicants should avoid

Section Purpose
This section explains how applicants should develop realistic, defensible performance projections for Appendix C. Projections must reflect program design, operational capacity, employer demand, and budget scale.

Strong projections demonstrate that program outcomes are mathematically derived from the project design rather than estimated aspirational targets.

Who should read this section
- Data Analysts responsible for projection modeling
- Program Planners developing the training model
- Grant Writers preparing Appendix C performance projections

5.0 Performance Projection Modeling

5.0.1 What this section covers

This section explains how to build realistic and defensible performance projections for Appendix C, including:

- Enrollment modeling
- Completion rate modeling
- Credential attainment modeling
- Placement alignment with employer demand
- Wage alignment with projected occupations
- Cost-per-outcome alignment
- Inflation prevention
- How projections inform (but do not automatically bind) contract terms

Performance projections must be:

- Realistic
- Proportional to the budget scale
- Supported by staffing and operational capacity
- Aligned with employer demand
- Internally consistent across documents

Figure 5-1. Projection Alignment Logic

Illustrates how cohort-based enrollment calculations flow into Appendix C projections, inform budget scale, and are validated during application review.

5.0.2 Core principle: Projections must be modeled, not assumed

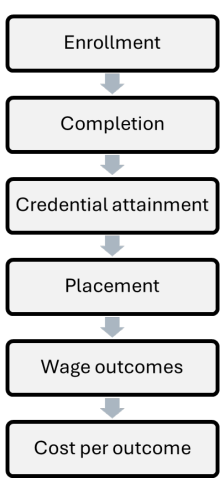
Performance projections are mathematical outputs of program design.

They are not aspirational targets.

If projections exceed operational capacity, budget scale, or employer demand, reviewers identify inflation risk.

Figure 5-2. Projection Chain Model

Shows the sequential relationship between key performance metrics:



If one metric expands beyond the constraints of the previous step, reviewers assume projection inflation.

Implementation Reality Check

Before finalizing performance projections, confirm that the following assumptions are clearly supported by program design and employer demand:

- Employer hiring capacity supports projected placements
- Completion assumptions reflect training intensity and participant support services
- Credential pass rates reflect training difficulty and historical performance, where available
- Training duration aligns with projected enrollment and cohort structure
- Placement timelines reflect employer hiring cycles

If these factors are not clearly documented, reviewers may question the feasibility of the projected outcomes.

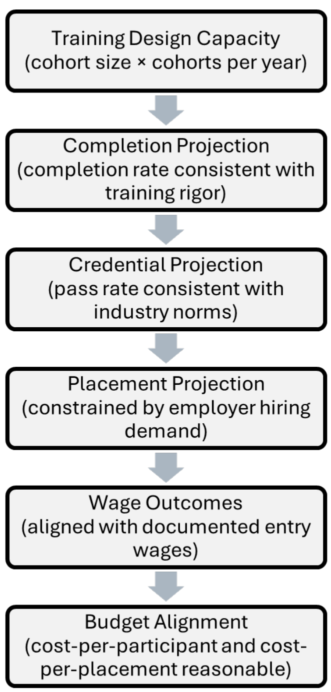
The following section explains how reviewers validate projections during application evaluation.

How reviewers test Appendix C projections

Before evaluating narrative quality, reviewers conduct a rapid structural review of the Appendix C projections to determine whether the projected outcomes are mathematically and operationally credible.
Reviewers typically apply the following sequence of checks.

Figure 5-3. STEP Projection Validation Sequence

Illustrates how reviewers sequentially evaluate enrollment, completion, credential attainment, placement, and wage projections when reviewing Appendix C.



If projections expand at any stage without supporting evidence, reviewers identify inflation risk, and scoring may be reduced.

Reviewer projection stress-test checklist
Reviewers commonly test the following questions when reviewing Appendix C.

Reviewer question	What reviewers verify
Does enrollment match the cohort structure?	Cohort math aligns with the Section 3 program design.
Does completion reflect training difficulty?	Completion rates are consistent with program rigor.
Are credential rates realistic?	Pass rates align with industry norms.
Do placements match employer demand?	Employer letters support projected hiring.
Are wages documented?	Wage projections align with employer data or labor market information.
Does the budget support the projected scale?	Cost-per-participant and staffing support enrollment

Common projection inflation signals
Certain projection patterns consistently trigger reviewer concern.

Projection pattern	What reviewers assume
Enrollment exceeds cohort capacity.	Training scale inflation
Completion above 95 percent across cohorts	Unrealistic retention assumptions
Credential rates above industry pass rates	Testing assumptions inflated
Placement exceeds employer hiring commitments.	Placement projections unsupported
Uniformly high outcomes across all metrics	Projections not modeled

Structural takeaway
Strong projections are sequential and constrained.

Each projection must logically follow the previous step and must be supported by:
- Program design capacity
- Employer demand
- Operational staffing capacity
- Budget scale

If a metric exceeds these constraints, reviewers assume that projection inflation is present.

In plain language
Reviewers ask a simple question:
- "Do the numbers logically flow from the training design to employment outcomes?"
  If the projections cannot be traced through the design model, the application appears structurally weak regardless of narrative quality.

5.1 Enrollment Modeling

5.1.1 What this section covers
- How to calculate enrollment realistically
- How to align Appendix C with cohort math
- How reviewers detect enrollment inflation

5.1.2 Core principle
Enrollment is a function of training structure, not ambition.

5.1.3 Cohort-based enrollment formula

Input	Applicant entry
Cohort size	
Cohorts per year	
Calculated annual enrollment	Cohort size × cohorts

💡 Best Practice

Enrollment projections should be mathematically derived from cohort structure or documented intake assumptions.

Example

Budget Alignment	Budget Alignment
(cost-per-participant and cost-per-placement reasonable)	(cost-per-participant and cost-per-placement reasonable)
Budget Alignment	Budget Alignment
(cost-per-participant and cost-per-placement reasonable)	(cost-per-participant and cost-per-placement reasonable)

Appendix C enrollment must equal 60.

If Appendix C shows 75, misalignment exists.

5.1.4 Enrollment risk indicators

Scenario	Risk level
Enrollment matches cohort math.	Low
Slight overage with explanation	Moderate
Enrollment exceeds instructor or facility capacity.	High

5.1.5 Enrollment alignment check

- ☐ Enrollment equals cohort math.
- ☐ Enrollment aligns with the tuition budget.
- ☐ Enrollment aligns with staffing capacity.
- ☐ Appendix C matches Section 3 modeling.

5.1.6 Structural takeaway

If enrollment math cannot be shown on paper, it will not be accepted in projections.

5.2 Completion Rate Modeling

5.2.1 What this section covers

- How to calculate completion rate
- How to calibrate realistic percentages
- When justification is required

5.2.2 Core principle

Completion must reflect training rigor, screening strength, and historical performance.

5.2.3 Completion formula

Completion rate = completed participants ÷ enrolled participants.

Example

Metric	Value
Enrollment	60
Expected completions	50
Completion rate	83%

5.2.4 Completion risk indicators

⚠️ Reviewer Risk Indicator

Completion projections above 95 percent without clear documentation or historical justification increase scoring risk.

Projection	Risk level
70–85 percent (training dependent)	Low
90 percent or higher without explanation	Moderate
95–100 percent across all cohorts	High

Applicants projecting unusually high completion rates must justify:

- Selective screening
- Structured intake process
- Intensive support model
- Historical performance data

5.2.5 Structural takeaway

Completion must be earned in the design model, not assumed in a spreadsheet.

5.3 Credential Attainment Modeling

5.3.1 What this section covers

- How to model credential attainment
- How to align projections with testing standards
- How reviewers compare projections to industry norms

5.3.2 Core principle

Credential attainment must reflect completion volume and industry pass rates.

5.3.3 Credential formula

Credential rate = credentials earned ÷ completed participants.

Example

Metric	Value
Completed participants	50
Credentials earned	45
Credential rate	90%

5.3.4 Credential risk indicators

⚠️ Reviewer Risk Indicator

Credential attainment rates above industry norms require documented support.

Projection	Risk level
Aligned with industry norm	Low
Slightly above norm with explanation	Moderate
95–100 percent without evidence	High

Example:

If CDL pass rates historically average 85 percent, projecting 98 percent requires documented justification.

5.3.5 Structural takeaway

Credential rates must reflect the realities of testing rather than internal optimism.

Implementation Reality Check

Before finalizing performance projections, confirm that projected outcomes align with documented program capacity and employer demand.

If the proposed program projects a high number of placements, verify that the following factors support those projections:

- Employer hiring demand documented through employer letters or agreements
- Training completion projections that reflect program rigor
- Credential attainment that aligns with employer hiring requirements
- Placement support capacity for coordinating interviews and hiring timelines

If projected placements exceed documented employer demand, reviewers may question whether the outcomes are achievable.

Strong projections are based on documented hiring demand and program capacity, not on aspirational targets.

5.4 Placement Modeling

5.4.1 What this section covers

This section explains:

- How to calculate placement rates correctly
- How placement is constrained by employer demand
- How reviewers test placement feasibility
- How apprenticeship placement must be modeled

5.4.2 Core principle

Placement is constrained by documented employer hiring demand.
Placement is not an independent variable.

5.4.3 Placement formula

Placement rate = placed participants ÷ completed participants.

Example

Metric	Value
Completed participants	50
Projected placements	35
Placement rate	70%

5.4.4 Placement alignment test

⚠️ Reviewer Risk Indicator

Placement projections that exceed documented employer hiring demand signal inflation in projections and feasibility concerns during evaluation.

Placement should be:

- Less than or equal to completed participants
- Less than or equal to documented employer hiring commitments
- Supported by employer documentation
- Operationally feasible given staffing capacity

If placement projections exceed documented demand, reviewers may assume inflation risk.

5.4.5 Apprenticeship modeling note
For apprenticeship-aligned projects, placement must reflect:

- Sponsor intake capacity
- Historical acceptance rates
- Documented apprenticeship openings

Wage reimbursement is not allowable and may not be used to justify placement projections.

5.4.6 Structural takeaway
Placement projections must be employer-demand constrained, not aspirational.

5.5 Incumbent Worker Training Modeling
5.5.1 What this section covers
This section explains how to model performance projections when STEP funds support training for incumbent workers.

Incumbent worker training occurs when participants are already employed and receive training to:

- Upgrade technical skills
- Obtain industry-recognized credentials
- Advance within their occupation
- Transition into higher-skilled roles

Incumbent worker training is common in:

- Employer-sponsored workforce development programs
- Apprenticeship-related technical instruction (RTI)
- Union training trust programs
- Industry upskilling initiatives

Figure 5-4. New STEP Entrant Training Model
Illustrates the training structure typically used for participants entering training for a new occupation.

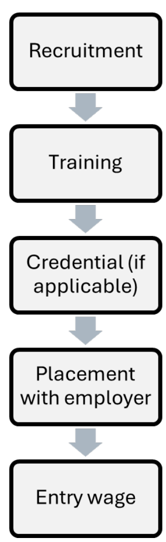
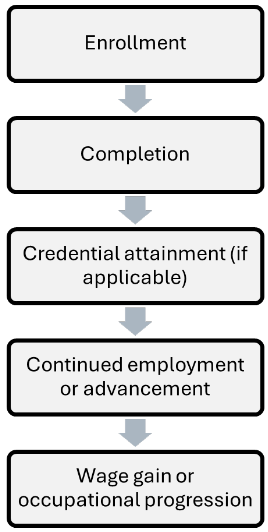


Figure 5-5. STEP Incumbent Worker Training Model
Illustrates the program structure for incumbent worker training projects in which participants are already employed.



5.5.2 Core principle

Incumbent worker training focuses on skill advancement and wage progression, not initial employment placement.

Participants are already employed when training begins.

Therefore, projections must reflect:

- Training completion
- Credential attainment (when applicable)
- Continued employment or advancement
- Wage gains or occupational progression

5.5.3 Modeling incumbent worker outcomes

When training incumbent workers, the projection chain differs slightly from that for new entrants.

5.5.4 Employment outcome definitions

Outcome type	Description
Continued employment	Participant remains employed after training.
Advancement	Participant moves into a higher-skilled role.
Wage progression	Participant receives a wage increase.
Occupational transition	Participant moves into a different role within the company.

Applicants should clearly explain which outcome applies.

5.5.5 Apprenticeship and union training trust programs

For apprenticeship-related technical instruction (RTI) and union training trust programs:

- Apprentices are typically already employed by participating employers
- Training supports progression through apprenticeship levels
- Apprenticeship wage schedules often govern wage progression

Therefore:

- Placement projections should reflect continued employment within the apprenticeship program
- Wage projections may reference apprenticeship wage progression schedules

5.5.6 Projection risk indicators

⚠️ Reviewer Risk Indicator

When incumbent worker training is not clearly explained, reviewers may misinterpret placement projections.

Projection pattern	Risk level
Incumbent workers are clearly identified.	Low
Placement assumed, but employment status unclear.	Moderate
100% placement projected with no explanation	High

Applicants should clearly state whether participants are already employed at the time of enrollment and whether placement outcomes represent job retention or advancement.

5.5.7 Structural takeaway

When modeling incumbent worker training:

- Placement may reflect continued employment
- Wage outcomes may reflect wage increases or advancement
- Employer documentation should confirm current employment and skill needs

Projections must still align with:

- Training capacity
- Employer demand
- Operational capacity
- Budget scale

5.6 Wage Outcome Alignment

5.6.1 What this section covers

- How wage outcomes should be documented
- How wages support cost-per-outcome defensibility
- How reviewers assess wage realism

5.6.2 Core principle

Projected wages should reflect documented entry wages for the targeted occupation.

Sources may include:

- Employer documentation
- State labor market data
- Union wage schedules
- Industry wage reports

5.6.3 Structural takeaway

Wage projections must reflect real employment conditions rather than aspirational earnings.

5.7 Cost Per Outcome Alignment

5.6.1 What this section covers

- How cost ratios are calculated
- How reviewers interpret cost per placement
- How cost ratios interact with wage levels

5.7.2 Core principle

Performance projections must align proportionally with the budget scale.
Cost ratios are not a separate scoring category but strongly influence judgments of fiscal reasonableness.

5.7.3 Example projection model

Assume:

- STEP request: $500,000
- Enrollment: 60
- Completion: 50
- Placement: 35

Metric	Calculation	Result
Cost per participant	$500,000 ÷ 60	$8,333
Cost per completion	$500,000 ÷ 50	$10,000
Cost per placement	$500,000 ÷ 35	$14,285

5.7.4 Interpretation

Cost per placement must be defensible relative to documented entry wages.

Example:
If the entry wage is $27/hour (~$56,000 annually, full-time), a $14,285 cost per placement may be reasonable.

5.7.5 Cost alignment check

☐ The cost per participant aligns with the tuition allocation.
☐ Placement projections align with employer demand.
☐ Budget scale supports projected outcomes.
☐ 50 percent of the participant services requirement remains satisfied

5.7.6 Structural takeaway

If cost metrics appear strained or artificially low, reviewers assume inflation in projections.

5.8 Projection Inflation Indicators

⚠️ Reviewer Risk Indicator

Certain projection patterns consistently signal projection inflation or structural misalignment during application review.

Pattern	Risk
Enrollment exceeds cohort capacity.	High
Completion above 95 percent	High
Credential rates exceed industry norms.	Moderate
Placement exceeds employer demand.	High
Uniformly high projections across all metrics	High

Applicants should ensure that projected outcomes can be supported by documented employer demand, training capacity, and realistic completion assumptions.

5.9 Strong vs Weak Projection Comparison

5.9.1 What this section covers

A structural comparison of projection quality patterns commonly observed by reviewers.

5.9.2 Strong vs weak comparison

Element	Strong model	Weak model
Enrollment	matches cohort math	inflated beyond capacity
Completion	realistic given training rigor	unsupported 98 percent
Placement	matches employer commitments	exceeds employer demand
Wage	documented	aspirational
Budget alignment	proportional and reconciled	misaligned

5.9.3 Structural takeaway

Strong projections are believable and constrained.

Weak projections rely on optimism rather than modeling discipline.

Implementation Reality Check

Before finalizing the budget, confirm:

- Cost per participant calculation is clearly documented
- Tuition and training costs align with cohort structure
- Staffing capacity supports projected enrollment
- Participant services exceed 50% requirement

5.10 Projection Self-Assessment

Before finalizing Appendix C, applicants should confirm:

- ☐ Enrollment matches cohort math.
- ☐ Completion rates reflect training rigor.
- ☐ Credential projections reflect testing norms.
- ☐ Placement projections match employer hiring demand.
- ☐ Wages are documented
- ☐ Cost-per-outcome metrics are defensible.

5.11 Worked Projection Walkthrough

5.11.1 What this section reinforces

This section reinforces the modeling discipline demonstrated throughout the projection chain.

5.11.2 Strong projections

Strong projections:

- Move sequentially through the projection chain
- Are constrained by real capacity
- Are supported by employer documentation
- Reconcile with the budget scale.
- Do not rely on wage reimbursement.

5.11.3 Weak projections

Weak projections:

- Expand independently
- Ignore employer demand
- Overstate uniform success rates

- Assume placement without documented hiring capacity
- Create unrealistic cost-per-placement ratios

5.11.4 Structural takeaway

Build projections like a chain. Each metric must logically constrain the next.
If one link expands without evidence, the entire projection model weakens.

In plain language

Projections must follow a chain:
Enrollment → Completion → Credential → Placement → Wage

Each step must be constrained by:

- Capacity
- Demand
- Documentation

If one number expands without evidence, the entire model weakens.

The next section explains how reviewers evaluate alignment across the narrative, budget, projections, and employer documentation during application review.

SECTION 6 – ALIGNMENT ARCHITECTURE AND RISK PREVENTION

Ensuring that all components of the application are aligned.

This section explains:

- How reviewers trace application logic
- How alignment is verified across documents
- Common structural risks reviewers identify
- How applicants can conduct a final alignment audit

Section Purpose

This section explains how reviewers evaluate alignment across the STEP application package and how applicants can identify structural risks before submission. It describes how the narrative, budget, projections, and supporting documentation must align mathematically and logically to demonstrate a credible and proportional workforce investment model.

Who should read this section

- Grant Writers preparing the application narrative
- Proposal Reviewers conducting internal application review
- Program Designers responsible for developing the project model

6.0 Alignment Architecture and Risk Prevention

6.0.1 What this section covers

This section explains:

- How reviewers cross-check applications
- How alignment affects scoring
- What structural misalignment looks like
- What causes non-responsiveness
- How projection inflation is detected
- How to conduct a final internal structural audit

Alignment is the central evaluation principle of STEP and the primary method reviewers use to assess feasibility, proportionality, and credibility.

Applications are evaluated holistically, not section by section.

Reviewers evaluate alignment across the components shown in Figure 1-2. STEP Program Architecture.

▌ Additional alignment tool

Applicants may use the STEP Application Component Crosswalk to verify that narrative responses, budget entries, training entries, and performance projections align with one another before submission.

▌ 6.0.2 Core principle: Alignment is the central evaluation discipline

Reviewers evaluate whether:

- Enrollment aligns with tuition capacity
- Placement aligns with employer demand
- Projections align with the budget scale
- Staffing aligns with enrollment
- The 50% participant services requirement is satisfied and reconciled
- Totals match across all documents

Misalignment reduces scoring even when narrative quality is strong.

▌ Alignment Checks Reviewers Apply

Reviewers evaluate STEP applications by cross-checking key assumptions across the narrative, budget, performance projections, and employer documentation to determine whether the proposed project is structurally aligned and operationally feasible.

These alignment checks are used by reviewers when evaluating STEP applications.

☐ Enrollment projections match training capacity.
☐ Budget allocations support the services described in the narrative.
☐ Placement projections align with documented employer demand.
☐ Staffing capacity supports projected program scale.
☐ Data reconciles across narrative, budget, and projection tables.

If these elements align, the proposal demonstrates structural feasibility and proportional program design.

If these elements do not align, reviewers may identify inflation risk or feasibility concerns during evaluation.

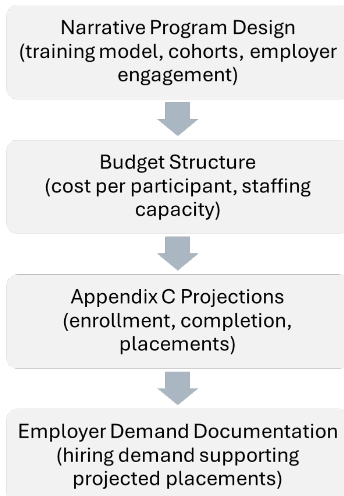
6.1 The STEP Alignment Framework

6.1.1 What this section covers

- The core application components were reviewed together
- How misalignment affects scoring

Figure 6-1. Reviewer Alignment Validation Pathway

Illustrates how reviewers trace assumptions across the narrative, budget, performance projections, and employer documentation to determine whether a proposed STEP project is structurally aligned and feasible.

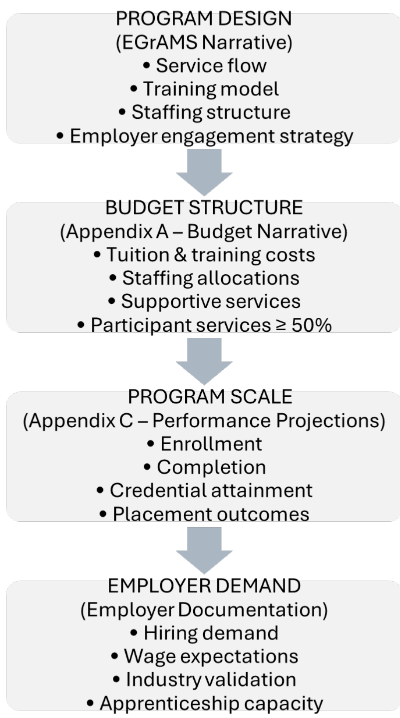


6.1.2 Core principle

All major components must reconcile numerically and logically.

Figure 6-2. STEP Alignment Architecture

Shows how program design, budget structure, performance projections, and employer demand must align across the application.



6.1.3 The four core components reviewed together

Component	Primary function
EGrAMS narrative	Describes program design and service delivery
Appendix A – budget narrative	Explains the financial structure of the program
Appendix A – 50% participant services worksheet	Confirms compliance with the participant investment requirement
Appendix C – performance projections	Quantifies enrollment and projected outcomes

Strength in one section does not compensate for misalignment in another.

6.1.4 Structural takeaway

If any component expands beyond the others, reviewers flag proportionality risk.

6.2 The Reviewer Tracing Model

6.2.1 What this section covers

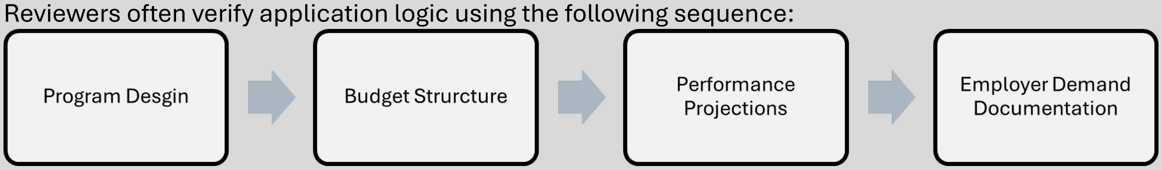
- How do reviewers trace information across the application?
- How is alignment tested?
- What cross-check questions do reviewers apply?

6.2.2 Core principle

Reviewers do not read the application sequentially. Instead, they trace key assumptions across the narrative, budget, projections, and documentation.

How Reviewers Check Alignment

Reviewers often verify application logic using the following sequence:



If these components reflect consistent assumptions, the proposal demonstrates structural alignment.

If one component expands beyond the others, reviewers may identify concerns about proportionality or feasibility.

6.2.3 Trace 1: narrative → budget

Reviewers typically ask:

- Does the budget support the services described?
- Does tuition match projected enrollment?
- Does staffing align with the training scale?
- Does the employer engagement described in the narrative have funding support?

If the narrative states...	The budget must show...
60 participants	Tuition is sufficient for 60 participants.
Intensive support model	Supportive services allocation that matches the claim
Strong employer engagement	Dedicated coordination or placement support capacity
Apprenticeship-aligned pathway	RTI costs, tools, credential support, or related instruction funding
Structured placement process	Staff time allocated to placement coordination.

If the narrative describes services that are not financially supported in the budget, reviewers identify misalignment.

6.2.4 Trace 2: budget → projections

Reviewer questions

- Does tuition support projected credential attainment?
- Does placement volume align with documented employer hiring demand?
- Does staffing support the projected enrollment scale?
- Do supportive services support projected completion rates?

Budget element	The projection must reflect.
Tuition	Credential and completion volume
Supportive services	Realistic completion rate
Instructor salary	Cohort frequency and enrollment scale
Participant-facing staff	Enrollment and placement oversight capacity
Employer coordination	Realistic placement volume

> **Structural takeaway**
> If the budget cannot support the projected outcomes, reviewers assume inflation or feasibility risk.
> Numbers must move together.

6.2.5 Trace 3: projections → employer documentation

Reviewer questions:

- Do employer letters support placement projections?
- Do wage projections align with employer data?
- Do apprenticeship entries align with sponsor capacity?

Projection	Must be supported by
35 placements	Employer hiring commitments
$27/hour wage	Employer documentation
Apprenticeship entry	Sponsor acceptance rates

> 💡 **Best practice**
> Applicants should cross-check alignment across narrative, budget, and projections before submission.

> **6.2.6 Structural takeaway**
> If projections exceed supporting documentation, reviewers may question the credibility of the proposed outcomes.

6.3 Full Alignment Matrix

Applicants should complete this matrix before submission.

Component	Must align with	Risk if misaligned
Enrollment	Tuition and instructor capacity	Inflated projections
Completion	Screening and support model	Unrealistic success rates
Credential	Tuition and testing fees	Credential mismatch
Placement	Employer demand and hiring capacity	Placement inflation
50% worksheet	Budget categories	Non-responsiveness
Staffing	Enrollment and coordination needs	Operational strain

> **6.3.1 Structural takeaway**
> Alignment must be mathematical and logical, not narrative-only.

6.4 High-Risk Structural Errors

> ✓ **Required for Compliance**
> Missing required appendices or failure to meet the 50% threshold may result in non-responsiveness.

6.4.1 What this section covers
• Pass/fail triggers
• Major scoring deductions
• Moderate risk issues

6.4.2 Non-responsive triggers (pass/fail)

Trigger	Outcome
Missing Appendix A	Non-responsive
Missing Appendix C	Non-responsive
50% below the required threshold	Non-responsive or revision required
Required EGrAMS fields are incomplete.	Non-responsive
Incorrect template format	Non-responsive

These issues cannot be corrected after the submission deadline.

6.4.3 High-risk scoring deductions

Issue	Impact
Enrollment exceeds tuition capacity.	Major deduction
Placement exceeds employer demand.	Major deduction
90–100% projections without explanation	Major deduction
Administrative-heavy budget	Deduction
Staffing not explained	Deduction
Inflated wage assumptions	Deduction

6.4.4 Moderate-risk issues

Issue	Impact
Generic employer letters	Category deduction
Lump-sum budget lines	Fiscal concern
Minimal math explanation	Credibility reduction
Barely exceeding 50%	Increased scrutiny

6.4.5 Structural takeaway
Pass/fail issues stop review.

High-risk issues significantly reduce competitiveness.

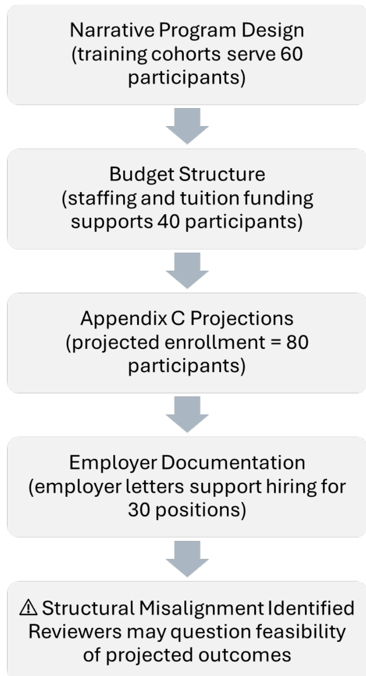
6.5 Inflation Detection Patterns

6.5.1 What this section covers
- Common inflation patterns
- Structural red flags reviewers recognize quickly

⚠️ Reviewer Risk Indicator
The following patterns are commonly associated with projection inflation or structural misalignment during application review.

6.5.2 Core principle
When enrollment, staffing, placement, and budget scale together proportionally, reviewers see the project as feasible and well-designed.
When one element grows without support from the others, reviewers identify inflation risk and feasibility concerns.

Figure 6-3. Example of Application Misalignment
Illustrates how inconsistencies between the narrative, budget, projections, and employer documentation may signal structural risk during application review



Misalignment occurs when key assumptions differ across application components.

Common examples include:

- Projected enrollment exceeding training capacity
- Budget resources are insufficient for the projected scale
- Placement projections exceeding documented employer demand

When these inconsistencies occur, reviewers may identify inflation risk or feasibility concerns during evaluation.

6.5.3 Pattern 1 – uniform high rates

Metric Projection	Projection Reviewer	Reviewer Interpretation
Completion	95%	Unusually high for most training programs
Credential	98%	Nearly universal attainment is assumed
Placement	97%	Placement exceeds the typical employer hiring conversion

Without explanation, this pattern represents elevated risk.

6.5.4 Pattern 2 – enrollment expansion without budget increase

Original model	Revised model
50 participants	80 participants
Tuition for 50	Same tuition budget

This signals projection inflation.

6.5.5 Pattern 3 – placement greater than completion

If the placement exceeds the number of completed participants, a structural modeling error exists.

6.5.6 Pattern 4 – wage projection without documentation

Projected wages must align with employer letters or documented labor market data.

6.5.7 Structural takeaway

If a projection cannot be supported by documentation, capacity assumptions, or mathematical modeling, reviewers may identify inflation risk.

Common Red Flags Reviewers Identify

During application review, experienced reviewers quickly look for patterns that signal projection inflation or structural misalignment.

The following indicators frequently raise concerns during evaluation.

Projection inflation signals

- Completion, credential, and placement rates all exceed 95–100 percent without explanation
- Placement projections exceed documented employer demand
- Wage projections are not supported by employer documentation or labor market data

Capacity misalignment signals

- Enrollment projections exceed the training capacity described
- Staffing levels do not support the proposed program scale
- Cohort structure is unclear or inconsistent with projected enrollment

Budget inconsistency signals

- Tuition funding does not support prospective participants
- Administrative costs appear disproportionate to participant services
- Cost-per-participant calculations are unclear or missing

Alignment signals

- Totals differ across narrative, budget, and Appendix C
- Employer documentation does not support projected placement outcomes

Tip for applicants

If reviewers can quickly verify the logic connecting program design, projections, budget structure, and employer demand, the proposal is easier to evaluate and more competitive during scoring.

6.6 Structural Consistency Audit

💡 Best practice

Applicants should complete this internal structural audit immediately before submission.

6.6.1 Narrative alignment check

- [ ] Enrollment is consistent across all sections.
- [ ] Service flow matches staffing structure.
- [ ] Employer engagement is clearly defined.
- [ ] Credential pathway clearly identified

6.6.2 Budget alignment check

- [ ] Tuition supports enrollment
- [ ] 50% participant services clearly exceeded
- [ ] Staffing allocations proportional
- [ ] Cost-per-participant defensible

6.6.3 Projection alignment check

☐ Completion assumptions are realistic.
☐ Credential attainment is realistic.
☐ Placement supported by employer demand
☐ Wage supported by documentation

6.6.4 Cross-component check

☐ Enrollment matches tuition slots.
☐ Placement ≤ employer hiring commitment
☐ Staffing supports projected scale.
☐ Budget totals reconcile across documents.

6.6.5 Structural takeaway

If any item cannot be verified with confidence, revise the project design or documentation before submission.

6.7 Strong vs Weak Alignment Comparison

Factor	Strong application	Weak application
Enrollment	Matched to cohort math	Inflated
Tuition	Matches participant count	Underfunded
50% rule	Clearly exceeded	Barely met or missed
Placement	Employer-supported	Aspirational
Wage	Documented	Assumed
Staffing	Proportional	Unclear

6.7.1 Structural takeaway

Strong applications tell one consistent mathematical story across documents.

6.8 Why Alignment Drives Scoring

6.8.1 Core principle

Alignment strengthens multiple scoring categories simultaneously.

Alignment signals:

- Planning discipline
- Operational feasibility
- Fiscal integrity
- Employer validation
- Program credibility

Misalignment signals:

- Projection inflation
- Budget instability
- Weak employer support
- Implementation risk

6.9 Final pre-submission structural audit table

Applicants may use this final checkpoint.

Question	Yes	No
Does enrollment match tuition capacity?	▯	▯
Does placement match employer demand?	▯	▯
Does cost-per-participant make sense?	▯	▯
Is 50% participant services clearly documented?	▯	▯
Do projections reflect industry norms?	▯	▯
Does staffing support the projected scale?	▯	▯
Are totals consistent across all documents?	▯	▯

If any “No” appears, revise before submission.

6.10 Structural takeaway

The strongest STEP applications:

- Tell one consistent story
- Align math across documents
- Demonstrate proportionality
- Avoid projection inflation
- Clearly exceed compliance thresholds

Alignment is not an editing exercise; it is a program design discipline.

In plain language

Reviewers trace your numbers.

They ask:

- Does tuition support enrollment?
- Does placement match employer demand?
- Do totals match across documents?
- Does the 50% worksheet reconcile?

If the numbers do not align, scoring decreases.

STEP Application Submission Checklist

Before submitting the STEP application, applicants are strongly encouraged to complete the STEP RGA Submission Checklist.

The checklist provides a structured verification tool to help applicants confirm that the application is:

- Complete
- Internally consistent
- Aligned across narrative, projections, and budget
- Compliant with required submission components

The checklist includes verification steps for:

- EGrAMS narrative completion
- Required appendices and attachments
- Participant services 50 percent compliance
- Training and credential alignment
- Projection integrity
- Internal consistency across application components
- Final upload and submission verification

Applicants should complete the checklist immediately before submission.

Use of the checklist helps reduce common issues such as:

- Missing required attachments
- Budget inconsistencies across documents
- Projection misalignment
- Participant services calculation errors
- Incomplete EGrAMS narrative fields

The STEP RGA and Appendices govern all official requirements. The checklist is provided as a technical assistance tool to help applicants prepare a complete submission.

The next section explains what occurs after application submission, including evaluation, award determination, and post-award scope alignment.

SECTION 7 – POST-AWARD LIFECYCLE AND PERFORMANCE MANAGEMENT

Understanding what occurs after an award is made.

This section explains:

- The application review process
- How funding determinations are made
- Post-award scope alignment
- Reporting, monitoring, and performance expectations

Section Purpose
This section explains what occurs after the application is submitted, including the review process, funding determinations, post-award scope alignment, contract execution, monitoring expectations, and performance accountability.

Submitting the application is the beginning of the governance and alignment process, not the end.

Who should read this section

- Awarded Grantees
- Project Managers responsible for grant implementation
- Program Staff responsible for reporting and compliance
- Applicants preparing for potential award management responsibilities

7.0 After You Submit

7.0.1 What this section covers

This section explains:

- How applications are reviewed
- How funding determinations are made
- What post-award scope alignment means
- How final performance benchmarks are established
- What occurs before contract execution
- What monitoring and reporting expectations apply
- How successful grantees manage performance
- How accountability and corrective action operate

Final submission preparation

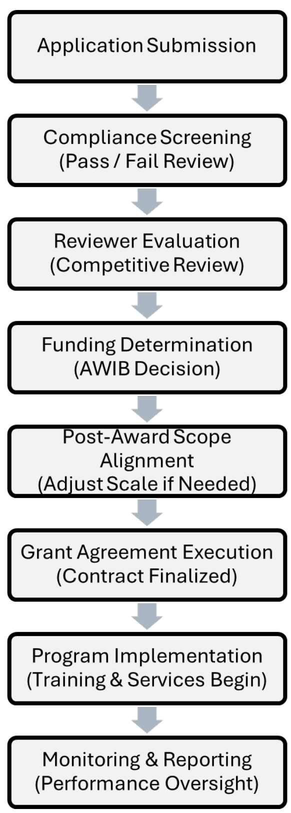
Applicants are encouraged to use the STEP Application Submission Checklist to confirm that all required application components have been completed and uploaded correctly before final submission.

7.0.2 Core principle: Submission begins governance alignment

STEP is a performance-based workforce investment model.

Figure 7-1. STEP Grant Lifecycle

Illustrates the sequence from application submission through review, award determination, scope alignment, and implementation.



What Happens After Application Submission

Submitting an application begins the program governance and alignment process.

- [ ] Applications undergo compliance screening and evaluation.
- [ ] AWIB determines funding awards and project scope
- [ ] Selected applicants participate in post-award scope alignment.
- [ ] Final enrollment, budget, and performance benchmarks are confirmed.
- [ ] Requirements are formalized in the executed grant agreement.

Award determinations may include adjustments to:

- Enrollment scale
- Budget allocations
- Performance projections
- Implementation timelines

These adjustments ensure the final project design is operationally feasible and compliant with STEP requirements.

After submission:

- Applications undergo a structured review process
- Awards may be adjusted based on available funding and evaluation results
- The program scope may be refined proportionally
- Final performance expectations are formalized
- Monitoring begins after contract execution

Alignment continues after selection.

7.1 Application Review Process

7.1.1 What this section covers

- The stages of application review
- How compliance is verified
- How scoring is conducted
- How comparative ranking works

7.1.2 Review stages

Applications move through structured evaluation stages.

Stage	Description
Compliance screening	Required components verified
Reviewers review	Structured rubric evaluation
Ranking and recommendation	Comparative analysis conducted
AWIB determination	Final funding decisions made
Award notification	Applicants notified

7.1.3 Compliance screening (pass/fail)
Before scoring begins, reviewers confirm that all required materials are submitted.

Required components include:
- [ ] All required EGrAMS narrative sections completed.
- [ ] Appendix A submitted
- [ ] 50% participant services validation worksheet submitted
- [ ] Appendix C submitted
- [ ] Required attachments uploaded
- [ ] 50% participant services requirements satisfied

Failure at this stage may result in a determination that the application is non-responsive.

7.1.4 Reviewer's evaluation
Applications that pass compliance screening move to scoring.

Reviewers evaluate:
- Organizational capacity
- Project design and implementation
- Employer engagement
- Participant services and eligibility
- Outcomes and accountability
- Budget and fiscal management

Bonus points are evaluated separately.

Scoring is comparative rather than absolute.

Applications demonstrating strong structural alignment across narrative, projections, budget, and documentation are typically more competitive.

7.1.5 Structural takeaway
Strong applications advance because they are proportionally aligned and operationally feasible, not simply because they are narratively persuasive.

7.2 Funding Determinations
7.2.1 What this section covers
- How award amounts are determined
- Why awards may differ from requested amounts
- How workforce priorities influence funding decisions

7.2.2 Funding considerations
Funding decisions consider several factors:
- Scoring results
- Available STEP funding
- Geographic balance
- Industry balance
- Alignment with workforce priorities

AWIB may:

- Fully fund an application
- Partially fund an application
- Decline funding
- Adjust award amounts

Award amounts may differ from the original request.

7.2.3 Structural takeaway

Award size may change during the selection process. Proportional alignment between program scale, projections, and budget must remain intact.

7.3 Post-Award Scope Alignment

7.3.1 What this section covers

- What post-award scope alignment means
- What components may be refined
- What requirements remain non-negotiable
- Why alignment occurs before contract execution

7.3.2 Core principle

Final project scope follows the funding determination.

If selected, applicants enter a structured scope alignment process before contract execution.

This process ensures that:

- Enrollment targets are proportional to the award amount
- Performance benchmarks are realistic
- Budget allocations remain appropriate
- Implementation timelines are operationally feasible

7.3.3 What may be adjusted during scope alignment

Component	May be adjusted
Enrollment targets	Yes
Performance benchmarks	Yes
Budget allocations	Yes
Cohort frequency	Yes
Implementation timeline	Yes

💡 Best practice

Applicants should be prepared for proportional adjustments if the final award amount differs from the requested amount. Program scale, budget structure, and performance projections may be refined during post-award scope alignment.

7.3.4 What is not negotiable

Requirement	Status
50% participant services requirement	Mandatory
Statutory performance standards	Binding
Allowable cost rules	Mandatory
Reporting requirements	Mandatory

7.3.5 Structural takeaway
Scope alignment refines program scale. It does not change statutory or regulatory compliance requirements.

7.4 Calibration Year Clarification
7.4.1 Core principle
For this funding cycle:
- Performance projections inform alignment discussions
- AWIB-defined metrics may be refined during implementation
- Statutory requirements remain binding

The goal is to establish proportional and defensible performance expectations.

7.5 Timeline Development (Post-Award)
7.5.1 What this section covers
- Why is the timeline finalized after the award
- How implementation sequencing is confirmed

Applicants do not submit a detailed timeline during the application phase.

If awarded, a timeline will be finalized during scope alignment to confirm:
- Cohort scheduling
- Employer hiring coordination
- Reporting milestones
- Fund drawdown pacing

Developing the timeline after the award helps prevent unrealistic launch schedules.

7.6 Grant Agreement Execution
✓ Requirement
Funds may not be drawn until the agreement is executed.

7.6.1 What this section covers
- What is included in the executed agreement
- When funds may be drawn

The executed grant agreement establishes the final approved project structure and administrative requirements.

The executed grant agreement will include:
- Final enrollment targets
- Final performance benchmarks
- Approved budget
- Reporting schedule
- Payment structure

7.7 Reporting and Monitoring Expectations
7.7.1 What this section covers
- Ongoing reporting responsibilities
- Monitoring focus areas
- Risk indicators during implementation

7.7.2 Grantee responsibilities
STEP grantees are expected to:
- Enter participant data into AlaskaJobs
- Maintain participant eligibility documentation
- Track training completion
- Verify credential attainment
- Document employment and wage outcomes
- Maintain financial and grant expenditure documentation

✓ Requirement

Grantees must maintain documentation sufficient to support participant eligibility, reported performance outcomes, and fiscal compliance.

7.7.3 Monitoring focus areas

Area	What is reviewed
Eligibility	Documentation completeness
50% compliance	Participant services calculations
Enrollment	Consistency with the grant agreement
Completion and credential	Supporting documentation
Placement	Employer verification
Financial	Allowability and allocability

7.7.4 Monitoring risk indicators

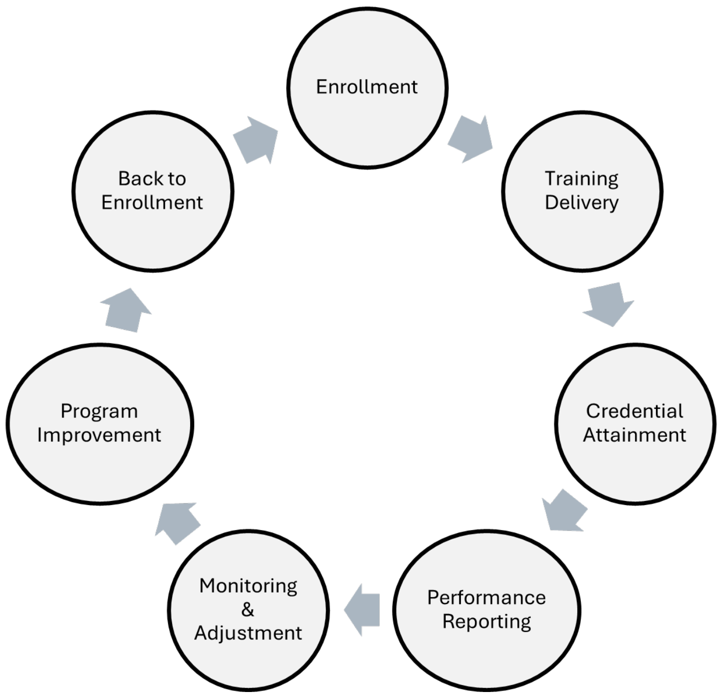
Signal	Risk level
Inconsistent documentation	Moderate
Placement is unsupported by employer verification.	High
Participant services below 50% during implementation	High
Enrollment is significantly below the target.	Moderate

Early communication with AWIB reduces the likelihood of corrective action.

7.8 Performance Accountability
Successful STEP programs manage performance continuously rather than waiting for quarterly or annual reporting periods.

7.8.1 Core principle
Strong grantees actively monitor internal performance throughout the grant period.

Figure 7-2. STEP Performance Management Cycle
Shows the continuous monitoring-and-improvement cycle used by successful STEP grantees.



Recommended practices include:

- Monitoring internal performance data monthly
- Reconciling budget expenditures against enrollment levels
- Tracking cost-per-participant metrics
- Reviewing the employer placement pipeline

Strong grantees often conduct quarterly internal performance audits.

7.9 Continuous Improvement Expectations

Successful grantees:

- Adjust recruitment strategies when enrollment lags
- Strengthen employer engagement when placement declines
- Monitor the 50% participant services ratio quarterly
- Review cost-per-outcome annually

Proactive management helps prevent corrective action.

7.10 If Performance Falls Short

If performance benchmarks are not met:

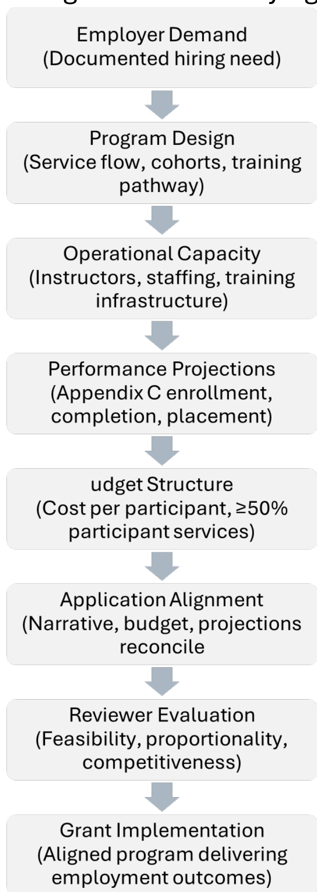
- AWIB may provide technical assistance
- Corrective action may be required
- Performance improvement plans may be developed

Early and transparent communication with AWIB program staff is strongly encouraged when performance challenges arise.

▌✓ Requirement

Failure to meet statutory performance standards may result in corrective action or other administrative remedies.

Figure 7-3. STEP Program Architecture
Illustrates the integrated program design model underlying the STEP application and evaluation framework.



Structural takeaway

Strong STEP proposals are built on a coherent program model that connects employer demand, training delivery, participant services, and measurable employment outcomes.

Applicants who design programs with clear operational capacity, realistic projections, and documented employer demand produce applications that are easier to evaluate, score higher, and are more successful in implementation.

7.11 Appeals and Future Funding Cycles

Applicants who are not selected may:

- Request debrief information
- Reapply in future funding cycles

Improved alignment often strengthens competitiveness in future applications.

7.12 Final Applicant Reminders

Before submission

- Ensure alignment across all application components
- Ensure the 50% participant services requirement is clearly exceeded
- Ensure projections are realistic and supported by documentation
- Ensure employer hiring commitments are documented
- Ensure calculations reconcile across documents

After submission

- Be prepared to discuss proportional alignment during review
- Be prepared to refine the scope if selected
- Maintain strong documentation practices

7.13 Structural takeaway

The strongest STEP applicants:

- Design programs proportionally
- Build defensible budgets
- Develop realistic projections
- Align narrative, projections, and budget
- Engage employers substantively
- Manage performance actively

STEP is a performance-based workforce investment model.

Design and manage programs accordingly.

In plain language

If selected:

- Award size may change
- The program scope may be refined
- Performance benchmarks will be finalized
- Monitoring begins at contract execution

Strong grantees monitor performance monthly rather than annually.