

IDAHO WORKFORCE DEVELOPMENT COUNCIL  
November 15, 2012 – Draft Meeting Minutes

**Welcome and Introductions**

Council Chair Tim Komberec called the meeting to order at 9 a.m. and welcomed everyone. Chair Komberec announced that Darrel Anderson, Dick Armstrong, Jerry Beck, Kara Besst, John Chatburn, Tom Luna, Brad Murray, Brent Reinke, and David Schmitz will not be attending today. Chair Komberec welcomed Russell Gee, Jody Lewis, Aaron White, and John Young as new council members and introductions followed.

**Agenda Review**

Chair Komberec reviewed the agenda and no additions were requested.

**Consent Agenda**

Chair Komberec explained that the transmittals on the consent agenda have been reviewed and approved by the executive committee.

Chair Komberec asked Idaho Department of Labor Assistant Deputy Director Dwight Johnson to explain the consent agenda which included:

- Minutes from August 13, 2012 Council Meeting
- Eligible Training Provider List (Transmittal #1)
- Workforce Investment Act Formula 5% Funds for Youth in Need (Transmittal #2)
- Workforce Investment Act PY 2011 Annual Report (Transmittal #3)

Chair Komberec accepted a motion by Tony Fernandez, seconded by Linda Clark to approve the consent agenda; the items on the consent agenda were approved unanimously by voice vote.

**Report from Chair Komberec**

Chair Komberec said there is a lot of speculation about the impact of the recent election on national workforce programs. The National Governor's Association gave an update on their expectations on what will be happening in Washington DC because of the election. Of course President Obama was re-elected and Congress had basically a status quo election where nothing changed. Congress has a very robust agenda for lame duck session and for the first quarter of 2013. There are major budgets that still need to be passed, the Farm Bill which includes drought relief, relief for Hurricane Sandy and the Defense Budget which includes National Guard funding.

On December 31, 2012 the Bush era tax cuts expire, the payroll tax cut expire, the Alternative Minimum Tax (AMT) expire – which will mean a tax increase for up to 40 million people and the so-called “Doc fix” expires – Medicare reimbursement for doctors will drop dramatically. January 2<sup>nd</sup> is the sequestration deadline which will result in \$1.2 trillion in across the board spending cuts in domestic and defense spending and that translates into an 8 to 11% cut in all domestic programs. No one wants sequestration to happen. But they will need to find \$1.2 trillion over 10 years in spending reductions or tax increases. The hope is to do a targeted approach rather than an across the board approach.

In March 2013 the Concurrent Resolution (CR) that funds the government at current spending levels ends and the Debt Ceiling will be hit.

Each of those dates is a decision point for Congress. There has been a lot of discussion about bi-partisanship to cut a budget deal. But you have the same players at the same table as before the election.

Tax Reform is also high on everyone's agenda as part of any budget negotiation. Regardless of whether sequestration happens or not, we can expect to have reductions in federal grant programs to the states. WIA Reauthorization and No Child Left Behind legislation will not be on the lame duck agenda and probably not be on anyone's agenda until late in 2013.

### **Economic Outlook**

Chair Komberec introduced Idaho Department of Labor Chief Research Officer Bob Uhlenkott who presented an update on Idaho's economic outlook based on the department's labor force projections.

Mr. Uhlenkott said his presentation would be an update to the information given at the last meeting. Mr. Uhlenkott said that at the nation's current gross domestic product (GDP) growth rate is estimated at around 2.0 percent, Idaho could realize just over \$59B in 2012.

Mr. Uhlenkott discussed:

- o Idaho's unemployment rates by regions with north Idaho being the highest at 9.6%
- o Alternative unemployment measurers
- o National employment by states and quarters
- o Construction jobs quarterly by states
- o Non-farm jobs year over year percentage change
- o Idaho's new hire counts listed by the month
- o Idaho's Top 25 Occupational Job listings

Mr. Uhlenkott said that the IDOL's Regional Economists are Andrew Townsend, Alivia Metts, Kathryn Tacke, Jan Roeser, Dan Cravens and Will Jenson and they can provide valuable regional information about jobs and the economy.

Mr. Uhlenkott updated the Industry and Occupational Projections:

- Short Term Projections for 2009 to 2011 – Jobs were projected to grow annually at .30%.
  - ✓ Underestimated Non-farm Jobs in the fourth quarter of 2011 by 140 Jobs (off by .023%).
- Short Term Projections for 2010 to 2012 – Jobs were projected to grow annually at .33%.
  - ✓ Growth expected to exceed our original projection, on pace for around 75%.
- Short Term Projections for 2011 to 2013 – Jobs are projected to grow annually at 1.2%.
  - ✓ If things continue with slow modest growth we are on pace for 1.2% annualized growth. That being said, in 2013 there are many potential economic hurdles yet to be faced.
- Long Term Projections for 2010 to 2020 – Jobs projected to grow at 1.7%.
  - ✓ Way too soon to estimate but existing economic conditions suggest we are on track to realize this projection.

### **Educational Attainment Task Force (Transmittal #4)**

Chair Komberec asked Co-Chair Bert Glandon to update the council on the Educational Attainment Task Force meeting which was held yesterday.

Co-Chair Glandon reported that the task force heard reports from:

- o Barbara Endel and Amy Loyd, Jobs for the Future reported on best practices happening nationally
- o Jami Macmillan, Albertson Foundation reported on the "Go-On" campaign and other state efforts
- o Todd Schwarz, Administrator, Division of Professional Technical Education (PTE) reported on Idaho's PTE plans and programs
- o Amy Lorenzo, Office of Performance Evaluation (OPE) reported on the 2011 OPE study – "overcoming barriers to higher education"
- o Andy Mehl, State Board of Education reported on state plans for the Longitudinal Data System

Co-Chair Glandon said the task force had a brainstorming session and discussed the following:

- What is the vision we have for Idaho
- What are the structural challenges
- What are the barriers
- Categories for change and their champions.
- Need for business and industry to help with the task force

Co-Chair Glandon said that David Spann from Agile Adaptive Management facilitated the discussion to help members prioritize possible recommendations to the Governor and the State Board of Education

Co-Chair Glandon said the task force will meet as sub-committees this spring (before the next task force/council meeting) to discuss and formulate the categories into recommendations.

Rian Van Leuven brought up his concern for student involvement in the process. Linda Clark, Bert Glandon, Todd Schwarz said they would suggest students from student councils/governments to help on the sub-committees.

### **Council Liaison with Local Groups (Transmittal #5)**

Chair Komberec reminded the council that at the last meeting a Workforce Liaisons group was established to improve communications with local workforce and economic development groups around the state and asked Idaho Department of Labor Assistant Deputy Director Dwight Johnson to provide an update on this effort.

Assistant Deputy Director Johnson reported that the IDOL staff identified a list of current workforce groups across the state and an invitation was sent from Chair Komberec asking for participation as members of a "council liaisons" group. There were 63 local groups identified with 23 favorable responses. The intent is to have the liaison group help ensure greater connection and input from local/regional workforce organizations and industry groups and to establish a more structured method for facilitating communication and collaboration of local efforts with the council.

Mr. Johnson said that correspondence from council liaison members will be directed to: [wdc@labor.idaho.gov](mailto:wdc@labor.idaho.gov) or to one of the Idaho Department of Labor Regional Business Specialists (Ricia Lasso, Brent Tolman and Dan Holmes). Correspondence will be collected and formatted for review at regular council meetings. The Regional Business Specialists will be responsible for keeping the council liaison list updated and current.

### **Workforce Development Training Fund (Transmittal #6)**

Chair Komberec asked Idaho Department of Labor Contract Manager Jenny Hemly to review the performance report on the Workforce Development Training Fund.

Ms. Hemly reported the Workforce Development Training Fund is a training fund designed to help employers with training cost for new employees. It helps employers avoid layoffs and can be an economic development tool. The fund was established in 1996 and is funded from 3 percent of the unemployment insurance taxes. Since January of 2012 there are 54 active contracts and as of November 2012 there is balance of \$4.2 million dollars in the fund.

In September 2012 an in-depth analysis was completed on fund. Ms. Hemly reported that since the program's inception, 278 contracts have been written. This report focuses on 160 contracts for the time period from 2000-2009. A copy of the report can be obtained at the department website at [www.labor.Idaho.gov/publications](http://www.labor.Idaho.gov/publications).

Ms. Hemly said that the positive impact these training funds have on participating workers, wages and job retention are:

- Training fund trainees realized annualized average wage increases of 6.2 percent over the two years following training while wages for the private sector labor force only increased 2.8 percent.
- Fifty-seven percent of all workers trained through the fund received wage increases two years after training.
- Eighty-five percent of training fund trainees still held their jobs two years after participation either with the participating employer or a different employer,.

Ms. Hemly reported the analysis found that the subsidized training was more effective for some industries than others. Financial services and information services, which employed about 1,900 of the workers trained under the fund, proved effective. In the case of call centers, which employed nearly half of the 17,700 trained workers analyzed, the results were mixed, while construction and agriculture which only accounted for around 200 workers combined did not. The fund now focuses on high growth sector industries and no longer supports third-party call centers.

Ms. Hemly said that this report highlighted some data quality reporting issues that require administrative process improvements to assure quality control over training reimbursements.

- There were 404 individual workers (2.2 percent of the 17,700 workers trained) for which a training reimbursement was made, but no record of those individuals working for the employer was found in the department's unemployment insurance system during the contract period or two years after training.
- There were two cases in which a training reimbursement was made for individuals who had a Social Security number for deceased individuals during or before the contract period. These instances occurred in 2001 and 2002, and records could not be found to determine whether they also involved erroneous Social Security numbers. The department's new process prohibits training reimbursement until trainee Social Security numbers match the department's wage file.

Ms. Hemly reported that the large majority of these errors are attributable to data input errors. In order to improve data quality, the department is establishing the following improved procedures:

- A desk guide will be developed so that all processes and procedures are documented.
- A WDTF trainee spreadsheet will cross match against internal unemployment insurance systems to eliminate errors in data reporting. Specifically the new automated system will:
  - Cross match Social Security numbers entered in the WDTF spreadsheet with our internal system to ensure the number is correct and matches the correct worker name.
  - Cross match the employer's Federal Employer Identification Number with our internal system to ensure accuracy and that it matches the correct employer name and that the company is still active.
  - Cross match Social Security numbers with the employer's Federal Employer Identification Number to ensure worker received wages from the WDTF employer during the contract period.
  - The spreadsheet will only allow an individual Social Security number to be listed once per employer.

Ms. Hemly said that the average participant training cost for is \$2500 and the average length of contract training is for about two years.

Mr. Johnson reported that the Workforce Development Training Fund was established to require legislative approval with a five year sunset clause. The fund has received positive feedback from the legislature, the Department of Commerce, and other businesses throughout the state.

### Update on the WDC Goals and Benchmarks (Transmittal #7)

Chairman Komberec asked Idaho Department of Labor Assistant Deputy Director Dwight Johnson to provide an update. Mr. Johnson said that in September 2011 the Idaho Workforce Development Council established statewide goals and performance benchmarks for Idaho's workforce development system.

Mr. Johnson reported that the progress on **Goal #1** - to create jobs that sustain Idaho workers and grow the economy is as follows:

<i>Measure</i>	<i>Benchmark</i>	<i>Progress</i>	<i>Goal</i>
Reduce ID UI rate by 40% by 2015	*8.9% (2011)	7.1% (2012)	5.3%
Reduce ID underemployment rate by 40% by 2015	16.4% (2010)	15.3% (2012)	9.84%
Create 40,000 jobs with 2/3 with wages of \$12/hr. and above with health benefits	603,600 (2010)	612,600 (2012)	643,600
Attain Governor's "Project 60" goal by 2015	\$53.7 billion GDP (2009)	\$53.7 billion GDP (new data avail June 2013)	\$60 billion GDP

*\*2011 Benchmark data updated to reflect final published rate.*

Mr. Johnson reported that the progress on **Goal #2** - to facilitate development of an Idaho workforce that is highly skilled, committed to continuous learning, and aware of opportunities available in the market-place is as follows:

<i>Measure</i>	<i>Benchmark</i>	<i>Progress</i>	<i>Goal</i>
Increase Go To College Rate by 30% by 2018	*49% (2008)	No new data	63.7%
Reduce need for remediation for new college entrants by 50% by 2020			
<i>*Students out of HS &lt; 12 months needing remediation</i>	<i>*45% (2010-11)</i>	<i>46.8% (2011-12)</i>	<i>*22.5%</i>
<i>*Students out of HS &gt; 12 months needing remediation</i>	<i>*75.7% (2010-11)</i>	<i>78.9% (2011-12)</i>	<i>*37.85%</i>
<i>All other students needing remediation</i>	<i>*54.8% (2010-11)</i>	<i>53.8% (2011-12)</i>	<i>*27.40%</i>
Ensure 60% of Idaho workers obtain certificate, industry recognized credential, apprenticeship or degree beyond HS by 2020			
<i>Percent of Idahoans age 18-64 w/Associate's or more in educational attainment</i>	<i>*30% (2009)</i>	<i>*32% (2011)</i>	<i>60%</i>
<i>Percent of Idahoan's w/ "some college or no degree"</i>	<i>*30% (2009)</i>	<i>*24.8% (2011)</i>	<i>60%</i>

*\*Corrections made to measure and benchmark as of November 1, 2012 following verification of data and sources.*

Mr. Johnson reported that the progress on **Goal #3** – to support a comprehensive education and workforce delivery system is as follows:

**MEASURE:** Idaho's Workforce Development System will meet or exceed program performance measures.

**PROGRESS:** Program performance measurement reports submitted for 2012 indicate Idaho's workforce development system is performing at or above established performance measures in all areas.

**MEASURE:** Establish sector partnerships for each of the targeted industries (health care, technology, energy and advanced manufacturing) by 2012.

**PROGRESS:** For the past two years the Idaho Department of Labor has implemented a “business solutions” initiative with a sector strategy approach. Working with the Idaho Department of Commerce, industry sector partnerships have been established or expanded for health care, technology, advanced manufacturing and energy.

Mr. Johnson reported that the progress on **Goal #4** - to improve awareness of the workforce system among employers, workers, partners and policy makers and expand its use and effectiveness is as follows:

**MEASURE:** Establish a measure of Idahoans who are aware of the resources available through Idaho’s workforce system.

**PROGRESS:** The Department of Labor conducted a survey of Idahoans in 2011 and will be conducting follow-up surveys during the months of January – March, 2013 via a social media grant which will be used to establish a measure for this goal and identify strategies for increasing customer awareness.

**MEASURE:** Increase the use of the *IdahoWorks* labor exchange system to list jobs by employers as a percentage of all new hires by 10 percent by 2015 (Benchmark % indicates estimated “penetration rate” based on new hires).

<i>Benchmark</i>	<i>Progress</i>	<i>Goal</i>
49%	**38% (Sept 2011)	59%

*\*\*Employer data entry errors may have impacted 2010 benchmark data of 68,853 job openings. Data and measure are being evaluated and may require adjustment.*

### **Agency Performance Reports on Workforce Programs in Idaho**

Chairman Komberec said that each of the 10 state agencies that are partners in Idaho’s One-Stop Career System have been asked to give a performance report on their workforce programs and tell how their workforce services impact the Council goals. [Click here for complete presentation](#)

- *Idaho Commission on Aging*

Kevin Bittner, Administrative Service Manager reported on the senior Community Service Employment Program (CSEP) which includes participants 55 years and older meeting 125% percent of poverty and unemployed. The training program usually last for 16-18 months and the goal of the program is to meet economic independence and provide service to host agencies. During PY 2011 the CSEP program trained 49 participants in subsidized employment with 8 of these staying employed with businesses for 8-10 months.

- *Commission for the Blind and the Visually Impaired*

Bruce Christopherson, Rehabilitations Services Chief reported that the commission has several key functions:

- Assist clients in making informed career choices for successful employment
- Prepare students to transition from secondary to post-secondary or work experience
- Train individuals to perform any task, on the job or at home, as well as his/her sighted peers
- Help blind individuals be financially independent and earn a living through the management and operation of small businesses (like vending machines) located in public buildings

- *Idaho Department of Commerce*

Randy Shroll, Economic Development Manager reported on the department's different groups and explained their function and processes:

- Business Expansion and Attraction
- Community Development
- International Business Development
- Tourism Division

- *Idaho Department of Corrections*

Teresa Baldrige, Director of Reentry Services reported that the department provides offenders with the skills needed to obtain employment. The skill sets include soft skills (now termed "essential skills"), practical, hands-on training in selected skilled trades, and registered apprenticeships and pre-apprenticeships.

Ms. Baldrige said that the department partners with other agencies like Vocational Rehabilitation, Departments of Labor and Transportation, and the Division of Professional-Technical Education to provide programs for inmates. The FY12 Heavy Equipment Operator Training grant project is an example of partnering with the Division of Vocational Rehabilitation.

Cheryl Engel, GED State Administrator addressed the issue of the new changes to the General Education Development (GED) testing services.

- *Division of Professional-Technical Education*

Todd Schwarz, State Administrator said the division encompasses varied programs such as the Wellness Program (for state employees), Certified Public Managers Training Program, the Motorcycle Safety Program, as well as Professional-Technical Education and Adult Basic Education (ABE).

Mr. Schwarz reported that the number of Adult Basic Education (ABE) clients meeting the goal has increased to 24.9% since 2009.

- *Idaho State Board of Education*

Dr. Mike Rush, Executive Director reported that the high school graduation rate in Idaho is at 93 percent which is one of the highest in the nation.

Dr. Rush discussed the following:

- "Go-on Campaign" to post-secondary is only 30.79 percent while the goal of the state board and the council is 60 percent
- In PY 2012 47,803 adults are enrolled in customized training statewide
- Percent of Idahoans (ages 25-34) who have a college degree or certificate is 34.79%

- *Idaho Department of Health and Welfare*

Rosie Andueza, Program Manager reported that the department's primary role is to help families and individuals develop the natural supports, skills and tools necessary to effectively manage their lives without government supports.

Ms. Andueza said that the department has two functions involving the workforce:

1. To improve work support for low-income, working families and help maintain those services when they are eligible to ensure stability in meeting critical needs for their families
2. To provide job search assistance to recipients of Temporary Assistance for Families in Idaho (TAFI) and Food Stamps.

Ms. Andueza stated that the Temporary Assistance for Families in Idaho (TAFI) and the Food Stamp programs require participants to engage in self-reliance activities including looking for employment, attending job training and job search courses. These services are provided through a contract with Working Solutions (a subsidiary of Easter Seals Goodwill).

Ms. Andueza explained that the department's Work Support Strategies include the integration and alignment of programs and policies, increased agency efficiencies through automated verifications, the creation of a universal workforce and by providing improved customer interaction through a self-service portal.

- *Idaho Department of Labor*

Dwight Johnson, Assistant Deputy Director reported that the department administers a multitude of workforce development grants and focuses on the following programs:

1. Employment Service provides a broad array of automated and personalized labor exchange services to job seekers and businesses.
2. Job Training includes the Workforce Investment Act, the Trade Adjustment Assistance Program and the Workforce Development Training Fund
3. Career Information Systems provides exploration of career opportunities, finding education programs and scholarships and finding work that fits career goals

- *Division of Vocational Rehabilitation*

Jane Donnellan, Planning and Evaluation Manager reported that the Division of Vocational Rehabilitation has a Career Development Program designed to improve and expand the preparation of eligible customers by plan development and employment. The program includes three days, six hour a day training, explores interests, aptitudes, values, identifies barriers to employment and provides for vocational goal setting.

Ms. Donnellan reported that the division also has a training effort to prepare transition students identified as requiring long term support for the world of work, helping them move into community employment after high school. This program includes two hours daily of classroom training and four hours daily of unpaid internship.

Ms. Donnellan said that in 2012, 2083 individuals exiting the VR Program and achieved an employment outcome.

### **Workforce Development Council Goals Discussion**

Chairman Komberec asked Idaho Department of Labor Assistant Deputy Director Dwight Johnson to assist the council with the goals discussion.

#### **Goal #1 – Create jobs that sustain Idaho workers and grow the economy**

The council discussion focused on how difficult data is to extract as the benchmark is written and if data sharing is an option with the State Tax Commission. IDOL will pursue the possibility of data sharing.

Chair Komberec accepted a motion by Richard Holman, seconded by Mike Nelson to add “employer assisted health benefits” to measure C of goal #1; the motion was approved unanimously by voice vote.

**Goal #2 – Facilitate development of an Idaho workforce that is highly skilled, committed to continuous learning, and aware of opportunities available in the market-place**

Discussion addressed whether to capture the data 3 years after high school vs. 1 year after high school (this metrics would capture a more accurate picture for those who will be going on to college). There is a significant population of youth who go on missions immediately after high school, but enter college later.

Robert Poyser suggested adding a benchmark for STEM which he felt is a critical component that supports the goal of building a “highly skilled workforce”. This would mirror the State Board’s STEM goal – but the council decided that more research is needed.

Further consideration needs to be given not only to the number of graduates but are we graduating students in the right disciplines that serve industry.

The council concluded that as we work through the educational task force and recommendations are made by that group, it would be most effective to utilize their recommendations and adopt them within the overall council goals.

Discussion also addressed the fact that we need a common definition of what is “college ready”. Standards are different across the educational systems.

Chair Komberec accepted a motion by Linda Clark, seconded by Tony Fernandez to add benchmarks that split out the “need for remediation” benchmarks to reflect the data collection which differentiates between 2 and 4 year degrees to goal #2; the motion was approved unanimously by voice vote.

**Goal #3 – Support a comprehensive education and workforce delivery system.**

The council discussed goal #3 and decided that no additions or corrections were necessary.

**Goal #4 -- Improve awareness of the workforce system among employers, workers, partners and policy makers and expand its use and effectiveness.**

Chair Komberec accepted a motion by Richard Holman, seconded by Ryan Van Leuven to change goal #4 from “awareness” to “use” and add benchmarks/measures like increasing communication or increasing the instances of communication by how many tweets, contacts, etc.; the motion was approved unanimously by voice vote.

**Further Business**

Richard Holman announced that the Grow Green Grant has been extended until June of 2013.

Chair Komberec announced that the next Educational Attainment Task Force meeting will be held Tuesday, March 12, 2013 and the next council meeting will be held Wednesday, March 13, 2013.

The meeting adjourned at 4 p.m.

## Attendance

### Members

Darrel Anderson (substitute Luci McDonald)  
Dick Armstrong (absent)  
Gerald Beck (substitute Terry Patterson)  
Kara Besst (absent)  
John Chatburn (absent)  
Linda Clark  
Philip Clifton  
Tony Fernandez  
Russell Gee  
Bert Glandon  
Sam Haws  
Richard Holman  
Tim Komberec  
Brady Kraft  
Alex LaBeau  
Jay Larsen  
Jody Lewis

Tom Luna (absent)  
Roger Madsen  
Shirley McFaddan  
Brad Murray  
Mike Nelson  
Jan Nielsen (absent)  
Robert Poyser  
Brent Reinke (substitute Teresa Baldrige)  
Mike Rush  
Jeff Sayer (substitute Randy Shroll)  
David Schmitz (absent)  
B.J. Swanson  
Rian Van Leuven  
Aaron White  
Kenneth Wiesmore  
John Young

### Guests

Rosie Andueza  
Rico Barrera  
Kevin Bittner  
Terry Butikofer  
Bruce Christopherson  
Dianna Clough  
Robin Dodson  
Jane Donnellan  
Cheryl Engel  
Scott Fenwick  
Gordon Graff  
Scott Grothe  
Dave Hertling  
Dan Holmes  
Dwight Johnson

Bill Kober  
Ricia Lasso  
Amy Lorenzo  
John McAllister  
Allison McClintick  
Vera McCrink  
Denise McDonald  
Patricia Nelson  
Pamela Pearson  
Shoni Pegram  
Todd Schwartz  
Sue Simmons  
Bob Uhlenkott  
Janice French Walters  
Bryon Welch  
Marsha Wright