

IDAHO WORKFORCE DEVELOPMENT COUNCIL
August 13, 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, Kara Besst, Dean Haagenson, Robert Poyser, and Jana Straubhar will not be attending today and thanked Linda Clark and the Meridian School District for being our host. Chair Komberec said that the Educational Attainment Task Force will be meeting this afternoon. Introductions followed.

Agenda Review

Chair Komberec reviewed the agenda and noted one change. The performance report on the Workforce Development Training Fund is not yet finalized because more datasets were added. So, we will pull that item from the agenda and hear this report at the next Council meeting.

Consent Agenda

Chair Komberec continued with the consent agenda which has been reviewed by the executive committee. Chair Komberec called upon Idaho Department of Labor Assistant Deputy Director Dwight Johnson to explain the following items:

- Minutes for the May 8, 2012 Council Meeting
- Eligible Training Provider List (Transmittal #1)
- Workforce Information Grant (Transmittal #2)

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

Report from Chair Komberec

Chair Komberec reported on attending the National Governor's Association Workforce Chairs meeting in Seattle, Washington last week with Dwight Johnson. Chair Komberec reported the highlights of the NGA Summer meeting as follows:

- **Legislative update**

There were 29 new governors elected in 2010, the largest change ever in an election to the National Governor's Association membership. This new group of governors has reduced the number of identified policy priorities from 15 to three. The three policy focus areas are (1) Reforming the "No Child Left Behind" Education Act, (2) Childhood Hunger, and (3) Establishing a High Quality Human Capital Pipeline. Having workforce development as one of their three policy priorities is an indication of how important this issue is to our nation and to our economy.

- **WIA Reauthorization**

It does not seem likely that WIA Reauthorization will pass this year, but there does seem to be consensus on the three primary topics that are to be addressed in any new reauthorization, which includes: Governance, Funding and Accountability.

- **Governor's 15 Percent Set-Aside for Statewide activities**

Governors are very concerned about Congress's action to decrease the Governor's 15% WIA Set-Aside to 5% for statewide activities, which limits the ability for workforce innovation and flexibility to address specific state's needs. The governors have put their full weight behind the effort to restore the set-aside. As a result, the House's proposed budget fully restores the 15% Governor's Set-Aside and specifically defunds the U.S. Department of Labor's grants for the Workforce Innovation Fund. The Senate budget increases 5% to 10% in the Governor's Set-Aside. So, while there is still work to be done in a potential

conference committee if these budgets pass as currently proposed, it appears we are making progress. However, it appears that the Senate and House leadership have agreed on what is called a "clean" Continuing Resolution that will continue last year's appropriations as is for six months into the new fiscal year. So, the current 5% set-aside level will continue at least through the next six months.

- **Budget Sequestration**

In addition, as you are probably aware, if Congress does not act on budget reduction targets by the end of December, the deal that was passed last fall in order to extend the national debt ceiling will require an automatic sequestration of funds, which will result in across the board cuts for FY 2013. If that happens we could see 8-10 percent reductions in federal employment and training grants to the states.

In Idaho that would mean approximately a \$1,466,000 cut in the Employment Services, WIA and Veterans programs in the Idaho Department of Labor, besides reductions in other workforce programs.

Last week Congress passed and the President signed the "Sequestration Transparency Act," which requires the Administration to present a plan in the next 30 days on how to make reductions. Hopefully, that plan will provide a sense of where we are headed. Of course, the results of the upcoming election could have a significant impact on what may happen.

- **Jane Oates**

Jane Oates, the Assistant Secretary of the Employment & Training Administration in the U.S. Department of Labor attended the conference and we are pleased to announce that she will be making a visit to Coeur d'Alene, Idaho on Thursday, Oct. 4th. It will be a wonderful opportunity to show her the wonderful workforce programs we have here in Idaho. Once we get the details of the trip worked out we will be sending each of you an invitation and would love to have you attend if you are in CDA at that time.

- **Governor's Initiative: "Growing State Economies"**

We also heard a number of very interesting reports. One was on "Linking Human Capital and Economic Development to Improving State Economies," which ties directly to the topic of our Educational Attainment Taskforce.

Another report was on this past year's Governor's Initiative, which was focused on "Growing State Economies." You each have a copy of that report, which outlines the policy framework that was developed on this topic. In addition, you have a copy of a second report that lists the 12 Action Steps or policy solutions that came out of this initiative.

The overall message of this report is that the productivity of businesses and workers is the driver of prosperity and economic growth in states. And one of the essential elements of productivity is the education and skill level of the workforce. That issue is particularly highlighted from pages 12-15 in the policy framework document. I believe this is why the topic of workforce development has become such an increasing priority for governors as they struggle to create jobs in their states.

- **Boeing Tour**

In closing, I'd just like to mention that the highlight of the conference was a tour of the Boeing manufacturing plant in Seattle, which is housed in the largest building in the world and employs some 42,000 individuals. Being an airplane guy myself, it is always fun to see the large aircraft being built and it was interesting to see how they utilized the space for a training site.

Economic Outlook

Chair Komberec introduced Idaho Department of Labor Chief Research Officer Bob Uhlenkott who reported 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 discussed the gross domestic product showing a growth rate of 3.3 percent and showing June's unemployment rate at 7.7 percent.

Mr. Uhlenkott reported that during the last meeting there appeared to be a lot of volatility in the Help Wanted Online figures thus concern on whether or not the recovery would be taking hold. It appears in terms of job listings activity a slow but stable recovery is persisting and new hires continue to increase. There has been a consistent percentage change in the year over year non-farm jobs in Idaho.

Mr. Uhlenkott discussed the 2012/2013 Workforce Information Grant valued at \$338,014 with the core deliverables:

1. To populate the WIDb database
2. To produce industry and occupational employment projections
3. To develop and maintain web delivery of Labor Market Information
4. To publish auxiliary LMI research and consult with the Workforce Development Council

Mr. Uhlenkott said that the Industry and Occupational Projections are:

- 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 be near projection.
- Short Term Projections for 2011 to 2013 – Jobs are projected to grow annually at 1.2%.
 - ✓ Too early to tell, but growth is slower than the projection in the first six months.
- Long Term Projections for 2010 to 2020 – Jobs projected to grow at 1.7%.
 - ✓ More to be shared this afternoon.

Educational Attainment Task Force (Transmittal #3)

Chair Komberec reminded the council that at the last meeting a task force was established to make recommendations on how to achieve the Council's goal that 60 percent of Idaho workers will have a degree, certificate, industry recognized credential or apprenticeship beyond high school by 2020. The Governor has appointed 20 members to this task force, including 10 members from the Council. Chair Komberec asked Idaho Department of Labor Assistant Deputy Director Dwight Johnson to give an update.

Mr. Johnson said that the Idaho State Board of Education has established a similar goal of having 60 percent of Idahoans ages 25-34 receive a degree or certificate by 2020. This issue is a top priority for the State Board and the Department of Labor has been working closely with their office to assure what the task force recommends will be valuable in helping establish policy objectives. The task force will be co-chaired by Tim Komberec and Bert Glandon.

Mr. Johnson reported that the goal to increase training and educational attainment beyond high school has been established for the following reasons:

- Idaho must grow talent within the state to fuel innovation and economic competitiveness;
- Increased education attainment improves the quality of life for Idahoans and drives a vibrant, diverse economy;
- Idaho's increased education attainment must be responsive to businesses that will employ the workforce of the future;
- It is imperative we commit to efficiently and effectively increase attainment of postsecondary degrees and certificates; and
- Changing the projected trend lines to enhance economic development and job creation.

Mr. Johnson stated that the specific focus of the task force will be to:

- Identify the training needs of specific industries that require certificate level workforce training beyond high school.
- Understand current barriers and challenges in meeting these industry identified workforce training needs.
- Make specific recommendations to improve the design of Idaho's education and training delivery system that make it more responsive and flexible in meeting the identified workforce industry training needs by developing greater opportunities for workers to build marketable and needed credentials.

Council Liaison with Local Groups (Transmittal #4)

Chair Komberec reminded the council that at the last meeting a process to better communicate with local workforce and economic development groups around the state was established and asked Idaho Department of Labor's Regional Business Specialist from Region 1, Ricia Lasso to give an update on how we are doing with this effort.

Ms. Lasso said the staff has developed a Council Liaisons list of workforce groups and other interested parties, which is a work in progress. With approval of the Council an invitation from Chairman Komberec will be sent asking for their participation and explain what this Council does. Liaisons will be invited to provide information regarding workforce initiatives, issues and activities they are pursuing, as well as communicating concerns, suggestions and legislative agendas in regard to workforce policy in Idaho. Through this outreach to workforce interested groups across the state the council can provide a forum for greater policy input, discussion and recommendations.

Ms. Lasso informed the Council that an email address, wdc@labor.idaho.gov, will be set up and monitored by one of Idaho Department of Labor Regional Business Specialists (Ricia Lasso representing Regions 1 & 2, Dan Holmes representing Region 3 and Brent Tolman representing Regions 4, 5 & 6). Correspondence will be collected and formatted for review at regular council meetings.

It was suggested to attach a copy of the Council's strategic plan with the invitation and to clarify in the letter what we are asking them to do.

Chair Komberec accepted a motion by Richard Holman, seconded by Sam Haws, to approve Transmittal #4 and the transmittal was approved unanimously by voice vote.

Governor's 5 Percent WIA Funds (Transmittal #5)

Chair Komberec said that Transmittal #5 is a proposal to expend approximately \$200,000 in the WIA Governor's 5 Percent Reserve Funds to support enhancements to the One-Stop Career system. Chair Komberec called upon Idaho Department of Labor Senior Planner Gordon Graff to explain Transmittal #5.

Mr. Graff reported the elements of the proposal were derived from a federal Workforce Innovation Fund grant application that the state did not receive; but the Governor's Reserve funds can be used for the operation of a One-Stop Delivery System and statewide employment and training activities.

Mr. Graff explained that approximately \$200,000 of the Governor's Five Percent Reserve funds would be used to support enhancements to the One-Stop system that will more effectively move WIA participants towards employment, including those currently receiving unemployment insurance benefits.

The project would take a two-pronged approach:

1. Realign processes to ensure WIA participants are more effectively connected to One-Stop services through training for staff and managers to assure integration between WIA services and the Employment Services (ES), business services and Unemployment Insurance Reemployment and Eligibility Assessment programs (approximate cost - \$27,500). Hire an IT contractor for system changes to update *IdahoWorks* (Idaho's automated labor-exchange system) and other online platforms (approximate cost - \$111,180)
2. Subscribe to Help Wanted Online for a one-year pilot (approximate cost - \$61,320)

Chair Komberec accepted a motion by Linda Clark, seconded by Jerry Beck to approve Transmittal #5 and the transmittal was approved unanimously by voice vote.

Review and Approval of 5-Year WIA/ES Plan (Transmittal #6)

Chair Komberec stated that the U.S. Department of Labor requires the state to submit a five-year plan for the Workforce Investment Act and Employment Services which is due September 15th. Chair Komberec asked Idaho Department of Labor Senior Planner Pam Pearson to give an overview of the draft plan that has been developed for approval.

Ms. Pearson provided a summary of the updates made to Idaho's WIA/Wagner-Peyser Act Integrated Five-Year plan, which included:

- Vision, Mission and Goals

In 2011 and in preparation for the 2012 planning period, the state's labor market information and economic specialists presented the council with the most current workforce, economic and industry trends, projections and analyses. The information was closely examined by the council and supported the development of the council's current vision, mission and goals which have been fully integrated into the state's new WIA/W-P Five-Year Strategic Plan. The plan serves as the foundation for Idaho's service delivery strategies.

- Council Task Force Implementation

Two key task forces have been created by the council designed to address two very specific needs within Idaho's Workforce Development System: The Educational Attainment Task Force and the Local Council Liaisons.

- Service Delivery Strategies

Increased emphasis on Re-employment Services to Claimants and Accountability; ES Governor's 10 Percent Funds; Focus on WIA Participants; and Focus on Special Populations

- Budget and Funding Strategy

WIA Formula funding is starting to increase slightly after several years of decline that started in PY2002. The PY2012 WIA Adult program allocations increased 14.59 percent, Youth program allocations increased 17.46 percent and Dislocated Worker program allocations increased 14.34 percent from PY2011. While this increase is advantageous to the state as we continue to recover from recession, formula funding levels are not keeping pace with the demand for employment and training services still needed by unemployed Idahoan's in their efforts to return to the workforce.

Chair Komberec accepted a motion by Mike Rush, seconded by Mike Nelson to approve Transmittal #6 and the transmittal was approved unanimously by voice vote.

Further Business

Richard Holman announced that the Idaho National Laboratory and the Department of Labor are working together to promote Careers in Energy Week (October 15-20). This is in connection with National Energy Month which is October. Idaho Department of Labor Regional Business Specialist Brent Tolman provided information on talking points, essay contests and a Governor's proclamation draft which emphasizes the importance of STEM careers.

Linda Clark announced that a tour of the facilities which includes the Joint School District #2 offices, Renaissance High School and Idaho State University will be provided.

Chair Komberec asked for a suggested date for the next council meeting. After discussion, Chair Komberec announced the next council meeting will be held Thursday, November 15, 2012.

The meeting adjourned at 12 p.m.

Attendance

Members

Darrel Anderson (absent)
Dick Armstrong (absent)
Gerald Beck
Kara Besst (absent)
John Chatburn (absent)
Linda Clark
Philip Clifton
Tony Fernandez
Bert Glandon
Dean Haagenson (absent)
Tom Hally
Sam Haws
Richard Holman
Tim Komberec
Brady Kraft
Alex LaBeau

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

Guests

David Barnes
Rico Barrera
Terry Butikofer
Bruce Christopherson
Dianna Clough
Jane Donnellan
Bob Fick
Gordon Graff
Dave Hertling
Dan Holmes
Dwight Johnson
Ricia Lasso
Rob Lohrmeyer
Amy Lorenzo
John McAllister
Allison McClintick

Vera McCrink
Craig Nebeker
Patricia Nelson
Vicki Parkinson
Pamela Pearson
Ben Phillips
Carl Powell
Marie Price
Todd Schwartz
Sara Scudder
Craig Shaul
Steve Siderius
Sue Simmons
Georgia Smith
Brian Sporleder
Brent Tolman

Bob Uhlenkott
Roy Valdez
Salvador Vazquez
Marsha Wright