

Governor's State Workforce Development Board Minutes February 17, 2016

Members Present:

Mikee Johnson, Chair
Clifford Bourke, Jr.
Charles Brave Jr.*
Glenda Page
Tripp F. DuBard, III
David W. Dunn
Nick P. Foong
Rep. Michael Forrester
Thomas Freeland
Dr. Tim Hardee*
John D. Uprichard
Jay Holloway, III
Roger A. Nutt
Bob Friedman
Eric Wages

**Via Conference Call*

Archie Maddox
J.T. McLawhorn, Jr.
Howard Metcalf
Patrick Michaels
Dr. Michael Mikota
Dr. Joseph Patton, III
Michael Sexton
Edward Sturcken
Greg Tinnell*
Cheryl Stanton
Michelle Kelley
Col. Craig Currey
Warren Snead*
Neal Getsinger

Members Absent

**Willis Ponds
**Valerie Richardson
**Dr. Windsor Sherrill

***Excused absence*

DEW Staff Present:

Michael Buchman
Scott Ferguson
Michelle Harris
Diana Goldwire
Deborah White
Vicky Tyner
Roy Lowe
Lisa Gowans
Mary jo Schmick
Marvin Jackson
Grey Parks
Michelle Paczynski

Amanda Lucas
Wendy Courson
Abby Burkett
Jason Kelly
Kimberly Burke
Antonio Barnes
Nina Staggers
Pamela Kennedy
Darrell Scott
Patrick Pruitt
Pat Sherlock
Angela Jacobs

Guests:

Ashton Elmore, Continental Tire
Patty Manley, WorkLink
André Anderson, Lower Savannah
Joette Dukes, Pee Dee
Monica Graham, Catawba WDB
Areatha Clark, Santee Lynches
Paul Connerty, PST, Inc.
Tiffany Jaspers, Lex. Co. Econ. Dev.
William Molnar, LS COG
Debra Young, Telamon
Austin Smith, Governor's office
Michael King, Adult Ed SCDE

Amy Garnes, Catawba
Darline Graham, SCVRD
Nicole Lawing, Catawba
Frank Goethe, USDOL/ETA
Kevin Staggers, Bamberg Job Corps.
Mike Dinicola, ACT, Inc.
Bernadette C. Herbert, Telamon
Margaret Alewine, SCVRD
Stephanie J. Durant Brooks, Telamon
Joyce Hill, Pee Dee WDB
Steve Pelissier, Appalachian COG
Lois Prime, Centura College

Welcome and Opening Remarks, Approval of Minutes*

Chairman Mikee Johnson called the meeting to order at 9:00 a.m. at the Columbia Marriott, and welcomed returning and new Board members to the State Workforce Development Board meeting followed by the 2016 Workforce Development Symposium. A quorum was present.

Mr. Johnson noted some of the achievements in the past year, including; 41 out of 46 counties were Work Ready certified and the implementation of EvolveSC. He added that so far, 2,500 businesses were engaged, and through the SWDB business engagement initiative the number is continuing to increase due to the efforts across the state and the S.C. Department of Employment and Workforce. Mr. Austin Smith, Deputy Chief of Staff at the Governor's Office stated the Governor's office is focused on making sure that people with the most skills are getting jobs that best utilize these skills. He observed the need to continue recruiting businesses to South Carolina in order to keep this upward momentum going. Mr. Smith explained current workforce needs fall under two categories; the first is the need for a robust workforce to fill 4,000 new jobs with the most qualified workers in South Carolina. The second category is a push to enroll qualifying individuals in training to ensure that South Carolinians are competitive in the state job market.

A motion to approve the December 10, 2015 minutes was made by Mr. Charles Brave, seconded by Representative Michael Forrester, and unanimously approved by the Board.

Unified Plan

Ms. Nina Staggers explained that the Unified State Plan will cover the six WIOA core programs, including: the Adult program (Title I of WIOA), the Dislocated Worker program (Title I), the Youth program (Title I), the Adult Education and Family Literacy Act program (Title II), the Wagner-Peyser Act program (Title III), and the Vocational Rehabilitation program (Title IV). In South Carolina, the agencies representing the six core programs are the S.C. Department of Employment and Workforce, the S.C. Department of Education, the S.C. Vocational Rehabilitation Department and the S.C. Commission for the Blind. In the past, each program submitted a separate and often unrelated strategic plan to the appropriate Federal administrative agency. However, one of WIOA's principal areas of reform is to require planning across core programs resulting in a unified strategic plan for the entire workforce system.

The areas that require close review by the State Workforce Development Board (SWDB) include the Economic and Workforce Analysis and the State Vision and Strategic Goals. Ms. Staggers provided a few highlights from the economic and workforce analysis. South Carolina's labor force and employment have been increasing since the end of the Great Recession. Many of the state's jobless face significant barriers to employment. South Carolina's industry and occupational employment are projected to grow by 11.54% from 2012-2022. Many students and graduates have skills that are not in demand and they may also be lacking critical soft skills. From 2009-2014, Professional and Business Services, Trade, Transportation, Utilities, and Leisure and Hospitality led the state in private sector industry employment growth. South Carolina had over 1.876 million wage and salaried employees in 2014 with an average hourly wage of \$19.03.

Ms. Staggers explained the Unified Plan includes strategic goals to help achieve the vision of preparing an educated and skilled workforce. The first strategic goal focuses on strengthening the workforce pipeline through middle skill and wage attainment, education and career pathways, soft skills competency, enhancement of school-to-work transition and youth-focused programs. Ms. Staggers outlined the second strategic goal focuses on aligning the state's current public workforce development system to ensure a customer centered delivery system. This will include coordinating business engagement activity, data driven decision making and evaluation methods, and expanding specific partnerships and collaboration. In conclusion, Ms. Staggers stressed one key area for alignment is the integration of data systems to allow for common intake, case management, data collection, and performance across the core programs.

Ms. Staggers announced that the plan needs to be submitted on or before April 1st, 2016. The plan will be available at the end of February for public comment. The Department of Labor and the Department of Education have 90 days to review and approve the plan.

In response to questions regarding why African-Americans are not identified as a priority population, Ms. Staggers stated African Americans are not defined in the legislation as individuals with barriers to employment or within the definition of priority population, but when looking at youth, youth offenders, the homeless, veterans and low income populations, African Americans are represented. She also said there may be opportunities to expand the priority groups to include African Americans due to the high unemployment rates in that group of individuals. Another question was raised asking why Veterans are a separate concentration group. In response Ms. Staggers explains that by law Veterans are identified as a priority population.

Board Governance

Mr. Pat Michaels discussed establishing the new Priority Populations Committee. The Committee will prioritize efforts to strengthen South Carolina's workforce system involving outreach efforts with a focus on youth, ex-offenders, Veterans, individuals who are low income, and individuals with disabilities. This Committee will be linked with JAG (Jobs for America's Graduates).

A motion to establish the Priority Populations Committee was made by Mr. Michaels, seconded by Mr. J.T. McLawhorn, Jr., and unanimously approved by the Board.

Mr. Michaels requested Committee members review their Charters, and make necessary changes for review with the full board on June 9, 2016.

Mr. Michaels addressed the process of developing a Strategic Plan for the State Workforce Development Board. He further explained how the Board Strategic Plan differs from the State Unified Plan. He stated the SWDB is a unique entity with a list of responsibilities and commitments under the law to align the workforce system to best support employers and job seekers. Mr. Michaels stressed it is important as a Board to know there is a strategy moving forward that supports the State Unified Plan, and actions are in place for that support.

Mr. Michaels invited Mr. Thomas Freeland to give an update on Business Engagement efforts and highlighted the results of the first and second quarters. Mr. Freeland stated that looking at a three year average, business engagement had tripled under this new focus. Pee Dee, Catawba, and Santee-Lynches are showing great results. Lowcountry has already achieved 65% of their yearly goal through the second quarter. Worklink, Greenville, Lower Savannah, and Waccamaw are very close to the half way point, so the target of 10,000 businesses engaged is well within reach.

Mr. Michaels highlighted there was an issue with momentum with Midlands and the number might be 500 more than reported. Mr. Buchman responded the holidays affected the numbers and the data was not updated in SCWOS (South Carolina Works Online Services).

Mr. Michaels provided the Board with an EvolveSC update. He announced that the initial solicitation as a result of the \$500,000 in grants was awarded with a goal of completion set for June 30th. Mr. Michaels further explained that the second solicitation for \$150,000 is not quite complete.

In conclusion, Mr. Michaels advised Board Members that they have been identified to mentor newly appointed Board Members, and reiterated that this role is more about just providing a friendly face, to help the newer members with orientation to the Board.

Collaboration and Partnership

Rep. Michael Forrester provided an update on the Certified Work Ready Communities (CWRC) initiative reporting that 41 counties are now Certified Work Ready and five are working towards that goal. The five counties that are working toward certification are Horry, Richland, Aiken, Jasper and Union.

Rep. Forrester introduced Ms. Tiffany Jaspers, Project Manager from Lexington County Economic Development. Ms. Jaspers was invited to showcase how she has been utilizing WorkKeys® assessments, Job Profiles and the Work Ready Communities initiative to impact economic development, as well as to highlight some of the current limitations. Ms. Jaspers observed that one measure of success is how Certified Work Ready Communities support business workforce needs. Ms. Jaspers explained that identifying workforce needs is where Job Profiles comes into play. Relaying the needs to educators and workforce partners is another step. Finally, gathering more information about those individuals who are entering the workforce to discuss their skills, certification and work path is another phase of the process. Certifications are showcased through WorkKeys® certificates and that process is tracked and used for advertising to businesses.

When it comes to limitations, Ms. Jaspers highlighted there are 300 participating businesses just in the Lexington County area alone. Therefore, this is a big project and each business is unique and requires different Job Profiles. In addition, a problem with WorkKeys® testing is getting the various scores compiled (some are administered online and others administered using pen and paper). This program needs to work for individuals

who are looking for jobs, and also for the businesses that are looking to hire new employees. Ms. Stanton added that Certified Work Ready Communities aligns with Sector Strategies and the process of getting workers matched with job opportunities.

Ms. Cheryl Stanton observed Work Ready Communities is a pipeline of collaborative partners and talented workers coming together. It is also a validated system where each county has to meet certain criteria in order to be work ready. Criteria include number who received a National Career Readiness Certificate (NCRC) as a result of WorkKeys® testings. There also has to be a number of businesses supporting, and graduation rate. Moreover, businesses are also able to see the ACT scores of potential job candidates giving them confidence in the candidates. There is also software in place at Adult Ed, SC Works Centers and Technical Colleges to help individuals prepare for the WorkKeys® tests and/or improve their certificate level.

In response to a question about how small business employers can benefit from this initiative and the process of educating businesses on WorkKeys®, Ms. Jaspers stated that she visits the businesses and tries to see each business as unique. She explained her goal is to find out what challenges they are facing in terms of workforce efforts. She looks into issues such as high turnover rates in the company, or if they are only promoting from within the company and not from outside.

Rep. Forrester provided an overview of the national WIOA convening in Washington, D.C., which was hosted by the Department of Labor in collaboration with several other Federal agencies. The goal was to facilitate peer to peer learning and engagement. Each state was asked to assemble a team. The team from South Carolina consisted of representation from the SWDB, the S.C. Vocational Rehabilitation Department, S.C. Commission for the Blind, S.C. Department of Employment and Workforce, S.C. Department of Education, S.C. Technical College system and three local workforce areas: Waccamaw, Catawba and Pee Dee. Some of the takeaways were that South Carolina is well ahead of other states in terms of collaboration and partnership. The congressional intent behind WIOA was to encourage creativity and enhance the workforce development system, placing emphasis on innovation and common performance measures and providing partners with data sharing capacity.

Rep. Forrester concluded at the end of the convening a commitment was made to continue our state partner work groups. Rep. Forrester reiterated the need to continue to revisit priorities, identify additional members, create a program service directory, build and train work group teams at the local level, and find a way to make data integration work. The focus on understanding career pathways including how performance is affected and how each core program contributes will be continued.

SC Works Management

Mr. Nick Foong gave an update on the Apprenticeship Grant. He stated that \$200,000 was allocated this year to develop and implement apprenticeships for Priority Populations and that the proposals are coming in. In the next 30 days representatives from DEW, the S.C. Technical College System and the Committee will have time to review and approve the proposals. The grants should be awarded by the end of March.

Mr. Foong addressed the progress of the Statewide Soft Skills Curriculum. Soft skills are a high priority for employers, and there have been multiple soft skills programs available for decades. Last year a need to identify and implement a consistent curriculum across multiple programs was identified. Currently, suitable vendors are being reviewed with the goal of identifying a statewide soft skills curriculum within the next six months.

Mr. Foong explained there are new requirements in WIOA for Eligible Training Providers. Initially, they must reapply for eligibility to remain on the ETPL. After the first full year of new eligibility, providers will submit student data and be expected to meet a certain level of performance to remain eligible.

Mr. Foong requested Mr. Jay Holloway give an update on the Certification Standards. Mr. Holloway reported that after the workgroup made several changes to the standards, they were sent to the local areas for feedback. DEW staff is reviewing the comments to see if there are any further changes that need to be made before implementation.

Mr. Foong explained the Fund Utilization Workgroup is about to analyze three years of data to look at how local areas are spending their funds, specifically whether an adequate percentage is being spent on training versus overhead items. This allows the opportunity to further identify best practices and areas of improvement and determine the potential need for policies.

Mr. Foong also provided an update on the Program Year 2014 incentive policy, which committed 50% of the \$100,000 in incentive funds to local areas that spend at least 35% of funding on direct participant services. Four local areas, Midlands, Lowcountry, Santee-Lynches and Waccamaw, qualified for this incentive and will be sharing \$50,000 for meeting the criteria. The other 50% will be divided among local areas based on reaching a higher percentage on performance goals and will be allocated as earned for each measure.

Nick Foong, advised the Committee that under the Workforce Investment Act (WIA), priority was required to be given to public assistance recipients and low-income individuals when it was determined that allocated funds were limited. Now under WIOA, a majority for priority of service must be established regardless of the level of funds. WIOA also expanded the priority to include individuals who are basic skills deficient. Mr. Foong noted that as a state we have consistently served low-income adults at a rate of over 70%. In researching other states that have set priority of service levels, we have seen requirements as low as 50% and a high of 90%. Mr. Foong observed that in terms of the vague definition of basic skills deficient provided in the WIOA statute, some states have provided a more objective definition; others have chosen not to further define.

Other Business/Adjournment

The meeting adjourned at 10:55 a.m.