

**Governor's State Workforce Development Board Minutes
June 16, 2016**

Members Present:

Clifford Bourke, Jr.	J.T. McLawhorn, Jr.
Tripp F. DuBard, III	Howard Metcalf
Glenda Page*	Patrick Michaels
David W. Dunn *	Dr. Michael Mikota
Nick P. Foong	Michael Sexton
Rep. Michael Forrester*	Edward Sturcken*
Dr. Tim Hardee*	Gregory Tinnell*
John D. Uprichard	Cheryl Stanton
Jay Holloway, III	Neal Getsinger
Col. Craig Currey	Robert Friedman
Warren Snead*	Michelle Kelley
Eric Wages	David Stout
Valerie Richardson	

***Via Conference Call**

DEW Staff Present:

Nina Staggers	Pat Sherlock
Scott Ferguson	Zach Nickerson
Michelle Harris	Abby Linden
Michelle Paczynski	Susan Boone
Marlin Bodison	Patricia Flanagan
Dorothy Weaver	Grey Parks
Egypt Bey	Towanna Hicks
Mary jo Schmick	

Members Absent:

**Dr. Windsor Sherrill
**Mikee Johnson, Chair
**Dr. Joseph Patton, III
**Charles Brave Jr.
**Thomas Freeland
**Roger A. Nutt
**Archie Maddox
**Willis Ponds
**Senator Bryant

****Excused absence**

Guests:

André Anderson, LSCOG	Nicole Lawing, Catawba COG
Gregory T. Knowlin, SC Dept. of Corr.	Michael Butler, LCCOG
Brad Neese, SC Tech College System	Joette Dukes, Pee Dee COG
Kevin Hill, Midlands	Paul Connerty, PST, Inc.
Sandra Johnson, Upper Savannah	Tammy James, DSS
Steve Pelissier, Appalachian COG	Ayla Hemeon, WRCOG
Hank Amundson, LCCOG	Trent Acker, Worklink
Ann Skinner, Upper Savannah	Margaret Alewine, SCVRD
Melinda Eagle, SC Tech College System	Dana Wood, Upstate WB
Areatha Clark, Santee-Lynches, COG	Sally Sharpe, LSCOG
Reggie Murphy Midlands	

Welcome and Opening Remarks, Approval of Minutes*

Mr. Pat Michaels called the meeting to order at 10:00 a.m. and welcomed returning and new Board members. A quorum was present. ***A motion to approve the February 17, 2016 minutes was made by Mr. Howard Metcalf, seconded by Mr. Michael Sexton, and unanimously approved by the Board. A motion to approve the March 28, 2016 minutes was made by Mr. J.T. McLawhorn, seconded by Col. Craig Currey, and unanimously approved by the Board.***

Adult Priority of Services*

Mr. Nick Foong, SC Works Management Committee Chair, discussed some of the changes that occurred in the transition from WIA to WIOA. Under the former Workforce Investment Act (WIA), priority of service was given to public assistance recipients and low-income individuals, when it was determined that allocated funds were limited. However, under WIOA (Workforce Innovation and Opportunity Act), priority of service must be given to public assistance recipients and low-income individuals regardless of the level of funds. WIOA also expanded the priority of service requirement to include individuals who are basic skills deficient.

Mr. Foong explained part one of the voting items is recommending a policy that establishes a 70% benchmark for serving adults who are low-income, public assistance recipients, or basic skills deficient. Part two establishes a definition for basic skills deficient. Mr. Foong explained basic skills deficient is defined as an adult who lacks a high school diploma or equivalent; or Scores 8.9 or below on the Test for Adult Basic

Education (TABE) or <4 on the Reading for Information, Applied Mathematics, or Locating Information WorkKeys® assessments; or is enrolled in Title II adult education for English as a Second Language (ESL). When a formal evaluation is not available or practical, case manager observations, customer acknowledgement, and documented case notes may be acceptable.

The SC Works Management Committee made the recommendation that effective July 1, 2016, 70% of newly enrolled adult participants receiving individualized career or training services must be low-income, to include public assistance recipients, or basic skills deficient. *A motion to approve the adult priority of service threshold and definition of basic skills deficient as presented was made by the SC Works Management Committee, seconded by Mr. Holloway, and unanimously approved by the Board.*

Bylaws*

Mr. Pat Michaels provided an overview of the changes made to the Board Bylaws to comply with WIOA requirements. Mr. Michaels addressed specific items and provided highlights of the changes made to the following sections:

- **Section 2.3, Duties** was substantially rewritten to state that the State Board shall provide oversight of the following duties as required by Section 101(d) of WIOA and other duties as directed by the Governor.
- **Section 2.4, Other Duties** was revised to be very specific about the types of appeals and dispute resolutions that the State Workforce Development Board (SWDB) may hear.
- **Section 3.1, Composition** changes the requirements regarding membership to meet the statutory requirement.
- **Section 3.3, Term Limits** addresses changes in term limits; effective July 1, 2015.
- **Section 5.3, Quorum** states that a simple majority of the members appointed to the State Board shall constitute a quorum for the purpose of transacting business.
- **Section 5.4, Attendance** calls for regular attendance at meetings from each Board member.
- **Section 5.5, Alternate Designee Process** provides that the use of alternative designees shall not be permitted, with the exception of the Governor.
- **Section 6.1, Voting Authority** states that votes shall be cast only by State Board members.
- **Section 6.3, Voting** states a member may vote in person or electronically, provided an electronic means of voting has been approved by the SWDB, at the time a vote is called.

A motion to approve the changes to the Bylaws was made by the Board Governance Committee, seconded by Mr. John Uprichard, and unanimously approved by the Board.

Financial Overview

Ms. Michelle Harris reviewed the current status of PY'14 and PY'15 SWDB funded initiatives. She also provided a summary of PY'16 WIOA state allotments, noting the increases compared to previous program years. From the prior program year, Youth and Adult funds increased 27%, with a 30% increase for Dislocated Workers.

Ms. Harris explained that local areas are evaluated on their expenditures and obligations. Local areas must obligate at least 80% of the allotted program year funds for each funding stream by June 30th of the first program year of availability. If the 80% obligation requirement is not met, the state will recapture the difference between the actual obligation rate and the 80% target. Ms. Harris stated the recaptured money is then re-allotted by funding stream to local areas that met the target.

PY'16 SWDB Funded Initiatives*

Ms. Michelle Paczynski stated that state reserve funds have been restored by Congress to 15%. The restoration along with increases in state allotments overall, equates to a little more than 4.5 million dollars that the Board has to allocate for state workforce initiatives. Ms. Paczynski outlined that the list of proposed initiatives was developed based upon WIOA requirements, the Committees' current projects and PY'16 goals, recommendations from the core program partners and local workforce development areas. Ms. Paczynski gave an overview of the proposals.

\$1,000,000 towards Apprenticeship Grants for Priority Populations.

Increasing the number of Apprenticeships in South Carolina is a top priority to address the skills gap in the state.

\$1,040,279 towards Incumbent Worker Training.

The Board has awarded funds annually for IWT for businesses to train its current workforce in order to remain competitive and efficient. The proposed amount is a 44% increase over last year's allocation of \$720,000 (\$320,279).

\$300,000 for Job Profiles Tied to the Work Ready Communities Initiative.

The recommended amount would fund 200 profiles in PY'16. By covering this cost, business and industry are much more receptive to having their jobs profiled and using WorkKeys® as a recruitment tool.

\$300,000 for procurement of a consultant to assist with the implementation of Sector Strategies.

The Board allocated \$200,000 towards the development of sector strategies, which was led by the expertise of the Maher & Maher group, and additional funding is needed for the implementation phase of Sector Strategies.

\$100,000 in Regional Sector Strategy Implementation Grants.

There will be costs each region incurs as it moves forward with implementing sector strategies. Each region would be eligible for up to \$25,000 to cover costs associated with travel, outreach materials, and forums.

\$100,000 towards training and development of SC Works staff.

With the implementation of WIOA and revised standards, there are numerous areas of training that need to be addressed to include center flow, customer service, and case management for priority populations.

\$1.5 Million towards Re-entry Employment and Training Programs.

Proactively engaging inmates with employment and training services better prepares inmates for re-entry into the workforce and reduces their rate of recidivism when they become sustainably employed.

\$40,000 towards State Board Training.

There are many new Board members who are learning about workforce development efforts underway that would benefit from attending national and regional workforce forums and conferences.

\$2,500 towards a facilitator to assist with the Board's development of a strategic plan.

Ms. Paczynski also reminded the Board that \$120,000 was reserved at the end of PY'14 for Business Engagement Initiative incentives. Each area that meets its engagement target of the PY'15 10,000 goal will receive \$10,000 in incentives.

A motion to approve the proposed PY'16 State Workforce Development Board funded initiatives for \$4,502,779 was made by Col. Craig Currey, seconded by Mr. Michael Sexton, and unanimously approved by the Board.

Board Governance Committee

Mr. Pat Michaels stated that the Board Governance Committee reviewed its Committee Charter and purpose and minimal changes were made. Mr. Michaels expressed there are some goals that were established for PY'16 and reiterated the importance of establishing goals for the Board strategic plan for the next program year.

SC Works Management Committee

Mr. Nick Foong provided a summary of the Committee's Charter, and PY'15 highlights:

Apprenticeship Grants for Priority Populations

The Committee developed the parameters of the grant and worked with staff from DEW and the Technical College to determine which applications to fund. With the additional \$67,200 allocated by the Board in late March, two grants were issued: Tri-County Technical College was awarded \$148,200 to provide apprenticeship opportunities in highway construction for at least 72 ex-offenders and the Charleston Metro Chamber of Commerce was awarded \$119,000 to provide apprenticeship opportunities in high growth industries for at least 68 youth with barriers to employment.

Eligible Training Provider List (PATH)

The Committee supported the recalibration of the Eligible Training Provider List to comply with WIOA requirements. The Palmetto Academic and Training Hub (PATH) is now in development with 50% of the coding finished. The system is projected to be completed by October 2016.

SC Works Certification Standards

The Committee and SC Works Certification Standards Workgroup have led the revisions of the Standards, incorporating WIOA requirements. He explained the Workgroup will reconvene soon to finalize the revisions.

Identify a Statewide Soft Skills Curriculum

The Committee has been involved with the taskforce charged with identifying the core competencies of a statewide soft skills curriculum. These criteria are being assessed against existing soft skill models and a curriculum will be identified before the end of this program year.

Mr. Foong continued with the introduction of PY'16 goals. He stated the SC Works Management Committee will be promoting business engagement, training and development for SC Works staff and supporting the Program Analysis Workgroup to look at expenditures, performance and participant data for the purpose of promoting best practices and addressing opportunities for improvement. Mr. Foong also announced that Mr. Warren Snead was appointed as Co-chair of the Committee.

Collaboration and Partnership Committee

Rep. Forrester stated that the Committee provided support towards the completion of the State Unified Plan. The Committee has championed the Certified Work Ready Communities Initiative and to date, 44 out of 46 counties are certified with the remaining two expected to meet the certification goals this month. The committee also supported Sector Strategies and the SC Talent Pipeline Project. Through collaboration with the Department of Education, the State Technical College System, the Department of Commerce and the Department of Employment and Workforce, four regions were identified using labor market information and existing geographical boundaries.

In terms of PY'16 goals, Rep. Forrester announced the Committee goal of increasing business and industry utilization of job profiles. He explained there is a growing pool of WorkKeys® assessed individuals with all 11th graders now being tested and many adult workers tested. The next area of focus needs to be increasing the number of businesses that profile their jobs in order to maximize the WorkKeys® matching capabilities.

Rep. Forrester identified the implementation of and sustaining Sector Strategies as the next area of focus for PY'16. At the end of this month, Maher and Maher will make recommendations to the state leadership team and the four regional planning teams on implementing sector strategies.

The Collaboration and Partnership Committee will be looking into integration of data systems. The state-level partner workgroup formed last fall to examine options for system and data integration across core programs will develop a detailed plan and timeline for integration, and make a final recommendation to agency executive leadership. Rep. Forrester affirmed the Collaboration and Partnership Committee will support this work group by developing statewide policies and procedures that support full-implementation of an integrated system and by serving as champions of systems and data integration to improve the overall effectiveness of our workforce system.

Rep. Forrester explained that the execution of Phase II of the State Partner MOU is another priority for the Committee. Phase II of the State Partner MOU will address resource sharing and infrastructure funding to support the SC Works delivery system. Full execution of the MOU will not occur until after the release of final guidance on the state infrastructure funding mechanism from the US Departments of Labor and Education.

Priority Populations Committee

Mr. Jay Holloway, Committee Chair, provided an update on the Priority Populations Committee and discussed some of the highlights of the committee functions. He further elaborated on two areas that the Committee will focus: 1) promoting outreach efforts to all WIOA priority populations with a focus on youth, ex-offenders, veterans, low-income, and individuals with disabilities; and 2) serving as, or providing a work group structure for the Jobs for America's Graduates (JAG) Advisory Board.

Mr. Holloway announced that the 2015-2016 graduation rate for the JAG-SC program was 96.59% and commended the efforts made towards the success of the program.

Legislative Update

Rep. Mike Forrester, provided workforce related legislative updates to the Board. He broached the subject of the Unemployment Trust Fund Solvency Regulation change as well as the updates on Certified Work Ready Communities, job search requirements, and DEW employment data sharing outcomes.

Other Business/Adjournment

The meeting adjourned at 11:25 a.m.