

**Governor's State Workforce Investment Board Minutes
December 10, 2014**

Members Present:

Mikee Johnson, Chair	Steve S. Kelly, Jr.
Charles Brave, Jr.	Archie Maddox
Paul C. Corbeil	Ray Maher
Nick Foong	Howard Metcalf
Thomas Freeland	Patrick Michaels
Jay Holloway	Glenda Page
Michelle P. Kelley	Cheryl Stanton

Members Absent:

Sen. Paul G. Campbell, Jr.	Willis Ponds *
Isaac Dickson	Michael Sexton
Rep. Michael Forrester*	Rep. Tommy Stringer
Laurie Hollick*	Sen. Kent Williams
Dr. Louis Lynn*	
Michael Parrotta	*Excused absence
Dr. Joe Patton *	

DEW Staff in Attendance:

Rebecca Battle-Bryant	Angela Jacobs	Michelle Paczynski
Michael Buchman	Shannon Kinder	Grey Parks
Glen Connelly	Abby Linden	Mary Jo Schmick
Scott Ferguson	Brenda Lisbon	Pat Sherlock
Amy Hill	Amanda Lucus	
LaCrystal Jackson	Chena Melvin	

Others Present:

Trent Acker (WorkLink)	Johnnie-Lynn Crosby (Upstate)	Nicole Lawing (Catawba)
Hank Amundson (Lowcountry)	Joette Dukes (Pee Dee)	Ben Mauldin (Midlands)
Ann Angermeier (Upstate)	Brenda England (Waccamaw)	Steve Pellisier (WorkLink)
Jeanette Ard (Waccamaw)	Kevin Hill (Midlands)	Connie Shade (Lower Savannah)
Lynn Blizzard (Santee-Lynches)	Randy Imler (Catawba)	Natalia Swanson (Upstate)
Shelly Campbell (Lowcountry)	Sandra Johnson (Upper Savannah)	Donna Thames (Santee-Lynches)
Areatha Clark (Upstate)	Dean Jones (Greenville)	Jamie Wood (Trident)

Welcome and Opening Remarks, Approval of Minutes*

Chairman Mikee Johnson called the meeting to order at 9:30 a.m. at the DEW Harper Auditorium. Mr. Johnson welcomed everyone. **A motion to approve the August 21, 2014, minutes was made by Charles Brave, seconded by Cheryl Stanton, and unanimously approved by the Board.** A quorum was present.

Executive Committee Charter*

Mr. Johnson reported that each committee chair person had driven their committee to develop a charter. He thanked all of the committees for the work put in to the charters. He reported that the Executive Committee had developed a charter and encouraged everyone to review it. Mr. Johnson stated that the board has been diligent in regards to reviewing these documents and the Executive Committee has decided that each Committee's charter be reviewed on an annual basis to ensure that the board is current in the event of changes (i.e., changing laws). **A motion was made by the Executive Committee to approve the Executive Committee Charter, seconded by Charles Brave and unanimously approved by the Board.**

Committee Reports

Collaboration & Partnership: Steve Kelly, Committee Co-Chair, reported in the absence of Rep. Mike Forrester, Committee Chair. Mr. Kelly reported that the committee was ready to move forward with a finalized State Partner MOU. The committee is waiting for a response from the SC Tech System and Probation, Parole and Pardon. Mr. Kelly reported that he met with Dr. Jimmy Williamson of SC Tech and he expressed a desire to move forward. Mr. Kelly reported that the immediate next step will be to redistribute the final draft of the State Partner MOU to the partners. Mr. Kelly surmised that the goal is to develop a more efficient process in an effort to save valuable state funds, and the MOU will be the first step in meeting that goal. Mr. Johnson thanked the committee for their work moving forward with the MOU.

SC Works Management: Training and Needs Assessment –Nick Foong, Workgroup Chair, reported on the three primary goals of the Training and Needs Assessment workgroup and gave an update on the State and Local Liaisons meeting with Apprenticeship Carolina. Mr. Foong reported that one of the objectives assigned was to have each local area to report

back to the group by the end of January with three companies willing to implement an apprenticeship program. He reported that there is a 70-80% success rate in implementing those programs. He anticipates 20+ new apprenticeship programs in the state by the first quarter of 2015. The second major goal since WIOA is to revisit the Eligible Training Provider List program. He stated that specifically by July 1, the goal is to have elements of performance management results measurements metrics in place for the training providers. This is a large body of work that will have heavy involvement of the local areas over the next six months. Nick stated that the Training and Needs Assessment workgroup will meet with readySC™ and SC Commerce in an effort to understand what can be done at the state level to support them and be prepared for new workforce needs. Mike Buchman, Director of Economic Development, reported on DEW's relationship with Commerce and Cheryl Stanton, DEW Executive Director, offered to help the committee with additional Commerce contacts if needed. Mr. Johnson added that the Governor has put workforce development on the forefront at Commerce and stated that working to avoid duplicating efforts will be critical to partnerships.

Service Delivery – Jay Holloway, Workgroup Chair, reported that the workgroup is in the process of reviewing the standards and will decide on next steps during their January workgroup meeting. He reported that there is some redundancy in the standards and the group is working through those issues while also considering requirements of WIOA.

Local Workforce Development Board (LWIB) – Glenda Page, Workgroup Chair, reported that the workgroup's main objective is to improve the relations and communication between the LWIB and SWIB. The group's goals are: 1) Share the SWIB minutes and newsletter with the LWIBs so that they know the direction the SWIB is taking with their initiatives. 2) Assignment of SWIB members to attend the LWIB meetings. The goal is to have a SWIB member attend two to three of those LWIB meetings in an effort to share what is going on at the state and local levels. Ms. Page reported that this effort is scheduled to start in the current month; and 3) The committee will host the SWIB/LWIB at the 2015 Symposium, in an effort to network and share information of best practices.

Financial Management – Paul Corbeil, Workgroup Chair, reported that the workgroup's goal assignment was to identify financial issues. In September, the workgroup prepared a financial analysis and tested the assumption that the Local Workforce Investment Boards may not be reporting consistently between the different programs and expense accounts. Paul commended Michelle Harris, DEW Grants Accounting Manager, Jake Sherbert, DEW Finance Auditor, Scott Ferguson, DEW Local Operations Coordinator, Mary Jo Schmick and other DEW staff for their work on the analysis. The analysis of the local areas revealed that there was more consistency in financial reporting than previously thought. The group's next assignment is to have extensive dialogs with the local areas in an effort to provide recommendations for benchmarks in terms of financial expenditures. The target date for completion is the middle of March, 2015, so that it can be brought before the SWIB by, June 30, 2015.

SC Works Management Committee* - Ray Maher, Committee Chair, reported that a discussion was held regarding the incentive policy from PY `13 due to new developments. Prior to the start of PY `13, the Board approved an LWIB Incentive policy of \$100,000 based on an achievement of 90% or more of performance goals. In addition, an emphasis was put on the local areas achieving a 25% increase in GED obtainment for the year. Four areas that met the goal and obtained incentive funding were: Lowcountry, Lower Savannah, Santee-Lynches and Waccamaw. Only \$44,212 was awarded to those eligible areas and the workgroup came up with some ideas in an effort to distribute the remaining incentive funds to the local areas. The workgroup decided that providing a grant that would encourage the local areas to be innovative in their efforts with increasing GED obtainment would be ideal. ***A motion to approve the GED related grant opportunity for the LWIAs which will be developed and awarded through DEW, using the remaining \$55,788 PY `13 LWIB GED incentive policy funds, was made by Ray Maher, seconded by Archie Maddox, and unanimously approved by the Board.***

Board Governance: Pat Michaels, Committee Chair, reported on behalf of the Board Policies workgroup and informed that board that policies should be reviewed each year for possible revisions. He requested that all Board members sign and date the policies after he re-familiarized them. He stated that the *Conflict of Interest* policy was unchanged and asked that if any of the Board members think they may have a conflict of interest, or if a family member may result in a conflict of interest, to please disclose that information. Mr. Michaels stressed the importance of Board members understanding the Conflict of Interest policy for the fidelity of the Board and consistency of efforts. Mr. Michaels reported that Board members who travel for training opportunities are expected to give a report and share the information they learned upon return. Mr. Michaels referred everyone to the attendance roster following the Attendance Policy in the Board packets and noted that the roster shows good attendance from the Board for the four previous meetings. He thanked the Board

members that were present for 75-100% of the SWIB meetings and noted the importance of being an engaged board member by being counted when the SWIB votes on items.

Symposium Awards and Post SWIB Survey

Pat reported that there were two sets of policies, or governing documents, for awards that are given each year. He stated that a future goal of the Board Governance Committee will be to combine the *Palmetto Workforce Partnership Award* and the *SWIB Award* in an effort to get them under one umbrella. He noted that it would not apply for the upcoming 2015 Symposium, but that it probably will apply for 2016. He gave an overview of the Post SWIB Survey and asked that as Board members complete the survey to notate any ideas for making SWIB meetings more effective. Additionally, he stated that the workgroup will create an end-of-the-year survey that would indicate SWIB member satisfaction and suggestions for improvement at a strategic level.

Board Development

Charles Brave, Workgroup Chair, reported that the workgroup received a conference budget of \$8,753.30. He reported that there are three different conferences: Southeastern Employment & Training Association (SETA), Greensboro, NC (March, 8-11, 2015), National Association of Workforce Boards (NAWB), Washington, DC (March, 29-31, 2015), and SETA, Savannah, GA (September, 13-16, 2015). The budget reflects details of: accommodation estimates based on the allowable per diem in the respective areas of each conference, registration based on previous conference rates, and travel rate. He asked that Board members sign the interest sheet for attending conferences and requested that upon returning from a conference, that a full report is provided detailing practices learned that can be implemented to move the state forward. Mr. Brave requested that members sign up as volunteer to mentor new SWIB members prior to the Governor's office appointing new members based on the new Workforce Innovation and Opportunity Act (WIOA) composition requirements.

Ms. Stanton requested that the SWIB consider amending the conference budget to add the National Association of State Workforce Agency (NASWA) conference (Washington, DC, February 19-21, 2015). She stated that attendees are comprised of workforce agencies across the country and reported that NASWA's upcoming Winter Policy Forum will focus on WIOA implementation. The conference will include speakers from the Department of Labor (DOL) in addition to other required partners. Ms. Stanton has requested that Barbara Hollis of Vocational Rehab (VR) attend the NASWA conference because of Voc Rehab's relative involvement in WIOA. She asked the SWIB to consider sending one or two Board members to hear the WIOA dialog and stressed the importance of attending because of the impact WIOA will have on local service delivery, local financials, and the strategic impact on the unified plan with VR, Adult Education and Temporary Assistance to Needy Families (TANF). She stated that not every state sends their Board members, but she believes that it will be proactive to do so. Mr. Johnson stated that the Executive Committee should be able to handle voting on additional budget funds for the NASWA conference while being mindful of funding limitations.

Business Engagement

Thomas Freeland, Workgroup Chair, reported that the local areas meetings provide good information as to what occurs in the field. He stated that the local areas do a great job in engaging the state's large businesses. He reported that the percentages are much higher than small and medium business engagement. Mr. Freeland also reported that the Business Services staff in the local areas experience barriers when trying to collect the required information for the SC Works System (SCWOS). The local areas reported that some businesses do not want to provide the required Federal Employer Identification Number (FEIN) without knowing the individual calling on them. The workgroup is working on developing a soft sign up so that the local areas can still get credit for engaging businesses. The workgroup's timeline is to present the proposed benchmarks and an incentive plan for engaging small to medium businesses in March 2015 to the SWIB.

Employer Services Metrics PY '11-13

Mr. Freeland reported that the workgroup found through the Employer Services Metric that small and medium businesses should be targeted for business engagement activity. The workgroup is comfortable with the established benchmarks based on the data provided and they are moving forward. Ms. Stanton thanked the workgroups for their work and stated that the work they have done has helped check off some of the things needing to be done prior to WIOA implementation. Mr. Johnson reported that the Chamber's competitive agenda items this year are workforce and infrastructure and encouraged members to share important information related to those items with him.

WIOA: Local Board Structure Policy* and LWIA Designation Procedures

Pat Sherlock, DEW Workforce Development Director, reported on the new WIOA LWIB structure policy and LWIA Designation Procedures. Pat referred the group to the *Local Workforce Development Boards under WIOA* handout and informed the Board that it is a synopsis of what the WIOA statute says about local workforce boards and standing committees of those boards. She further explained that the handout summarizes WIOA requirements for local board composition, units of general local government, chief elected official's involvement in appointing individuals to local boards, the chair being a business representative, and standing committees. Ms. Sherlock stated that the *Local Board Membership* handout shows the composition of the boards under WIOA, WIA and JTPA (1992). She recommended that in an effort to be consistent across the state and provide uniformity when the SWIB certifies local boards, that local boards should be formed with the new WIOA composition requirements. For local areas currently operating under JTPA there are allowances in the new legislation for grandfathering current board compositions, but this would mean a board from 1992 will be operating in a 2015 environment. If a local area started with JTPA, any vacancies would have to be filled based on that composition. The new composition calls for more consistency and ease of administration at the state and local levels with the SWIB certifying local boards every two years. Ms. Sherlock also recommended the approval of LWIB standing committees. The current statute has many references to "shall" but in relation to standing committees it is referred to as "may" and the intent is clear that DOL and Congress want standing committees that will address the following: 1) The one stop delivery system and the partners involved; 2) youth and talent pipeline and 3) disabilities. Youth councils under WIA are no longer required under WIOA and the standing committee would drive youth issues and policies at the local level. The disabilities standing committee would address the programmatic and the physical access to services for the disabled. The intent of these standing committees is clear in the statute but is not referred to as "shall". Staff recommended that the standing committees identified in the statute become "shall". Ms. Stanton agreed further informed the Board of Congress' intent related to these statutes and agreed that these standing committees are an important part of WIOA and South Carolina's statute. ***A recommendation was made by the Executive Committee to approve the Local Board Structure Policy recommendations made by staff, motioned by Charles Brave and unanimously approved by the Board.*** Ms. Sherlock also informed the Board that WIOA will require that the SWIB and Governor designate local areas in the state again. Each area will get an initial designation for two years and if an area was designed under WIA and performed successfully in the last two years and sustained fiscal integrity then the area basically is an area under WIA, but there will be a petition process. The petition process will provide an opportunity for chief elected officials to agree being reconfirmed as a consortium with counties, to be a local workforce area, or if they would like a different configuration. When the designation packets are sent out chief elected local officials will be asked to sign and agree that they would like to continue as a consortium. Consortium agreements and board membership documents will be contained in the packets as well as documentation for public comments. The SWIB will review all petitions and the SWIB's recommendations will be put out for public comment. By July 1st the Governor will designate local areas and certify local boards.

Symposium Updates

Ms. LaCrystal Jackson gave an update on the 2015 Symposium and shared the logo and theme "Connecting the Pieces of South Carolina's Workforce System". An attendance list was circulated to obtain board members' attendance and hotel accommodations. She reported that the SWIB/LWIB Forum, the SWIB meeting and a networking reception would be held on Wednesday, February 25th. SWIB award nominations will be sent out within the next week for review and evaluation by SWIB members for selection of award winners.

DEW Updates

Ms. Stanton reminded the Board of the importance of the SWIB Awards. One of last year's winners, Schaeffler-INA were chosen to attend the NASWA conference and won the Employer of the Year at the conference. South Carolina won three of nine awards at the conference including a Spartanburg DVOP who won National Workforce Employee of the Year. Ms. Stanton also gave the following updates:

- Two payments have been made to the trust fund without the necessity of raising taxes. Businesses will actually receive a 9% tax decrease in 2015. The agency is on track to pay off the loan next summer. This is due to a lot of work on the integrity front. From present, last year's overpayments are down by 30% and for the first time of existence the agency has recovered more in overpayments. Over \$250,000 has been collected through wage garnishment and it is estimated that another \$3million will be collected this year.
- In October 2014 there were more jobs in the state than in December 2007. There were over 2 million people employed in October, with more in the labor force than before. There are more payments from employers into the trust fund, and close to \$70 million less paid in benefits because more people are employed.
- Various partnerships and initiatives including: 1) Assisting the Department of Corrections with filling corrections officer positions and working with the agency to help non-violent offenders who are close to release by providing

interview and resume workshops, and providing information on Work Opportunity Tax Credit (WOTC), and familiarizing them with the SC Work Centers; 2) DSS job fair to fill case management positions; as well as a program in two local areas to assist SNAP recipients; 3) Working with several areas technical colleges and Adult Education on the Learn to Earn initiative which focuses on soft skills; 4) the use of rapid respond funds to offer an OJT Training Developer position to some local areas; 5) Partnering with Commerce to assist defense firms; and Operation Palmetto Employment as well as many other partnerships and initiatives.

- Ms. Stanton reported on several WIOA related updates including the shift in how services are offered to Vets which will likely be reversed to allow Vets to only be represented by LVERs and DVOPs in the Centers; other items affected by WIOA include the creation of more metrics, addition of required partners measures, restructured Eligible Training Providers List (ETPL) and a review of data measurement requirements for the states. WIOA will also impact the Board through reconstitution by July 1st. Work is being done with the Governor's office to ensure the accuracy of the board.
- Ms. Stanton reported that there will be many items up for approval prior to WIOA implementation and the Board may need to hold a fifth meeting in April or May to address WIOA implementation requirements.

Mr. Johnson agreed that an additional meeting would be effective to work under confines of the new legislation. Mr. Johnson shared that a new perspective is being taken on because of the work being done at DEW and there will be a heightened sense of focus on workforce. He encouraged members to make it a priority to send the message about the positive work the agency is doing.

Other Business

Mr. Johnson reported informed the Board that the next SWIB meeting will be held in concert with the 2015 Symposium on Wednesday, February 25th at the Marriott Columbia. Mr. Johnson mentioned the need for the Board to meet outside of the agency and reported that the April Board meeting will be held at SC Department of Corrections. He advised Board members who have SWIB license tags to hold off on renewing until the Board has been confirmed.

The meeting adjourned at 11:25 a.m.

***Denotes voting item**

Minutes approved February 25, 2015.