

State Workforce Innovation Council

June 16, 2011, 10:00AM

Indiana Government Center South, Conference Room B
Indianapolis, Indiana

Present: Susan Brooks, Brian Burton, Dan Clark, Jim Dunn, Mark Everson, Mark Goldman, Kay Gordon, Robert Hayes Jr., Randall Holmes, Leroy Jackson, Ron Keeping, Peter Kissinger, Teresa Lubbers, Mark Maassel, Fred Merritt, Cathy Metcalf (via phone), Jac Padgett, Paul Perkins, Doug Poe, Derek Redelman, Joshua Richardson, Dennis Rohrs, Mayor Wayne Seybold, Debra Williams (via phone)

Also present: From the Indiana Department of Workforce Development: Dr. Gina DelSanto; Senior Deputy Commissioner Agency Policy, Education and Training, Randy Gillespie; Chief Financial Officer, Dennis Wimer; Deputy Commissioner Field Operations

Absent: Senator Jean Breaux, Carol D'Amico, David Entzian, Sheriee Ladd, Dan Peterson, Chad Pittman, Terry Rodino, Sherry Seiwert, Steve Slagle, Bill Stanczykiewicz, Senator Brent Waltz

Call to Order and Roll

State Workforce Innovation Council Chair, Paul Perkins, called the meeting to order at 10:00 a.m. Mr. Perkins called the roll of SWIC members and a quorum was present.

I. Approval of Minutes for the SWIC Meeting of February 17, 2011.

Mr. Perkins entertained a motion of approval for the previous meetings minutes Draft Minutes – Feb. 17 SWIC Meeting Dan Clark motioned for approval and Pete Kissinger seconded the motion, motion approved.

II. Public Comment Period

a. Mr. Perkins introduced Jillian Ritter with National Association of Child Care Resource. Ms. Ritter discussed her concern regarding child care availability in the state of Indiana.

III. State Board Business:

Ms. DelSanto introduced Dan Clark as a newly appointed member of the SWIC. He is currently the Executive Director for Indiana Education Round Table. She referred the members to a short biography that was located in their SWIC packet.

a. Update and Forecast

Commissioner Everson stated the unemployment picture remained unchanged. The May Unemployment Rate number will be released on Friday. At Indiana's peak, there was a 10.9 unemployment rate and the State is now holding steady at 8.2.

Commissioner Everson welcomed Josh Richardson and Dennis Wimer as new Lead Team members.

b. Program Year 2011 Funding Update

Mr. Gillespie provided an overview on the allocations for Program Year 2011. He stated USDOL provided provisional information on the Program Year 2011 Workforce Investment Act allocations to the states. The allocations reflect significant decreases in funding levels for Indiana's workforce investment system. He compared the funding levels from last year with this year's to show the percentage of decreases.

Mr. Gillespie reviewed the Rapid Response funding with the board. He stated that historically the state has not maximized the usage of the funds, and requested that the board consider reducing the percentage of Rapid Response funds normally withheld at the state level from 25% to 5%, and that the board approve providing the funds not withheld to the regions. Mr. Maassel motioned for approval to reduce Rapid Response to 5%, and to include the additional funds to the regions. There was a short discussion ensued. Mr. Padgett seconded the motion. Motion approved.

c. Interim Approval of Local Workforce Investment Plans

Dr. DelSanto shared with the SWIC that DWD staff reviewed each plan and discussed next steps with the SWIC Executive Committee. Both DWD and the SWIC Executive Committee agree that the plans in their current form represented a good point of departure, but an important concern is that the plans were developed prior to the release of funding guidance from the US Department of Labor which contained across-the-board reductions in funding.

DWD has planned to assist the regions with review of their plans with the new funding. In order for them to operate as WIBs, their plans must be approved by July 1st. The SWIC discussed approving the interim plans in order to allow all regions to operate business as usual. Each region will be required to revise their plan to reflect reductions in funding and to ensure compliance with the SWIC's expectations. Following the submission of the revised plans, the SWIC will review the plans at its September meeting. Mr. Perkins entertained a motion to approve the resolution to approve Interim Approval for the WIA Local Plans, Mark Goldman motioned for approval and Fred Merritt seconded the motion, motion approved.

Resolution to Provide Interim Approval for WIA Local Plans

d. Review of Requests from Local Workforce Service Areas to Consolidate WIA Governance Functions

Dr. DelSanto shared that the Workforce Investment Act stipulates three distinct layers and roles of local governance: Workforce Investment Board (WIB), One Stop Operator (OSO), and Service Providers for Adult, Dislocated Worker, and Youth Activities. Traditionally, each of these roles is performed by separate entities, which maintain separate administrative support and programmatic functions.

However, WIA allows the Governor and the Chief Elected Official of a local workforce service area to establish an agreement permitting a WIB to consolidate these roles, thereby streamlining operations and eliminating often duplicative administrative/management functions. To that end, DWD provided guidance regarding the process to request and receive approval to consolidate any of the three functions.

The following local areas submitted requests to the Governor to consolidate functions:

Region 1 – Consolidation of WIB and OSO Functions

Region 2 – Consolidation of WIB, OSO, and Adult and Dislocated Worker Service Provider Functions

Region 3 – Consolidation of WIB, OSO, and Adult and Dislocated Worker Service Provider Functions

Region 4 – Consolidation of WIB and OSO Functions

Region 6 – Consolidation of WIB, OSO, and Adult and Dislocated Worker Service Provider Functions

Region 10 – Consolidation of WIB and OSO Functions

Dr. DelSanto directed the boards' attention to the slides Mr. Klinck handed out explaining two different examples of the consolidation. She explained the consolidation will be more efficient, greater alignment and will be more cost effective.

Dr. DelSanto welcomed Roger Feldhaus from Region 4 to explain the rationale that Region 4 utilized when determining its proposed governance structure. Mr. Feldhaus indicated to the board that Region 4 had determined that it would consolidate its WIB and OneStop Operator functions, and stated they chose this model mainly because the service providers that currently work for them are doing a good job, and

that Region 4 was more comfortable with the separation of responsibilities, including monitoring, between the WIB and Service Provider levels.

Dr. DelSanto welcomed Kathleen Randolph from Region 3 who discussed with the board why Region 3 opted to consolidate its WIB, OneStop Operator, and Adult and Dislocated Worker Service provider functions. She discussed that Region 3 believed that the total consolidation was more cost effective and they were able to eliminate duplicate management through the consolidation. She also stated that the region estimates that it will be able to decrease management costs by \$300,000 by consolidating the functions.

The SWIC discussed the different options for consolidation, and asked that DWD to request that those regions that did not request consolidation of the three functions perform an analysis to determine if there might be any cost savings if they were to consolidate governance functions further. The SWIC then considered resolutions that recommends that the Governor approve the consolidation requests from Regions 2, 3, and 6, and tentatively approve the consolidation requests from Regions 1, 4, 7, and 10 provided that these regions provide an additional analysis and rationale for their decision at the September SWIC meeting.

Mr. Perkins requested a motion to approve the resolutions approving the consolidation requests from Regions 1, 4, 7, and 10, with the request for additional analysis.. Mark Goldman motioned for approval and Mark Maassel seconded the motions. Kay Gordon sustained from the vote, and the motion was approved.

Mr. Perkins then entertained a motion to approve the resolutions approving the consolidation requests from Regions 2, 3 and 6. Fred Merritt motioned for approval and Derek Redelman seconded the motion. Kay Gordon sustained from the vote, and the motioned was approved.

e. Discussion of SWIC and DWD Ownership of Adult Education

Dr. DelSanto began this discussion stating that the passage of House Bill 1340 resulted in the SWIC and Department of Workforce Development having ownership over Adult Education. She directed the board's attention to Ms. Dowd, the Senior Director of Adult Education, to explain the transition.

Ms. Dowd discussed the GED Plus concept, which would provide participants and opportunity to earn a GED and an Occupational Certification. She discussed the structure of adult education and development regional consortia to assist in the oversight and operation of the program. There currently are 80 adult education services, and with the new change, the WorkOne's will be utilized as a key component of the adult education system. Each client will receive similar services across the state, and individuals will be using Indiana Career Explorer to explore their career interests and skill levels. All clients will have an academic plan, developed collaboratively between the adult education providers and the WorkOne, and will be encouraged to work towards the GED Plus. Ms. Dowd provided a handout to the SWIC that showed the adult education funding break down by region. The SWIC was also introduced to the new funding formula, which showed how the pay-for-performance program will work.

The Educational Review Committee will be charged with overseeing Adult Education, and will bring all key decisions to the SWIC for discussion and approval.

Ms. Dowd explained that among the initial responsibilities of DWD was to update and submit to the US Department of Labor the State Plan for Adult Education. The plan, in its entirety, was provided to the SWIC through the following weblink: **Indiana State Plan – Adult Education and Family Literacy.**

Additionally, Ms. Dowd explained that DWD and the SWIC will be charged with allocating funds, both State and Federal, to providers of adult education throughout the State. Ms. Dowd shared the attached document, **ABE Funding**, with the SWIC

Mr. Perkins entertained a motion to approve the Indiana State Plan – Adult Education and Family Literacy. Dan Clark motioned for approval and Mark Maassel seconded the motion, motion approved.

f. Policy Discussion – Refining Definition of Business Representatives of Local Workforce Investment Boards

SWIC Executive Committee Member, Susan Brooks lead a discussion regarding refining the definition of a “business representative” as it relates to appointing members to local workforce investment boards. Ms. Brooks explained that the Executive Committee was making a recommendation that the SWIC approve a change in its policy to allow each WIB to have one “business representative” that works for a company that has between one and five employee. The reason for this change is that data shows that nearly 5% of all individuals working in Indiana are employed at business with between one and five employees.

Mr. Perkins entertained a motion to approve the recent change. Fred Merritt motioned for approval and Mark Goldman seconded the motion, motion approved.

g. Policy Update – Implementation of WIA Drug Screening Policy

The WIA Drug Screening Policy was passed by the SWIC at its December 2010 meeting. It will be implemented at all local WorkOne offices throughout the state on July 5, 2011. Mr. Gillespie discussed the implementation plan for the policy and funding.

h. Jobs for America’s Graduates (JAG) Program Update

Ms. Leslie Crist gave an update on the JAG program. She gave an overview of the program goals, core competencies, and career development competencies. She stated over 1,000 businesses have helped out in this program.

The meeting was adjourned at 1:40pm.

STATE WORKFORCE INNOVATION COUNCIL



Paul Perkins, Chairman

9/8/11

Date

ATTEST:



Mark W. Everson, Commissioner
Indiana Department of Workforce Development