

# Governor's State Workforce Investment Board

Crown Plaza Hotel  
Billings, Montana  
May 20 & 21, 2008

## MINUTES

**BOARD MEMBERS PRESENT:** Dan Miles, Chair; Marty Copps, Vice Chair; Elsie Arntzen; Arlene Becker; Dave Crum; Thomas Curry; TJ Eyer (*designee*); Georgia Gibbs-Atkinson; Jacquie Helt; Hank Hudson (*designee*); Keith Kelly; Maureen Kenneally; Lane Larson; Robbe Lindsay; Mike McGinley; Thomas McKenna; Rodney Miller; Gary Morehouse (*designee*); Mike O'Neill; Gail Richardson; Jeff Rupp; Karen Sullivan; Jeff Tochihara; and Pat Wise (*designee*).

**BOARD MEMBERS ABSENT:** Evan Barrett; John Brueggeman; Mike DesRosier; Connie Eissinger; Mike Grove; Kirk Hammerquist; George Kipp; Linda McCulloch; Joan Miles; Sandi Miller; Tony Preite; Alan Skari; and Linda Woods.

**STAFF:** Leisa Smith, Dan Berhardt, and Danielle Nettleton.

**GUESTS:** Carolyn Stoltz, Mary Berg, Joe Strelnick, Gary Ellingson, Curt Campbell, Ingrid Childress, Lisa Newman, Candi Cumen, Sheila Hogan, Kathy Momberg, Cherelee Martin, Brenda Vescove, Mike Gragg, Tommy Thompson, Patty Norlund, Duane Jehm, Johnette Watkins, Kathy Yankoff, Scott Stimont, Mark MacLennan, Marilyn Ohman, and Gary Wright.

### I. Welcome and Introduction

Chairman Dan Miles called the meeting to order at 4:01 p.m. He welcomed State Board members and guests. He announced the Executive Committee meeting scheduled at 6:30 p.m. would be canceled. He introduced new staff member Dan Bernhardt, previously staff to licensing boards for the Department of Labor and Industry (DLI). Arlene Parisot has resigned from the board due to her retirement from the Office of the Commissioner for Higher Education (OCHE). Her replacement will be Tyler Trevor, Associate Commissioner for OCHE.

- Roll call and Housekeeping

Danielle Nettleton conducted roll call and addressed house keeping items. Chair Miles explained SWIB conducts business under Roberts Rules of Order. He stated he would relax Roberts Rules of Order to encourage active and open discussion. He reminded members of the public to state their name clearly for the accuracy of the minutes.

- Agenda

Chairman Miles reviewed the agenda, announcing the SWIB would break for the evening and reconvene in the morning prior to the Governor's Workforce Conference. Staff noted Ms. Parisot's name needed to be removed from the agenda as a Board Member. Tom Curry made a motion to approve the agenda as amended. Arlene Becker seconded the motion which passed unanimously.

- Meeting Minutes – January 10, 2008

Chairman Miles reviewed the minutes from the January 10, 2008 meeting. Keith Kelly moved to approve the January 10, 2008 meeting minutes as presented. Mike McGinley seconded the motion, which carried unanimously.

## II. Workforce System Reports

- Job Service Operations Bureau (JSOB)

Gary Warren, Bureau Chief of the Job Service Operations Bureau (JSOB) discussed changes within the division, including restructuring the program into five statewide regions in alignment with the State's Economic Development regions, and cross training of staff. Mr. Warren gave an overview of the Pilot project for the Incumbent Worker Program. The program provides services to businesses with less than 20 employees and has served 76 businesses in Billings, Livingston, and Lewistown. The program's goal to serve 500 workers in 2 years was achieved in 7 months.

- Apprenticeship/ COT Community Conversations

Pat Wise and Mark Maki reported on five pre-apprenticeship COT conversations that took place around the state to look at ways to partner effectively. The conversations were driven by the need for better communication and linkages between the apprenticeship program and higher education. The meeting outcomes were positive. Suggestions included introducing apprenticeship programs into high school and providing generic training to be utilized in many programs; i.e. math, teamwork, etc. Discussion occurred regarding individual board members' experiences during the meetings. Lane Larson expressed concerns with sustaining employment for the workforce being trained for various occupations. For more information regarding the community conversations please contact Pat Wise, Governors Office of Economics at (406) 444-5472.

- WIA 503 Incentive Funds

TJ Eyer reported the Office of Public Instruction (OPI), Commissioners Office of Higher Education (OCHE), and the Department of Labor (DLI) received incentive funds for successfully exceeding negotiated performance levels. The money will be used to transition adults into the workforce. DLI will perform research and identify high skill, high wage, and high demand occupations. OCHE will utilize the data to create pathways for adults to those careers. OPI will then provide access to the pathways through career counseling and matching their skills and talents. For more information regarding the Incentive Funds please contact TJ Eyer at (406) 444-1111.

- Department of Public Health and Human Services (DPHHS)

Hank Hudson, Administrator of the Public Assistance Division, Department of Public Health and Human Services (DPHHS) gave an overview on public assistance programs provided through DPHHS to help move low income families and individuals into jobs. Programs included:

- Temporary Assistance for Needy Families (TANF): \$38 million block grant with \$8.6 million allocated through contracts to community organizations to provide job assistance, including elimination of barriers such as child care. Assistance can not exceed 60 months in a life time. Tribal reservations have a different form of TANF.
- Child Care Partnerships: Child care is provided for participants at or below 150% of poverty level or participating in TANF.
- Food Stamps and Employment Training.

- Low Income Energy Assistance Program (LIEAP).

Chairman Miles asked if the funds for public assistance are regulated. Mr. Hudson explained federal law prohibits applying waivers to the program; the original law was more flexible. TANF can be utilized to pay for supportive services other programs can't pay for. For more information regarding the Public Assistance programs please contact Hank Hudson at (406) 444-1111.

### III. WIA Funding Formula Task Force

Jackie Helt reported the task force was charged to:

- Review Current System
- Study Other States
- Recommend to SWIB: A system of funding distribution that 1) maximizes benefits to participants and 2) is fair and equitable

She provided an overview of the task force meetings:

- October 25, 2007
  - Reviewed Task Force Purpose, Charges and Goals
  - Reviewed Current System
  - Preliminary Research of other approaches BY neighboring states: some use federal formula and some have created their own. The merits of different approaches was discussed
  - A list of ideas, criteria, and factors were discussed among members and guests that could be considered when calculating funding amounts.
  - Next Steps: Requested surveys were sent to Program Operators to collect input on the current system, base funding, factors, and etc.
- February 15, 2008
  - Reviewed Current System: Kasten Formula (Base Funding)
  - Survey Results: Providers felt strong about the use of the current formula based on economically disadvantaged. Comments also were in support of the Kasten Formula; as it ensures funding for smaller counties.
  - Funding Criteria: Pro and Cons were discussed regarding implementation of the Kasten Formula to all counties; currently only Balance of State (BOS) receives a base funding.
  - Census data was discussed: 1990 for Concentrated Unemployment and 2000 for Economically Disadvantaged

Recommendations to the SWIB: To implement the Kasten Formula (Base funding) into the CEP with a 90-110% hold harmless policy across the State of Montana; and to utilize the 2000 census data based on economically disadvantaged to distribute funds.

Ms. Wise moved to accept the recommendations from the WIA Funding Task Force. Maureen Kenneally seconded the motion. The motion passed with Jeff Rupp abstaining.

### IV. Workforce Investment Act (WIA) Report

Suzanne Ferguson provided a report on WIA activities:

- An annual report on performance measures will be submitted to USDOL by October 1, 2008. As of March 31, 2008 Montana is meeting or exceeding in 8 of 9 common measures. The average earnings numbers are extraordinarily high. The belief is that the issue is due to the new data tracking program.

- Montana is failing the Literacy and Numeracy Gains measure for the youth program. It is believed to be a conversion issue. The ramifications for not resolving the issue were discussed.
- Carry forward money was distributed to program operators, and then a recession took money from the current year and next years funding. By the end of the year, program operators still received more money then the original contract stated. Ms. Ferguson explained where the money came from for the carry forward funding.
- The annual monitoring has been completed for the WIA Adult, Dislocated Worker, and Youth programs. No major areas of concern were identified. Gary Wright explained the contributing factors resulting in decreased funding for the Dislocated Worker Program. (?)

Kathy Yankoff shared innovative approaches program operators are taking in the provision of services to customers across the State. Examples included:

- Action for Eastern Montana serves a large area. To assist in serving a large area, they are working on setting up video conferencing to hold meetings with partners and customers; saving money by decreasing travel expenses.
- In Helena, the Capital Area Workforce System (CAWS) provides an online mentoring service model to encourage email accounts to keep in touch with case managers. A free voice mail box is also available to program participants through Qwest for the use of keeping contact with entities such as employers and landlords.

## **V. SWIB Transformation Update**

Chairman Miles reported staff had provided a survey at the past SWIB meeting asking members to identify important issues, concerns, and projects for consideration. The survey was also completed by Workforce Services Division and SWIB Staff. Chairman Miles created a workgroup with Dave Crum leading as Chairman to work with staff and to further prioritize the compiled suggestions for presentation to the Executive Committee. Lindsey Woolsey, Senior Policy Associate, Corporation for a Skilled Workforce (CSW), provided a presentation on the transformation of other state boards. Recommendations from the Workgroup and Executive Committee included:

- On-going involvement with the One-Stop Systems
- Continued focus on education and training especially for small rural business
- The need for a renewed vision statement with goal and objectives. Board sustainability and life beyond WIA. Clearer guidelines around Roles & Responsibilities
- Heightened awareness of workforce related proposals, grants, and legislative issues.
- Research into innovative alternative funding. Example: Private Sector Resource - Hospitals have funds and resources to invest if you share the same interests as them and they see an avenue to reach their common goals.
- Reports and Summaries - One-page reports/summaries help with information overload
- The Board should develop three strategies in-line with the governor's goals. Examples of quality life, quality jobs, and sustainability were given as impact areas.
- SWIB staff, SWIB members in Helena, and the Governors Office held a meeting to develop five to six strategies within the impact areas.

Chairman Miles announced the board would be discussing the strategies and impact areas during the morning facilitated discussion. He provided suggestions from Ms. Woolsey; i.e. Setting Goals, Limit WIA conversations, etc.

## VI. Facilitated SWIB Discussion & Action planning

Arlene Parisot led the board in a facilitated discussion. The agenda for this meeting included the following:

A synthesis of preliminary discussions by both a SWIB workgroup and the board's executive committee on the role and scope of the SWIB were presented. The discussion identified concerns, ideas, and potential strategies:

Workgroup outcomes:

- Board members need to be engaged and involved.
- Let staff do its job to manage WIA.
- Industry is at the table, but not actively engaged.
- How does the board bring labor and education together?
- The board wants to know what is happening at local level.
- The board needs goals and objectives beyond management of WIA.

Presentation by representative of the Council on Skilled Workforce to Executive Committee:

- What SWIB can do or ought to do, to reinvent it's self.
- Challenges of board—where does it fit and how it can build coalitions to leverage change.
- Does the WIRED philosophy of transformation allow the board to be more than a WIA board?
- How can the board avoid getting bogged down with WIA management?
- Does the board develop goals for process improvement?
- Board needs to be organized for the right work.

Member comments:

- What do we really need to understand, what can we really get involved in?
- How do we integrate silos and relate to the governor's mission?

The board was asked to react to the synthesis by answering three questions: 1) what excited you; 2) what does it mean to you as a board member, a professional or community member, and an individual; and, 3) what is missing? Staff collected this information.

The objectives for the session stated: the board will reach agreement on the following:

- 1) Implications of the Governor's workforce development goals for the board and its work;
- 2) Identification of three to five action steps.
  - Step 1: Large group discussion on the implications of the Governor's goals for the board: Quality Jobs, Quality of Life, and Sustainability
  - Step 2: Small group discussion on identifying strategies to guide the board's work in moving the Governor's goals forward with report out to larger group; facilitator provided examples of critical factors of successful boards to generate ideas such as:
    - Develop the agenda around strategic goals.
    - Connect committees and task forces to strategic goals and board work.
    - Minimize standing committees in favor of task forces.
    - Involve non-board members in the work of committees and task forces.
    - Use strong, empowered committee structure
    - Use a sector-based approach.

- Develop an organized process for working with business and industry.
  - Establish sector/business expectations for the one-stop system
- Step 3: Identification of three to five action steps and process for a three (3) month work plan.

**Outcomes:**

The board identified several potential action strategies. The top five identified areas for immediate action are listed below by priority. The remaining will be put in the “parking lot” for later consideration.

1. Quality Jobs:  
Choose three industry clusters for board focus and establish strategies for connecting the industries and education related to industry cluster.
2. Quality of Life:  
Develop strategies for better understanding relationship between Economic Development and Workforce Development.
3. Quality Jobs:  
Develop strategies for marketing career pathways within the target industry clusters to high school students.
4. Sustainability:  
Establish by statute a structure for the core membership of the board to ensure continuity and institutional memory is retained.
5. Sustainability:  
Engage the Business Engagement and Retention (BEAR) program at the state level for dissemination to the local level.

**VII. Closing Remarks**

Chairman Miles announced the Executive Committee would meet prior to the next SWIB meeting. The Executive committee will be discussing the outcome from this SWIB meeting and present ideas for the facilitated August board meeting. He encouraged all board members to attend the Executive Committee meeting.

**VIII. Adjourn**

With no further business, Chairman Miles adjourned the meeting at 11:00 a.m.

\_\_\_\_\_  
Dan Miles, Chairman

\_\_\_\_\_  
Date