

State Council on Workforce Services

Department of Workforce Services

140 East 300 South – Room 101

April 9, 2009

Council members in attendance: Kevin Crandall, Stephen Goodrich, Darris Howe, Don Salazar, Richard Thorn, Bill Crim, Stanley Ellington, Marty Kelly for Patti Harrington, William Sederburg, Don Uchida, Jeff Lindstrom, Sandy Phillips, Joe Christopher, Paul Jackson, Thom Smith, Toni Ure, Tammie Lucero, Lou Sansevero, Kristen Cox, and Greg Hartley for Jason Perry

Others in attendance: Mike Richardson, Chris Love, Jan Thompson, Melissa Freigang, Todd Herbert, Alan Maumann, William Greer, Helen Thatcher, Connie Laws, Marri Ann Perkins, Lynn Purdin, Melisa Stark, Rebecca Little, Cassy Hahn, Melissa Smith, Stacey Joos, Carrie Mayne, Anna Larsen, Diane Lovell, James Whitaker, Steve Avery, Karla Aguirre, Brian Young, James Wilson, Danny Schoenfeld, Julie Lay, Shelly Ivie, Lorri Economy, Ann Barnson, Jon Pierpont, Joseph Curtin, Rod Barlow, Bill Starks, Jolyn Bevan, Jane Broadhead, Dave Ostrom, Scott Williams, Bruce Rigby, Karen Silver, Mark Knold, George Angerbauer, Randy Hopkins, Susan Wright, Cathy Caputo Hoskins, Dale Canning, Susan Thackeray, Bob Gilbert, and Juan Pelzez

Welcome/Business

Kevin Crandall welcomed those present and provided a brief overview of the agenda. He spoke of the meetings that had been held over the last several weeks to gain input from Council members and partners regarding stimulus training funds. The emphasis of these meetings has been to bring together the various partners to determine the best use of potential stimulus funding to help jump-start Utah's economy. Kevin excused Kristen Cox who was unable to attend the meeting and recognized Chris Love, Deputy Director.

Special Recognition

Kevin recognized Jeff Lindstrom for his service as the Mountainland Region Council Chair and member of the State Council. Jeff was thanked for his years of service in representing the restaurant industry.

Approval of Minutes

The minutes of the January 8, 2009 State Council meeting were presented for approval. Lou Sansevero made a motion to accept the minutes as written. The motion was seconded by Don Salazar and the motion carried by unanimous vote.

Approval of Training Providers

Council members were asked to review the list of WIA Approved Training Providers included with the packet of information for today's meeting. The list included Wasatch

CAN Center, Hands On, Air Gyro, Ding King Training Institute, and Layton Sylvan Learning Center.

Motion: Joe Christopher made a motion that the provider list be approved. The motion was seconded by Lou Sansevero and the motion carried by unanimous vote.

DWS Organizational Changes

Jon Pierpont, Director, Eligibility Services Division (ESD) outlined an organizational change being made within the department and stated that it was one of the largest organizational restructuring efforts in the department's 12 year history. The change involves approximately half of the department's 2000 staff who are assigned to eligibility-related job functions. Jon noted that prior to the change, eligibility services were performed regionally with different team approaches and methods used in each of the department's five operational regions. The new Eligibility Services Division will include one statewide, standardized eligibility process. Jon stated that approximately 100 people worked on the redesign and that there were a number of "break throughs" discovered along the way. Full implementation is targeted for June 22, 2009. Some of the aspects of the new division will include specialized eligibility teams, shared caseloads, better utilization of FTEs, and an estimated cost savings of approximately \$6 million.

In response to questions about existing staff locations and telecommuting options, Jon clarified the fact that a centralized eligibility system did not mean all eligibility functions would be moved to the Wasatch Front. There will still be an eligibility presence in the rural areas of the state. Telecommuting options will only be expanded based on the ability of DTS to support an increase in telecommuters and based on whether or not there are actual cost savings associated with telecommuting. Questions were also raised about efforts to train staff on new processes and whether or not the staff would be fully trained by the June 22nd date. Jon reported that there is a very aggressive training schedule under way and that a new operations manual is being developed that will include policy, procedures, and pathways to guide the work of the eligibility staff.

In response to a question about how this change will affect other employment center operations, Chris Love confirmed that other department functions have already been impacted and that once the ESD has been fully implemented, the department would be conducting an in-depth review of other programs and services. Chris also noted that with Jon's appointment as ESD Director, James Whitaker had been assigned as the interim Central Region Director and will be fulfilling this assignment along with his current assignment as Director of the Operations Support Division (OSD). In addition, John Talcott, former Regional Director for the Mountainland Region, has accepted an assignment as one of the ESD Assistant Directors. Shelly Ivie, who is currently the Regional Director for the Eastern Region will be serving a dual role and has been assigned as the interim Mountainland Regional Director. As further consolidation begins to manifest itself throughout the organization, the department will begin to define the organizational framework for the programs outside of eligibility and determine what

changes may be necessary, including possible changes to statute. The first event in this process is a one-day retreat that is scheduled for April 20th. Chris stated that Council members would receive periodic updates throughout the process.

Questions were raised about how the staff are responding to the changes and Jon noted that staff are concerned about the potential for job loss. He further stated that a reduction in force will be the absolute last resort for the department as the organizational changes are being made. The department has implemented a hiring freeze to provide for the flexibility to move staff across programs, however, attrition rates have slowed substantially due to the current economic situation. A question was also raised about how the department plans to address perceptions that it is moving from an organization that assists people in finding employment to becoming the welfare department. Chris Love stated that as we continue to move forward through the reorganization process, a very important part of the dialogue will be the identification and promotion of all department programs and services.

Economic Update

Mark Knold provided an economic update and reported on the “green sprouts” of the economy that are starting to show some promise. Mark stated that he believes that unemployment and housing have hit the bottom and that we are now moving into a recovery cycle but that it is difficult to predict the actual timeline of the recovery. Highlights from Mark’s presentation included the following:

- the recession began in December 2007
- the recession has been in two phases – the impact to construction and the impact on the stock market
- the third phase, or the “stabilization” phase has the potential to be a long one
- the fourth phase, or the “growing back out” phase could begin toward the end of 2010
- home sales and pricing should hit bottom by the end of 2009 with Utah being about a year behind national markets
- stimulus dollars should have a positive impact in reducing unemployment rates
- by the end 2009 we should be feeling better about all the economic indicators
- the stock market may have already hit the bottom – potentially in March 2009
- the jobless rates should peak in mid-2010
- population growth within Utah is constant and job growth in the state is slowing

Council members discussed some of the anomalies of the different counties in Utah and the economic impact. For example, the downturn in the economy seems to have hit harder in Washington County and in the Uintah Basin. Specific questions were also raised regarding stimulus dollars coming into Utah and the potential impact to Utah’s economy. It was noted that the Governor’s Office would like to try to track all jobs created or directly related to stimulus funding as a means to determine the actual impact. Consideration should also be given to jobs that would have been lost without the stimulus funding.

January Meeting Update

George Angerbauer provided an update from January's Council meeting, including a report that the letter that was drafted based on input from Council members was delivered to the Legislature and the Governor during the early days of the legislative session. George outlined how technology (Basecamp) was used to gather input, feedback, and recommendations on several other items discussed during the January meeting. He referenced the handout listing all action items including those that had been completed, were on-going, and still needed to be addressed. George suggested that this strategy be used as we continue to build coordination and collaboration around key State Council issues. It was agreed that using the Basecamp technology was a viable solution for keeping Council members engaged between quarterly meetings.

Dave Ostrom provided an overview of the economic impact on DWS programs and services. Due to existing economic factors, the employment centers have been extremely busy. This is further impacted by the hiring freeze that has been implemented within the department. Dave referenced a handout comparing the percentage change of services offered in the centers from February 08 and February 09. The data supports the idea that the department has been pushed to the limit with respect to staffing and workload issues and Dave noted that employees are looking forward to being able to access and use some of the stimulus funding that may be made available to hire additional staff and to provide additional job training opportunities for our clients.

State Key Plan Points

Mike Richardson noted that the purpose of he and Connie's presentation is to connect current planning strategies with potential stimulus funding based on the feedback and recommendations from State Council members and partners. A key point is for members of the private sector to help us in developing the skill sets that are needed to stimulate Utah's economy and workforce. Another factor is the availability of labor market information at the state and local levels. Each of the regional councils have been asked to ensure that selected occupations are represented within the membership of the regional councils and to also ensure that the appropriate education representatives are also represented.

Mike stated that over the last year, staff to the State Council have been working very closely with our education partners to make sure the appropriate educational pathways are in place to train people in key industries. The goal is to have the pathways identified and in place over the next several months. Mike feels very good about the coordination and planning that has been taking place with the educational partners, including career and technical education.

Connie reported that a major component in identifying and being able to draw down stimulus funding was the extension of the state plan. Council members approved a

one-year extension of the current plan; however, a new plan will also need to be approved that focuses on stimulus funding opportunities. The goal in the development of this plan would be to identify ways to implement funding decisions that would best meet the needs of Utah's workforce. Connie would be addressing the requirements and decisions needed in developing the plan for using stimulus funding.

Based on Department of Labor guidelines and current labor market information, the department has been working to develop the areas where the stimulus funds should be focused – key or targeted occupations. Connie referred members to several documents that outlined the high growth occupations for the State of Utah. Any occupation that has the supporting data to identify an occupation as a high growth occupation could be included. Stacey noted that as an example of one of the key data elements, an occupation with less than 10 job openings within a year's period of time would not be considered as a high growth occupation. She referred the group to the listing that identifies the 1, 2, 3, 4, and 5 star occupations. A high growth, high wage occupation would receive a 5 star ranking. In addition, some of the occupations listed are specifically mentioned or required in the guidance from the Department of Labor – “green jobs” for example. The Council's role is to define targets for the actual investment of dollars in key industries that are important to Utah. Connie also noted that the Council would define the targets or goals for investing the stimulus funding dollars as well as the occupations that should be identified for using the on-going or “regular” training funds. Training is available for a number of occupations; the question is in the identification of the occupations that will be paid for through stimulus funding as opposed to on-going training funds. Discussion centered on how to group potential training in meeting the needs of educational pathways. For example, training groups of 30 or more (referred to as a cohort within the educational system) would allow for better lobbying within educational. Very important to coordinate with educational partners to ensure that there is an educational pathway available for them to receive the training needed. Need to develop talent pathways based on private sector needs and to then ensure that the education pathway is available.

After further discussion of the proposed stimulus-funded occupations and those occupations that would continue to receive training funds through the on-going pathways, it was agreed that the State Council staff would continue to develop the plan for receiving stimulus funding based on industry needs and high growth occupations. The plan will be made available for public comment in mid-June and will require a vote by the State Council by June 22nd so the plan may be submitted by June 30.

A specific decision point needed from the Council centered on the development of the stimulus funded state plan and the availability to provide for child care support to individuals who are in training or who are seeking employment. Questions centered around how to determine if an individual was actively seeking work and how subsequent payments would be monitored to ensure that an individual was not receiving child care support who was not actually looking for employment.

Motion: Paul Jackson made a motion that department staff explore the possibility of expanding child care support to job seekers and clients in training and to provide information about how the payments would be monitored. The motion included the requirement that any changes to existing policy would only be for the duration that the ARRA funds are available.

Substitute Motion: Due to several concerns regarding: 1) the availability of potential “drop-in” child care providers; 2) the potential for fraud; 3) the potential disincentive for some clients/job seekers to actually find work; and 4) the understanding that Council members were in favor of providing child care assistance to individuals who were in training but may not be in favor of providing child care assistance for individuals who were only looking for work, Lou Sansevero presented a substitute motion. His motion was that the state plan include a provision to expand child care assistance for those individuals who are enrolled in training only until such time that the ARRA funds are no longer available.

Motion Withdrawn: Paul Jackson agreed to withdraw his motion based on the substitute motion by Lou Sansevero.

Lou’s motion to include child care assistance for individuals in training was seconded by Toni Ure and the motion carried by unanimous vote.

Motion: Lou made an additional motion that Council staff review the possibility of expanding child care assistance for job seekers and that the staff provide possible options and potential impacts. The motion included the provision that this information and opportunity for comment would be provided on-line via Basecamp. The motion was seconded by Richard Thorn and the motion carried by unanimous vote.

Council discussion returned to the development of the stimulus occupations funding listing and whether or not Council members agreed to the proposed listing being included as part of the state plan.

Motion: Paul Jackson made a motion that the stimulus funded occupational listing be approved with the provision that Council members have the opportunity to provide additional input or to receive additional guidance through Basecamp through April 25th. He further clarified the motion that this listing would be used for stimulus training funds and that DWS continue funding additional training opportunities via “regular” funding avenues. The motion was seconded by Don Uchida and the motion carried by unanimous vote.

Cameron Martin stated that the education partners are interesting in determining if the appropriate education partnerships are represented on each of the Regional Councils and whether or not the educational representatives are attending the meetings on a regular basis. He stated that higher education is dedicated to ensuring that the appropriate connections are in place to align skills assessment and training opportunities.

Connie also outlined the potential for youth internships and stated that the department was seeking opportunities for internships with the private sector. She noted that there would be opportunities for a substantial number of internship training opportunities in a number of occupations.

Lynn Purdin suggested that as the Council and partners move forward in the pursuit of additional stimulus dollars, that the groups coordinate efforts to ensure that there are successful partnerships in place and that we do not end up competing for the same funding. She suggested that it would work well to identify a lead person from each partner to be the stimulus grant contact person so that grant opportunities could be responded to in a timely manner, especially due to the fact that some of the grants could have responses due within a 30 day or less time period. It was agreed that the listing of potential stimulus grant opportunities be posed on-line via Basecamp. It was also noted that the department is working closely with the Governor's office to ensure that all stimulus funded job opportunities be posted at jobs.utah.gov to ensure that the jobs are being tracked as required by the stimulus grants.

Connie also noted that as the Executive Director of DWS, Kristen would be earmarking funding for the development of career and talent pathways with lead partnerships for providing occupational training in specific occupations. Information about this funding will be made available at a later date.

Timelines and Plan Approval Process

Connie referred Council members to the state plan timeline. The draft plan will be available for State Council and public comment on May 25. Comments are due June 10 and the final draft will be e-mailed to State Council members for final vote on June 15. Final votes are due on June 23, with the final plan to be signed and submitted to the Department of Labor on June 28 in order to meet the June 30 deadline.

Questions were raised about how individuals who were not members of the Council would have the opportunity to review and comment on the plan. Mike stated that those interested should send him an e-mail at mikerichardson@utah.gov.

Budget Allocations

Connie referred Council members to a copy of the proposed WIA FFY 2009/SFY 2009 stimulus only funding allocations and noted that the proposed allocations were developed based on the same funding formula that is used for the on-going WIA funding that comes to the states and is set by law. The only exception is with the youth stimulus funding with the recommendation that the funds be held at the state level and allocated to the individuals regions based on caseload. She noted that the funds must be spent by 2011.

Motion: Lou made a motion that the budget allocations be approved as presented. The motion was seconded by Toni Ure and the motion carried by unanimous vote.

It was also suggested that as the stimulus funds are allocated and spent, it would be well to look for opportunities to report success stories and to put out some positive information and good news about how the funding is being used. It was suggested that the best way to do this would be based on specific projects rather than by individual.

Youth Priority Vote

Due to the lack of a quorum during the Youth Council meeting, this item was held over.

Public Comment

Karen Silver thanked the Council for approving the provision that ARRA stimulus funding include child care for individuals in training and for the opportunity for public comment by those not serving on the Council. She also asked about the opportunity to communicate and participate with the individual Regional Councils. She also asked for clarification regarding the public comment period based on the state's 4 10-hour day work week. Connie noted that all the dates listed are a Tuesday or Wednesday. She also noted that she had seen first hand how busy the Salt Lake employment centers were and that she had recently had the opportunity to assist a number of individuals while working in the Central Region and encouraged Council members to visit the employment centers to see first hand how busy the offices are.

Cory Hoot, Utah Farm Worker Program, stated that they are not receiving additional stimulus funding but noted that most of the migrant seasonal farm workers in the state would qualify for many of the programs. She suggested that unless some outreach efforts were undertaken most of them would not have access to the funds. She noted that this group is the poorest of the working class in the United States and it is important that they have the opportunity to tap into some of these resources.

Kevin noted that the next meeting is scheduled for July 9th. Lou Sansevero made a motion that the meeting be adjourned at 4:25 p.m. The motion was seconded by Paul Jackson and the motion carried by unanimous vote.