

BRAD LITTLE
GOVERNOR

Wendi Secrist
Executive Director



Trent Clark
Chair
B. J. Swanson
Vice Chair

WORKFORCE DEVELOPMENT COUNCIL

317 West Main Street, Boise, Idaho 83735-0510

Meeting Minutes

Date: Wednesday, January 8, 2020
Time: 8:00 a.m. – 5:00 p.m. (Mountain Time)
Location: Crystal Ballroom, Hoff Building
802 W. Bannock St. Ste. 202
Boise, ID 83702

Council Member Attendees: Trent Clark, Elli Brown, Ben Davidson (proxy for Shelli Bardsley), Jane Donnellan, Oscar Evans, Audrey Fletcher, Jeff Greene, Sarah Griffin (proxy for Angelique Rood), Marie Hattaway, Angela Hemingway, Deni Hoehne, Tom Kealey, Kelly Kolb, Kate Lenz, Clay Long, Joe Maloney, Jeff McCray, Jan Nielsen, Jani Revier, Tom Schultz, Todd Schwarz, John Smith, Michelle Stennett, Scott Syme, Matt Van Vleet, Marilyn Whitney, Steve Widmyer, Lori Wolff

*Workforce Development Council is hereafter referred to as WDC

Call to order at 8:00 a.m.

Roll Call – Quorum Met

Introductions

All council members introduced themselves.

Review/Approve Agenda

Ms. Nielebeck noted the agenda item to approve the minutes should be listed as October 24, 2019.

The Chair requested unanimous consent to change the agenda to read “Approve Minutes from October 24, 2019 Meeting” and approve the agenda. There was no objection.

After the meeting it was determined that the previous date of October 9, 2019 on the minutes was correct.

Approve Minutes from October 24, 2019 Meeting

Motion by Commissioner Smith to approve the October 24, 2019 meeting minutes as written. Second by Ms. Brown. Motion carried.

Executive Committee & Chair's Report

The Executive Committee is tasked with reviewing WDTF grant applications recommended for approval by the Grant Review Committee. The Executive Committee ensures the Grant Review Committee implements the WDTF policies accurately. The Grant Review Committee is doing a great job ensuring WDTF policies are being followed.

Executive Director's Report

Financial Update

WORKFORCE DEVELOPMENT COUNCIL OPERATING BUDGET - December 31, 2019										
STATE EXPENDITURE CATEGORY	WDTF Budget	Total WDTF YTD Spent	Total Ending WDTF	WIOA Budget	Total WIOA YTD Spent	Total Ending WIOA	TOTAL BEGINNING BUDGET	TOTAL YTD Spent	TOTAL YTD Spent %	TOTAL ENDING BALANCE
Salary & Benefits	\$390,100	\$185,131	\$204,969	\$95,400	\$47,052	\$48,348	\$485,500	\$232,183	48%	\$253,317
PERSONNEL	\$390,100	\$185,131	\$204,969	\$95,400	\$47,052	\$48,348	\$485,500	\$232,183	48%	\$253,317
Administrative Services & Supplies	\$6,000	\$1,994	\$4,006	\$1,000	\$541	\$459	\$7,000	\$2,535	36%	\$4,465
Communication Costs	\$3,500	\$1,952	\$1,548	\$0	\$0	\$0	\$3,500	\$1,952	56%	\$1,548
Computer Services & Supplies	\$20,850	\$12,484	\$8,366	\$0	\$0	\$0	\$20,850	\$12,484	60%	\$8,366
Employee Development, Memberships & Subscriptions	\$7,500	\$645	\$6,855	\$19,450	\$13,516	\$5,934	\$26,950	\$14,161	53%	\$12,789
Employee Travel Costs	\$30,000	\$5,271	\$24,729	\$7,000	\$8,456	-\$1,456	\$37,000	\$13,727	37%	\$23,273
Contracts, Events, & Other Council Activities	\$279,750	\$141,870	\$137,880	\$22,550	\$17,885	\$4,665	\$302,300	\$159,754	53%	\$142,546
Rentals & Operating Leases	\$4,500	\$4,654	-\$154	\$0	\$0	\$0	\$4,500	\$4,654	103%	-\$154
OPERATING	\$352,100	\$168,870	\$183,230	\$50,000	\$40,398	\$9,602	\$402,100	\$209,268	52%	\$192,832
Grand Total	\$742,200	\$354,001	\$388,199	\$145,400	\$87,450	\$57,950	\$887,600	\$441,452	50%	\$446,148
STATE EXPENDITURE CATEGORY	TOTAL BEGINNING BUDGET	TOTAL YTD Spent	TOTAL ENDING BALANCE							
TRUSTEE AND BENEFITS (Spending Authority for Grant Reimbursements)	\$7,684,500	\$3,118,573	\$4,565,927							

There is a slight increase in the WDC's rent. Funds will be moved into the rent and operating leases budget to cover the increase.

Under federal funding, the employee travel costs are over budget due to the 16 listening sessions the WDC held across Idaho. The listening sessions were conducted to gather feedback on the WIOA services offered to Idahoans.

WDTF Financial Summary - December 31, 2019	
WDTF Cash Balance 12-1-19	\$16,972,589
Revenue	\$14,862
Interest	\$29,469
Payments	\$1,938,808
WDTF Cash Balance 12-31-19	\$15,078,113
Obligated Employer Grants	\$2,415,322
Obligated Industry Sector Grants	\$4,470,829
Obligated Innovation Grants	\$214,567
*Obligated Outreach Projects & Allocated Budget	\$914,164
FY 20 WDTF Admin Costs	\$388,199
WDTF Obligated Balance	\$8,403,081
Unobligated Balance	\$6,675,032
Proposals Under Review	\$363,334
Unobligated Balance if all funded	\$6,311,698

*Includes all Outreach funding made available for the Committee to allocate for FY20.

WDTF FY20 Revenue	Transfer In	Interest	Collection Cost
July	\$393,367	\$34,528	
August	\$587,161	\$33,013	
September	\$10,991	\$35,670	
October	\$313,552	\$33,444	\$21,261
November	\$535,421	\$31,836	
December	\$14,862	\$29,469	
January			
February			
March			
April			
May			
June			
FY20 Totals	\$1,855,354	\$197,961	\$21,261

The Workforce Development Training Fund (WDTF) is a set-aside of 3% of the unemployment tax paid by employers for workforce training. The annual income of the WDTF is approximately \$4 million. Chairman Clark interviewed a small number of employers about what they would consider an appropriate carryover balance of the WDTF. The employers expressed only a fraction of the WDTF income should be carried over into a new fiscal year. Currently, the WDTF annual carryover is between \$8 and \$10 million due to the high cash balance the WDC inherited when taking over the fund. The Council needs to continue to monitor the spending and look for opportunities to invest these dollars.

How much of the WDTF does the WDC typically obligate annually?

- For calendar year 2018, the WDC obligated \$4.5 million. For calendar year 2019, the WDC obligated \$5.7 million. Ms. Secrist will provide the Council with a forecast of the WDTF during the Data-Informed Decision Making discussion..
- The amount of grants being awarded by the WDC has increased 66%.

Using the forecast Ms. Secrist provides, the Council can set goals for the WDTF.

- IDOL's economists are currently not confident in their forecast of the WDTF beyond two years.

Are the WDTF funds being invested?

- The State Treasurer's Office invests the funds in secure options. The interest is reinvested on a monthly basis.

FY20/21 Budget Request

The Governor included in his budget recommendation just over \$1.4 million in additional spending authority for the WDTF for FY20. The remaining \$4.3 million will go into the WDC's budget request for FY21.

Three large WDTF grants will expend their funds this fiscal year. Once the three reimbursements have been processed, the WDC will likely run out of spending authority for the fiscal year. The WDTF is not over obligated, but the WDC does not have authority to spend the full cash balance of the WDTF. Once the spending authority limit is reached, the WDC will not be able to process grant reimbursements until the following fiscal year. The WDC submitted a request to have the authority to expend 80% of the WDTF's cash balance. The WDC needs flexibility in the WDTF to be able to follow up on obligations.

Other Updates

The One-Stop Operator RFP will be open by the end of January. The Executive Committee approved the scope of work. The One-Stop Operator contract will be a negotiated contract. Ms. Secrist met with USDOL and explained how the One-Stop Operator contract will be handled and USDOL confirmed that the WDC had addressed IDOL's previous concerns.

Ms. Secrist provided a short overview of the WDC's current projects. Please see the attached document for highlights.

Ms. Secrist urged all council members to please consider participating in the in the Teacher Externship program this summer.

Ms. Solace is creating a statewide asset map that lists Work-Based Learning (WBL) opportunities available across Idaho. Ms. Solace asked if any council members are aware of WBL opportunities/events to please e-mail her the details.

One of the WDC's priorities has been to create youth apprenticeships. Idaho needs a defined statewide structure that can scale youth apprenticeships across all our employers. After the Governor's Summit in October, Ms. Secrist was approached by Dan Long, CEO of the Sandbox Group, asking how he could help with apprenticeships in Idaho. Ms. Secrist is working with Mr. Long and Idaho Business for Education to define a youth apprenticeship structure. The State Board of Education is interested in partnering on this project. Ms. Secrist anticipates an industry sector grant application to be submitted in the future to support the organizational structure of the youth apprenticeship model.

Policy Presentation – Legislative Initiatives

The Policy Committee was asked to create a legislative initiatives policy that clarifies how initiatives are selected and supported by the WDC. At the last council meeting, Mr. Kolb presented a draft policy. The Policy Committee incorporated the feedback from the Council meeting into the latest version of the legislative initiatives policy.

Motion by Mr. Kolb to approve the Legislative Initiatives Policy as written. Second by Commissioner Smith.

Mr. Kolb reviewed the updated Legislative Initiatives Policy. Please see attached document.

Motion carried.

Break 9:00 a.m. – 9:15 a.m.

Our Kids, Idaho's Future

The goal of the Our Kids, Idaho's Future Taskforce was to help the Governor plan for the next 5 years of education needs and recommend policies to advance the most critical issues. The Governor wants to build upon work done by previous Education taskforces.

Mr. Gilbert, Co-chair of the Our Kids, Idaho's Future Taskforce, presented the recommendations of the Our Kids, Idaho's Future Taskforce. Please see attached presentation.

Data Informed Decision Making

Ms. Secrist presented on data-informed decision making. Please see attached presentation.

This presentation includes an analysis of only the WDTF employer grants, not the industry sector or innovation grants, awarded July 1, 2018 to June 30, 2019. Currently, there is no data available on the 40 WDTF grants awarded over the past year as they are all still in progress. Data on the industry sector and innovation grants will be provided in future reports.

Employers appear to be more interested in skills for their specific employees rather than creating skills for an occupation. Maybe the focus of WDTF policies need to change from specific occupations to skills-focused development that could be applied in a variety of occupations.

The WDTF report shows 34% of trained individuals left their employer but stayed in Idaho. Why did these individuals leave their employers? Did the 34% stay in the same industry?

- The 34% stayed in the same industry but left the employer that provided the training.
- In order to collect data on why an individual left an employer, the WDC would need to connect directly with the individual. The WDC does not directly survey individuals but relies on social security numbers to match individuals with wage records to determine if the individual is with the same employer or in the same industry.
- The Policy Committee and Grant Review Committees are considering what data needs to be in the WDTF evaluation. One of the committees recommended collecting data on trainee satisfaction. Ms. Secrist is investigating how to collect this data.

When did the Governor provide a cash infusion for the WDTF and how much was infused into the fund?

- The Governor provided the WDTF a one-time general fund appropriation of \$2.5 million in 2018.
- The infusion was provided due to a drop in unemployment insurance receipts.

The WDTF balance is still multiple times the annual intake. The Council and employers would like to see the carryover of the WDTF be a fraction of the annual intake. The Council is working in the right direction to fix this issue.

Could a schedule or timeline of when WDTF funds are awarded be created? Could funding targets be set quarterly?

- It would be difficult to create a timeline due to the constant changing needs of Idaho employers. The WDC does not control or limit when grant applications are submitted.

The Council is welcome to share the results of the WDTF evaluation with legislators.

Workforce Development Training Fund Priorities

When an employer or entity applies for a WDTF grant, the WDC staff works closely with the applicant to create an application that follows WDTF policies, meets the goals of the Council, and provides information for questions the Grant Committee typically asks. Sometimes when grant applications are submitted, the applications do not contain best practices or are not thoroughly designed. It is rare for the Grant Review Committee to deny a grant due to the application not meeting WDTF policy standards. The Grant Review Committee is seeking further guidance on how to best distribute WDTF funds. After 2 years of implementing the WDTF policies, does the Council want the Policy Committee to give the Grant Review Committee more direction on distributing WDTF funds, such as allocating specific amounts of funding for each type of grant, award WDTF funds annually or quarterly, or incorporate requirements that the applicant is involved in apprenticeships, internships industry recognized credentials, outreach to high schools, etc.?

The Policy Committee requested a list of ideas from the Council members on policies that might be put in place to help best utilize the WDTF. The Committee will review the list and work on recommendations to bring to the Council:

- The Scoring Matrix could be adapted to award extra points for best practices in applications.
- The WDC should look at best practices from other states with similar grant programs. Ms. Secrist will compile a list of other state programs and share them with the Policy Committee.
- Grantees should provide progress reports on their projects that the WDC can then distribute to interested parties throughout the whole state as examples and models. This type of outreach is needed to improve Idaho's workforce development practices.
- Potential applicants in rural Idaho could be at a disadvantage when applying for grants. Employers in rural areas may not have the resources needed to apply for a grant.
- Survey employers and individuals on their knowledge of workforce training programs and find out what types of training they are interested in. This will show gaps in outreach efforts.
- Ask employers why they are seeking an employer grant rather than an industry sector grant. The employer may find that their goal can be achieved through a sector grant. This question could be integrated into the employer grant application.

- Add a requirement for the applicant to provide information on how they are involved in outreach to students. The applicant should be looking at the pathways and pipelines they can create from partnership with their local schools.
- Leverage BurningGlass data in decision making to make sure we're investing in marketable skills.
- Invest WDTF funds into the education institutions to create program curriculum to be shared with all of Idaho.
 - This would require a policy change.
- Educate employers on how to train their employees. Not all employers have the skills to train their employees.
- Non-Pell Grant eligible programs/occupations are falling through the cracks of government training programs. The WDC needs to reach out to education and employers to determine how to support workforce training for these individuals. Military personnel are also falling through the cracks. Military personnel need assistance getting jobs outside of the military. Many veterans do not know where to go or who to talk to about training funds or opportunities. There is also a barrier to employing veterans because civilian employers aren't sure how military experience translates into civilian job skills.

Ms. Meuleman shared the results of a discussion she had with Governor Little about employer grants and the work the Council has been doing to streamline the WDTF. The data Ms. Secrist shared clearly shows there is more investment in industry sector and innovation grants than there was in previous years, but employer grants remain an important part of the purpose of the WDC. **The WDC is where it is today because of industry.** Employers pay into the WDTF. Industry sector grants may not always be viable in remote or rural areas where there are not numerous employers in a specific industry. The Governor thinks that additional parameters around employer grants would help the WDC achieve the goals for the WDTF. The Governor likes the direction the WDC is headed but wants to be sure that employers continue to be able to access WDTF funds directly.

From a policy perspective it is hard to know where the WDTF policies and initiatives needs to be focused. There are certain skillsets that every employer in Idaho needs their employees to have. The WDC should put together a curriculum providing those skills to employers statewide. If the Council thinks the WDTF funds need to be spent differently than what is allowed in legislation, the Council should work on new legislation.

Is the Grant Review Committee interested in changing the frequency of grant application reviews?

- Perhaps. The biggest issue the Committee faces reviewing applications on a monthly basis is having a quorum. Not all the members are able to attend regularly, which results in only a portion of the Committee making decisions for all the constituents who are intended to have a voice at the meetings. Maybe fewer meetings would enable all committee members to attend, thereby providing representation of their constituents.

The WDC needs to be conscious of the amount of work WDTF grant applications are for small businesses. Small businesses need tools to help make the applications process easier. They may not have the time or resources to apply for an industry sector grant.

Ms. Secrist will bring these recommendations to the Policy Committee for review.

Lunch 12:00 p.m. – 1:00 p.m.

Presentation – Economic Outlook

Mr. Shaul presented the Economic Forecast for Idaho. Please see attached presentation.

Is there a way to determine if Idaho has low wages compared to the rest of the country?

- Idaho has a lower cost of living compared to other states.
- Idaho is losing employees to remote work for companies in other states that pay higher wages.

What is the impact of Idaho having low minimum wage?

- All of the surrounding state have a higher minimum wage than Idaho. Individuals are choosing to work remotely for other states or commute into border states.
- How many of the surrounding states are indexed to the federal minimum wage?
 - 2
- Mr. Shaul will gather information for the Council on minimum wage comparisons between Idaho and other states.

How does Idaho compare to other states on the number of people holding multiple jobs?

- Idaho has a high rate of individuals with multiple jobs.
- Mr. Shaul will gather information from the Bureau of Labor Statistics.
- Healthcare struggles with employees being employed with multiple healthcare entities. This causes scheduling troubles, etc.

Partner Agency Legislative Updates

The Policy Committee requested that the state agencies we partner with share their legislative initiative for review. The Policy Committee determined if the initiatives aligned with the WDC's strategic plan and added the aligned initiatives to the Legislative Priorities sheet. Once the Council has reviewed all of the initiatives, the Legislative Priorities sheet will need to be adopted, subject to final approval by the Governor.

Please see attached WDC Legislative Priorities sheet for each agency's legislative initiatives.

Idaho Commerce – Tom Kealey (Idaho Commerce Director)

The Governor supports the creation of a broadband office to be housed within Idaho Commerce. This recommendation comes from the Broadband Taskforce. Not having broadband accessibility across Idaho is a barrier to training. **Director Kealey requested this legislative initiative be added to the WDC's Legislative Priorities sheet.**

STEM Action Center – Angela Hemingway (STEM Action Center Executive Director)

STEM is requesting a \$1 million supplemental spending authority. **Ms. Hemingway requested this legislative initiative be added to the WDC's Legislative Priorities sheet.**

Idaho Career Technical Education – Clay Long (Idaho CTE Administrator)

CTE is working to find a sponsor to provide reimbursement to teachers in technical centers.

Idaho Public Television – Jeff Tucker (Idaho Public Television Director of Content)

IPTV has enough funds to extend the American Graduate program for 3 months. IPTV is applying for a 1-year extension for the program. The WDC supports the program continuing because it provides valuable information about careers to Idahoans.

The State Board of Education – Matt Freeman (State Board of Education Director)

The Idaho Opportunity Adult Learner Scholarship had 37 renewals and 71 new applicants. These numbers are lower than expected, but there is a small amount of outreach funds available (primarily from WDTF), so information about the scholarships is disseminated informally through person-to-person referrals. The State Board of Education hopes to increase the number of applicants.

Can some of the scholarship funds be available for workforce programs in addition to formal education?

- This would require a change in legislation. The State Board of Education is willing to discuss this as an option.

How many prior college credits does a student need to qualify for the Idaho Opportunity Adult Learner Scholarship?

- Currently, a student needs to have already earned 24 credits.
- Can the student be earning credit during their 2-year absence from education?
 - The student can earn no more than 6 credits over that 2-year period to qualify.

Break 2:30 p.m. – 2:45 p.m.

Bureau of Occupational Licensing – Wendi Secrist

Last year with the WDC's support, the Idaho Bureau of Occupational Licensing created a water/wastewater apprenticeship program and modified licensing rules so apprentices can get their operating licenses.

A council member expressed concern with the Bureau of Occupational License's legislative initiative for contractors. The initiative says, "Contractors: allow for inactive licensure status which will save the licensee the unnecessary cost of maintaining insurance during winter months when they are working." The Governor recently signed a statute that states if an individual lets insurance drop on their vehicle for 30 days, their vehicle registration will be suspended, and they will be charged a fine. The Bureau of Occupations License's legislative initiative for contractors may create a double standard by allowing contractors to get drop their insurance without any penalty. The initiative also does not change or help individuals get into a contracting occupation. **The Council requested the contract legislative initiative be removed from the Legislative Priorities sheet.**

State Department of Education – Marilyn Whitney (State Department of Education Deputy Superintendent, Communications & Policy)

Mastery Based Education is not being supported by the Governor. Last year the Governor’s Office removed items from the WDC’s Legislative Priorities that did not align with the Governor’s budget. The Governor has already given his input and direction on mastery based education so the WDC should follow his instruction. It might send mixed messages if the initiative stays on the Council’s sheet. **The Council would like to remove the Mastery Based Education initiative from the Legislative Priorities.**

Approve FY20 Legislative Priorities

The Governor recommended a few issues be added to the WDC’s Legislative Priorities:

- Cybersecurity Degree Collaboration. \$1 million in one-time funds to develop a cybersecurity program that will be offered jointly by Boise State University, Idaho State University, and the University of Idaho. The WDC has already granted \$1.6 million for cybersecurity education in Idaho.
- \$6 million for new CTE facilities. CTE facilities on the technical college level have grown immensely and are looking to expand. The WDC granted LCSC \$750,000 for a new facility.

Motion by Mr. Kealey to approve the 2020 Legislative Priorities with all the above amendments, subject to the approval of the Governor. Second by Mr. Schwarz.

Does the WDC have initiatives going before the legislature?

- The WDC does not have legislation this year.

One of the roles of the WDC is to help connect all the workforce efforts in Idaho. The Legislative Priorities sheet shows the programs helping to improve the workforce in Idaho.

Motion carried.

Talent Pipeline Management Initiative – Alex LeBeau (IACI President)

Approximately 89% of employers have difficulty filling current job openings with qualified employees, as students are not career-ready when completing their education. Traditional career pathways weren’t designed to develop skills for the current fast-changing market, or to match the speed of changing industry requirements.

The Talent Pipeline Management (TPM) program is a demand-driven, employer-led approach to closing this skills gap of current and potential employees. The gap in appropriately skilled workforce can be closed with employer collaboratives working together for stronger brand recognition, clearer communication between employers and education representatives, shared expertise, improved leverage for getting needed results, and added value for smaller employers involved in the process. The TPM program provides a structured process for collective action and decision-making to resolve this issue. A ‘talent supply chain’ will begin to form through continuous improvement with each cohort

sectors by including more employers in the process and teaching a more refined set of skills to fit the employment landscape.

At the July 2019 council meeting, the Executive Committee considered how the Council could create regional intermediaries or an infrastructure to see more directly the needs of employers and match them with education at a local level. IACI has been working with the US Chamber Foundation on the Talent Pipeline Management program which is a methodology that could help the Council achieve the strategy. The Grant Review Committee discussed how to shift from awarding whatever applications come before the committee to making awards based on where the needs in Idaho are. The Talent Pipeline Management program would help make that shift.

The TPM program will start in May and conclude in October. Thirty individuals from across the state will be trained in the first cohort. IACI will work with the local chambers, IDOL, economic development professionals, education institutions, CTE, and the WDC to identify individuals who are already doing this type of work. The WDC has been asked to name 6 individuals for the cohort. The selection process will be collaborative. A few of the TPM trainees will be selected to learn to train others on the TPM program.

TPM is a way for the WDC to gather feedback from businesses on the WDTF grant process and types of training needed across Idaho. Having a statewide program enables the WDC to take information from the cohorts and identify opportunities to invest WDTF funds.

TPM's success will rely on the businesses in each region. The businesses need to be engaged in TPM from the beginning.

Who will notify industry about TPM?

- IACI has already had conversations with many industry members. IACI will rely on industry partners to spread the word as well.

Who is going to manage TPM?

- IACI will pay for the US Chamber Foundation to conduct the training for the first cohort. After the first cohort, it will be up to the 30 trained individuals to continue the program.

WIOA State Plan Priorities

Ms. Secrist presented the WIOA State Plan priorities. Please see attached presentation.

How are the target industry sectors selected?

- The Economic & Workforce Analysis provides guidance.
- The One-Stop Committee should look at tools that could determine how the sectors are selected.

Ms. Secrist used the WDC's strategic plan, listening session notes, and federal WIOA requirements when creating the WIOA State Plan priorities.

Motion by Commissioner Smith to approve the WIOA State Plan Priorities as presented. Second by Mr. Van Vleet. Motion carried.

BurningGlass Data Demonstration

Ms. Secrist demonstrated the BurningGlass Labor Insight Tool.

Does WDC have a license to BurningGlass?

- The WDC currently holds a license. Ms. Secrist is working with BurningGlass to explore additional licenses for agency partners. It might be possible to have a statewide contract through the Division of Purchasing. This tool is valuable and needs to be shared widely. The data would be valuable to education. It would show education baseline skills students need to learn.

Motion by Mr. Schwarz to adjourn. Second by Mr. Evans. Motion carried.

Adjourned at 4:00 p.m.