EXECUTIVE COMMITTEE MEETING MINUTES

Date: Thursday, March 14, 2019
Time: 10:00 a.m. – 11:00 a.m.
Location: Teleconference
Call In: 1-720-279-0026
Guest Passcode: 470642

Meeting Conducted By: Trent Clark, Chairman

Council Committee Members: Trent Clark, BJ Swanson, Jeff McCray, John Young, Deni Hoehne

Guests: Joe Maloney

Staff: Paige Nielebeck, Wendi Secrist, Matthew Thomsen, Caty Solace

Call to Order at 10:04 AM

Roll Call – Quorum Met

Review Agenda
No changes to the agenda.

Approve Minutes February 14, 2019
Motion by Ms. Swanson to approve the February 14, 2019 minutes as written. Second by Mr. Young. Motion carried.

Budget Update
Does the $176,592 include the project that was funded back in August?

- It does not. The $123,000 was moved to operating expenses. When we are doing anything with Strategies 360 money has to be moved up into operating expenses because that is how DFM has asked us to do this.
- The footnote at the bottom should include information on where the $123,000 was taken out of.

**Employer Grant – Paylocity**
Paylocity is an expanding company that is invested in the Idaho community. Many of the skills necessary for employees at Paylocity require formal training which requires a large investment by the company in planning, development, classroom space, and training delivery. Paylocity’s formal training helps each employee prepare for their job duties which in turn positively impacts the company’s overall performance and efficiency.

WDTF Request: $679,659.22

Grant Review Committee Recap

Prior History with the WDTF:
- Contract started 12/1/2015 and ended 11/30/2018 (they were given a 1-year extension). They were approved for $1.2m for up to 500 employees and were held to an average wage of $21 per hour with no employee under $15 per hour eligible for reimbursement.
- Paylocity stated that they trained 279 employees with the previous grant. As of January 25, 2019, Paylocity had 248 employees that were “new hires” since the start of the first grant. The difference is likely turnover.
- During grant close out, uncovered that Paylocity has been overpaid by $14,652.84. A letter requesting repayment has been sent to them.

Ms. Secrist shared that the committee could take action on the application subject to receipt of the repayment. The overpayment was a mistake and there are no concerns about continuing to work with Paylocity.

The application requests funding to train 116 new employees and to retrain 224 employees. The individuals who would be retrained are the same employees from the 2015 grant.

What training will be different this time than last time?
- This seems to be just ongoing training for their employees. Generally, when someone asks for retraining it is due to new equipment or technology (when they may be subject to layoff unless they gain new skills).

Is this an expansion or did they not just reach their capacity from the previous grant?
- Their previous grant was written in a way that it covered up to 500 employees. They did not commit to, nor were they held to that number. As an economic development project, Paylocity is a little different than recent grants the committee has reviewed. They are continuing to add new employees and thus are eligible for a grant.

They are an HR company. A lot of the things on the training plan are training employees on how to work with clients, etc. If they get this training is it making them more mobile or more qualified down the road for another company?
It seems as though it is just making them a better employee for Paylocity, although there are other companies in the Treasure Valley that provide similar services so there is some transferability of the skillset.

Has the need changed in the last three years for these trainings?

- From the conversations with Paylocity the training for new employees enables them to successfully do their job. The “retraining” is just a continuation of the training they provide employees – but not something drastically different than what they currently do.

Motion by Mr. Maloney to approve the training of the 116 new employees in the amount of $231,884 with the condition that Paylocity pay back the amount they owe to the WDC. Second by Mr. Larsen. Motion carried.

What is the term of this training grant?

- 2-years

The increase of wages in this grant is not a lot. It is the general 3% cost of living increase. What is the average county wage in Ada County?

- The average wage is just above $21 an hour.
- Next week the policy committee will be looking at a final version of the Workforce Development Training Fund Policy and the Scoring Matrix that will be presented to the Full Council in April. The scoring model will help with this issue.

Was the original grant to train 500 employees?

- The way that the contract was written did not guarantee that they would train 500 employees. They would be provided with funding for up to 500 trainees. The original grant was for $1.2 million. 272 were trained and 248 was their employee count as of January. This was an economic development project.
- It is hard to see the return on investment of the WDTF dollars from the first grant.
- The first grant was done under a completely different process.
- The good news is that they are training new employees with this new grant.

One of the things the Grant Review Committee did discuss was whether there were companies in the valley that would hire these employees if they were not retained by Paylocity and yes, there are a few companies that view the skills as transferrable.

Perhaps one of the criteria we should value is the need for the jobs in Idaho. The Department of Labor identified in-demand occupations and that might be something to be added as criteria for the scoring matrix.
Motion by Ms. Swanson to approve the Grant Review Committee recommendation of the approval Paylocity Employer Grant in the amount of $231,884 with the condition that Paylocity pay back the amount that they owe to the WDC. Second by Mr. Young.

Innovation Grant – Idaho Digital Learning
IDLA is the state’s online high school and they have a funding method that when a high school student takes a class online, the state pays for the delivery of that class. In addition, they are the only provider that staff are aware of that could serve both high school students and adults where high school credit could be granted to those students. The course would be available in modules to support the adult population and to create an opportunity for high school teachers to use it to supplement existing courses.

The money is being used to create the course and it will take the one-year contract term to build it out. All of the delivery described in the proposal will happen after the grant ends.

WDTF Request: $25,000

Grant Review Committee Recap

Will this cost the student anything?

- When a high school student takes the course, the state will pay for it. There is a $75 fee associated with the high school student that is charged to the school district. Districts have the choice to pay this themselves or ask the parents to pay. Many districts pay on behalf of the student.
- There will be a $45 per course fee for adult learners per the application.

Is this the first time that IDLA has come in for a grant?

- Yes it is.
- This may be setting a precedent for them to keep coming back in the future, but it is a good program.
  - We would not find them eligible if they came back asking for funding for general high school courses.

Motion by Mr. Larsen to approve the Idaho Digital Learning Innovation Grant in the amount of $25,000. Second by Mr. Touchstone.

The Committee discussed why IDLA and why not use some of the existing online programs out there. The advantage of IDLA doing this is that they are by law the State’s online high school. Because of this the student is able to get credit for this program. They are asking us for the funds of building this course in an online format. They will develop it in such a way that it could be used for adults as well.
CTE has a set of standards that outlines exactly what the students would be learning through the program. This could also be available to other people (job seekers, etc.). These are required skills for anyone who is wanting to be employed.

It can be frustrating that we are limited to funneling everything through our own accredited training program. This would be a great agenda item to discuss with the State Board at our next meeting with them.

**Motion by Ms. Hoehne to approve the Grant Review Committee recommendation of the approval of the Idaho Digital Learning Academy Innovation Grant in the amount of $25,000. Second by Mr. Young.**

This does reach some of the people who would be defined as work challenged. This can reach people in the more rural areas and those who may not have access to in-person training. Many of these people are where they are or in need because they are work challenged. This is a great resource to them so that they are able to hold a job or gain the skills they need to get a good job.

There are other programs available in the state that could use this type of training.

**Motion carried.**

**Employer Grant – Magic Valley Quality Milk**

MVQM LLC is a startup company with a projected staff of 20 new employees to operate the new green field plant. MVQM LLC will be processing milk into various liquid dairy product to be sold to other food processing companies as ingredients in their product ranges.

**WDTF Request: $46,723.02**

**Grant Review Committee Recap**

Are the positions $12 an hour and under – there may be a discrepancy in the application?

- Everything is over $12 an hour. The positions range from $17 to $24 an hour.

As shared during the discussion about the Idaho Milk application a few months ago, Idaho has a surplus of milk and new processing options are important to the industry.

**Motion by Ms. Revier to approve the Magic Valley Quality Milk Employer Grant in the amount of $46,723.02. Second by Mr. Touchstone. Motion carried.**

This is one of those situations where the job market is tight enough that they are going to be bringing in new employees at the higher pay level and then training to do their job. That is why there is a lack of wage increase. They are paying a little bit more in salary than the county average wage. It is similar to the Idaho Milk grant. Is there concern that employees will go elsewhere because of the lack of wage increase? It is an increase in the
fact that this job did not originally exist, and the company is bringing the job to Idaho ($0 – wages they are offering). It is 20 new jobs that are being brought to Idaho.

Currently the scoring model does not take into account wage increase. In the new funding model that the Policy Committee is working on, wage increase would be a qualitative item.

**Motion by Ms. Swanson to approve Grant Review Committee recommendation of the approval of the Magic Valley Quality Milk Employer Grant in the amount of $46,723.02. Second by Ms. Hoehne. Motion carried.**

**Innovation Grant – City of Twin Falls**
The project is a 'Construction Combine' event similar to the one done last year in Pocatello, ID. Area contractors will conduct a two-day training for individuals interested in construction careers, teaching basic construction skills in various trades, and will evaluate participants over the course of two days. At the end of the second day, contractors will offer employment to high performing participants who they feel best meet their qualifications for employment. This event will serve Jerome and Twin Falls Counties and we are targeting students from the seven area high schools.

**WDTF Request: $3,300**

**Grant Review Committee Recap**

*This is very inexpensive for how much training is going to be done. It is very impressive. It is nice to see how much in-kind match and partner support they have. ISU received a WDTF grant a year ago to start this construction combine concept. They have shared their resources and lessons learned with the rest of the state. In other regions, the communities have been able to come up with all the funding for the program, but each is different and Twin Falls has this small gap. ISU will be loaning them all the tools our grant purchased for last years Combine in Pocatello.*

**Motion by Mr. Touchstone to approve the City of Twin Falls Innovation Grant in the amount of $3,300. Second by Mr. Cox. Motion carried.**

This grant is similar to the construction project that was hosted in Pocatello. They have a lot of support from industry partners and postsecondary institutions.

Is there any effort to reach out to the underserved populations in Twin Falls?
- Mr. Thomsen talked with Twin Falls and they said that it is initially for high school students. Since there was such high interest in this event they did open the applications to veterans.
- In the future it is important to ensure that the applicants are aware that it is in our charter to reach out to these types of populations.
  - It is in our application that we ask them about underserved populations.
Motion by Ms. Hoehne to approve the Grant Review Committee recommendation for the approval of the City of Twin Falls Innovation Grant in the amount of $3,300. Second by Ms. Swanson.

More of these programs where we can expose potential career seekers to these industries is a great opportunity.

Motion carried.

Conflict of Interest Opinion from Deputy Attorney General
Ms. Secrist talked with our Deputy Attorney General and she expressed that she felt our Conflict of Interest Policy is solid. She does not feel that we need to make changes. She voiced concern about requiring private sector members to resign from the grant review committee because it may make them less willing to serve on committees. She feels that conflict of interest is handled in the policy. She did suggest that all committee members sign the policy, not just Council members. Staff will implement that recommendation.

Review Draft Agenda for April Council Meeting
Ms. Secrist went over the draft of the April Council meeting. Please see attached document.

The Committee breakouts in the morning could be moved if we do not get through the facilitated portion with Dave Hill in the time allotted.

The WDC Staff has sent a letter to Governor Little requesting that an AFL-CIO member be added to the Executive Committee. This will require a new Executive Order to be issued. We have also requested that a member of the State Department of Education be added to the Council. The Governor’s Office seems very receptive to this idea. If the Executive Order is issued and we get approval to add the new member, these two items would require a bylaw update which would need to be taken to the Full Council for approval.

To be responsive to the Council, we will add in an Executive Committee update to discuss the grants that were awarded.

Western Pathway Conference – May 8-10
The Western Pathway Conference is in Portland May 8-10. Jeff McCray has said he would be able to attend and be on a panel. We would welcome a couple more Executive Committee members to join on that trip. It is a very good conference and well worth our time and investment.

Ms. Secrist has asked the Executive Committee Members to let her know if they would like to attend the conference.

The Chair requested that Ms. Secrist reach out to Senator Stennett and Representative Syme to find out if she/he would be interested in attending.
Brainstorm Small Outreach Project Funding
The Council granted the Outreach Committee authority to review proposals, approve them, and fund them. Sometimes a few of those grants can fall through the cracks because they are time sensitive and small. We are trying to be nimble and responsive, but also remain transparent. An idea has been brought up where the WDC staff would be allowed to approve very small outreach grants. The staff and Mr. Young felt that this idea should be discussed with the Executive Committee and give them the opportunity to share their thoughts and possibly share other ideas of how this process can remain responsive.

This item will be added to the next Executive Committee meeting agenda to have an in-depth discussion.

Motion by Ms. Swanson to adjourn. Second by Ms. Hoehne. Motion carried.

Adjourned at 11:10 AM