

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MINUTES OF MEETING NO. 158
NOVEMBER 17, 2011**

Ms. Cindy Zehnder called the Workforce Training and Education Coordinating Board (Workforce Board) meeting to order at 9:07 a.m. at SW Washington Pipe and Trade Apprenticeship Center, Lacey, Washington. The following Board members and officers were present:

Cindy Zehnder, Chair

Beth Thew, Representing Labor, Vice Chair
Amy Johnson for Don Brunell, Representing Business
Lee Anne Caylor for Lutz Ziob, Representing Business
Creigh H. Agnew, Representing Business
Keith Wier for Lee Newgent, Representing Labor
Lori Province for Jeff Johnson, Representing Labor
Mark Mattke, Representing Local Government
Dixie Simmons for Charlie Earl, State Board for Community and Technical Colleges (SBCTC)
Phouang Hamilton for Randy Dorn, Office of Superintendent of Public Instruction (OSPI)
Anne Goranson for Paul Trause, Employment Security Department (ESD)
Andres Aguirre for Susan Dreyfus, Department of Social and Health Services (DSHS)
Rogers Weed, Department of Commerce

Eleni Papadakis, Executive Director

Chair's Report

Ms. Cindy Zehnder welcomed staff and guests to the meeting and introductions were made. Ms. Zehnder thanked everyone involved in the Retooling Washington's Workforce Conference October 6, 2011, for their hard work. The Conference has generated great success and enthusiasm. Ms. Zehnder also announced the upcoming 20th anniversary of the Workforce Training and Education Coordinating Board. Ms. Zehnder suggested a celebration event be held the evening before the January Board meeting. Legislators and the Governor would be among the invitees and she asked members of the board to help with locating retired alumni that were involved in the creation of the Board. Mr. Tim Sweeney shared details for collecting memorabilia of 20 years of workforce development. Mr. Martin Simon of the National Governors Association would speak at the celebration and attend the Workforce Board meeting the next day. Ms. Beth Thew inquired on the program and cost of the celebration. Mr. Rogers Weed asked about the fundraising target.

Motion 11-158-01

The minutes for September 22, 2011 were adopted. The motion passed.

Director's Report

Ms. Eleni Papadakis reported on the Pegasus Proposal. She mentioned the components of the plan, and the big steps to propel K-12 to postsecondary students into jobs in aerospace, including by students earning college credits while in high school. She also mentioned the specific proposal for training for

entry level jobs. As part of the proposal the Governor is creating an office for aerospace. The Board is named as an evaluator of the training. The Board will use the performance accountability measures in place now for the evaluation. Mr. Rogers Weed congratulated the Board and agencies involved in the effort. Ms. Papadakis mentioned the \$20 million Air Washington Grant focused on aerospace and training that the community and technical colleges brought in. Ms. Dixie Simmons spoke about the Air Washington Grant. Ten colleges and the Washington Aerospace Training and Research Center along with seven Workforce Development Councils and the Aerospace Joint Apprenticeship Committee are part of the three-year grant. She also spoke about the Individualized Certificate Program.

Ms. Papadakis also provided information on a potential legislative bill regarding Lifelong Learning Accounts (LiLAs). Ms. Beth Thew spoke about Labor's position on LiLAs. Ms. Papadakis also announced that the Governor's Best Practice Award winners have been selected and there will be a ceremony after the first of the year. She congratulated Mr. Mark Mattke on his recent appointment as Chair of the Washington Workforce Association.

Updating "High Skills, High Wages"

Mr. Bryan Wilson presented the materials for Tab 6. As amended in 2009, the Workforce Training and Education Coordinating Board's statute states:

"The board shall develop a state comprehensive plan for workforce training and education for a ten-year time period. The board shall submit the ten-year state comprehensive plan to the governor and the appropriate legislative policy committees. Every four years by December 1st, beginning December 1, 2012, the board shall submit an update of the ten-year state comprehensive plan for workforce training and education to the governor and the appropriate legislative policy committees. Following public hearings, the legislature shall, by concurrent resolution, approve or recommend changes to the initial plan and the updates. The plan shall then become the state's workforce training policy unless legislation is enacted to alter the policies set forth in the plan." (RCW 28C.18.080)

Thus, the Workforce Board must update *High Skills, High Wages 2008-2018, Washington's Strategic Plan for Workforce Development* in 2012 and submit the updated Plan to the governor and Legislature by December 1, 2012. The Board could take action on the plan process at the January 27, 2012 Board meeting. Mr. Wilson asked the Board for questions that they would like the plan to answer. Ms. Cindy Zehnder asked for the Board to focus on what they would like to accomplish. Ms. Beth Thew asked what strategies have been most effective and beneficial in the past. Ms. Creigh Agnew asked the Board to consider what they have learned from Retooling Washington's Workforce. Ms. Cindy Zehnder asked Mr. Mark Mattke to provide the perspective of the local councils. Mr. Mattke suggested that keeping it simple would be best. He also urged narrowing the plan down so we get a clear focus. Ms. Zehnder asked if there was interest in a presentation from Amazon.com to talk about job openings.

Workforce Board American Recovery and Reinvestment Act Grant Update

Ms. Beth Meyer and guests presented the material for Tab 3. Invited guests were Mr. Galen Benshoof, SEIU Healthcare NW Training Partnership, Mr. Ed Phippen, Health Work Force Institute and Washington State Hospital Association, Ms. Mary Rosenthal, SEIU Healthcare 1199 NW Multi-Employer Training and Education Fund and Ms. Pat Ward, State Board for Community and Technical Colleges.

In early 2010, the U.S. Department of Labor awarded the Workforce Training and Education Coordinating Board two American Recovery and Reinvestment Act grants focused on training for healthcare and energy efficiency. These grants added to the Workforce Board's portfolio of "learning laboratory" programs. Ms. Meyer updated board members on the status of the grants. Mr. Phippen shared the results of the Health Work Force Institute's 2010 Hospital Work Force Survey and the other guest speakers talked about each organization's healthcare workforce and education capacity building efforts. Mr. Keith Wier from the Seattle Building and Construction Trades Council shared that a "Crosswalk" document was developed by Helmets to Hardhats and Apprenticeship and Non-Traditional Employment for Women. The Crosswalk is a tool that equates the skills Veterans have acquired while in service to building and construction trades jobs qualifications. Mr. Weir offered Board members copies of the Crosswalk.

Agencies' Budget Requests

Mr. Bryan Wilson presented the material for Tab 2. RCW 28C.18.060(5) directs the Workforce Board to "... review and make recommendations to the Office of Financial Management (OFM) and the Legislature on operating and capital budget requests for operating agencies of the state training system for purposes of consistency with the state comprehensive plan for workforce training and education."

Because of the recession and a severe reduction in the revenue forecast, consideration of the supplemental budget will begin early, during a special session of the Legislature starting on November 28.

Due to the current budget situation, state agencies are generally not proposing budget enhancements to the Legislature and are instead recommending where to make budget reductions. On October 27, the Governor released a list of "budget reduction alternatives" for consideration by the Legislature and the public. In this tab is a summary of workforce-related items from that list. The list identifies the reductions that the Governor tentatively plans to include in her supplemental budget proposal for the upcoming special session of the Legislature. Mr. Mark Mattke asked for an example of a high demand grant that was funded. Ms. Creigh H. Agnew asked the Workforce Board for criteria for prioritization. Ms. Lori Province asked about program benefits. Ms. Cindy Zehnder asked for a letter to be sent out from the Board to Legislators and the Governor's Office saying: *we are doing a more detailed analysis of the budget criteria in the way we believe it should be prioritized.* Ms. Agnew cautioned the Board in addressing the Governor on cuts. Mr. Wilson updated the Board on the Higher Education Coordinating Board restructuring. The Workforce Board discussed the cover letter that would accompany the budget requests.

Motion 11-158-02

Ms. Creigh H. Agnew moved that the Workforce Training and Education Coordinating Board request that the Governor and Legislature prioritize certain programs and activities for continued funding for the current biennial budget. Ms. Lee Anne Caylor seconded the motion. The motion passed with abstentions. The Office of Superintendent of Public Instruction, Employment Security Department, and State Board for Community and Technical Colleges abstained.

Motion 11-158-03

Mr. Mark Mattke moved that the Workforce Training and Education Coordinating Board support the Governor's Pegasus Proposal and the elements of the Office of Superintendent of Public Instruction's proposal that are reflected in the proposal. The motion passed.

Eligible Training Provider Performance Criteria

Ms. Karen Pyle presented the materials for Tab 4. The Board adopts the criteria used to determine which programs are eligible to provide training funded by Workforce Investment Act Title I-B Individual Training Accounts. The same criteria are used to determine eligibility to train dislocated workers receiving additional unemployment insurance benefits under the state's Training Benefits program.

The criteria consist of standards for program results as measured by student completion rates and the employment and earnings of former students (including both completers and non-completers). Ms. Dixie Simmons explained that colleges have put on hold more programs than usual and that may be contributing to the number of programs with no data or low completion rates. Ms. Lee Anne Caylor asked about the reason for the decrease in the number of programs in the analysis. Ms. Pyle explained when Career Bridge came on line there was a large increase in the number of programs, and the number has declined over the last two years due to programs not meeting the standards or not reporting data. Ms. Caylor also asked if the results were weighted by the number of students per program. Ms. Cindy Zehnder raised a concern about small programs not having enough students to be analyzed to be on the Eligible Training Provider List. The Board is expected to take action on the Eligible Training Provider List at the January meeting.

Certifying Workforce Development Councils' 2012 Process

Mr. Martin McCallum presented the materials for Tab 5. The Workforce Investment Act (WIA) requires governors to certify Workforce Development Councils (WDCs) every two years. Current council certifications end on June 30, 2012. Chief Local Elected Officials (CLEOs) appoint WDC members consistent with the membership criteria in WIA and additional criteria established by the Governor "in partnership with the State Board" (WIA Sec.117(b)(1)).

It is the role of the Workforce Training and Education Coordinating Board to: (1) recommend certification criteria to the Governor; (2) determine if the applications for WDC certification meet federal and state criteria; and (3) recommend certification approval to the Governor. To carry out the Board's 2012 council certification review, staff proposes that the criteria remain the same and the Board employ the process presented in the packet. Mr. Mark Matcke inquired on the local area WIA plans and asked if they will be included in the new operating plan. Ms. Cindy Zehnder clarified the areas of concern. Ms. Beth Thew asked about the key regional industry clusters. She also asked about entrepreneurialism.

Motion 11-158-04

Ms. Lori Province moved that the Workforce Training and Education Coordinating Board approve the proposed certification criteria in Appendix A and the process and timeline on Page 1. Ms. Beth Thew seconded the motion. The motion passed.

New State Plan for WIA and the Wagner-Peyser Act (Action)

Mr. Martin McCallum and Mr. Gary Kamimura presented the materials for Tab 7. The current *State Plan for the Workforce Investment Act (WIA)* and *Wagner-Peyser Act* expires on June 30, 2012. The U.S. Department of Labor (DOL) will issue final instructions in early February 2012 on the required elements for a new five-year state plan. The plan will need to be written, shared for public comment, approved by the Workforce Training and Education Coordinating Board then approved by the Governor, and submitted to the Secretary of the DOL in the spring of 2012. States must have approved State Plans in place to receive formula allotments under WIA and funding allocations under the Wagner-Peyser Act. DOL has

issued “draft” plan development guidelines that offer a picture of DOL’s expectations. States may choose to write an Integrated Workforce Plan or a Unified Plan. Ms. Lori Province asked for a brief conference call to take action. The Board will hold a special meeting for this purpose.

Motion 11-158-05

The Workforce Training and Education Coordinating Board requests that appropriate representatives from the state agencies in Washington’s workforce development system meet to consider plan options, settle on the choice of plan options, and report their plan writing progress to the Board on January 27, 2012. The motion was modified to include that the interagency group should make recommendations to the Board at a special meeting by conference call and that the Washington Workforce Association should be included in the interagency conversation.

Listing Strategic Industry Clusters in State and Local Plans (Action)

Mr. Bryan Wilson presented the materials for Tab 8. In 2009, at the request of the Workforce Board, the Legislature enacted Substitute House Bill 1323 establishing strategic clusters as the organizing framework for coordinating state and local workforce and economic development planning and service delivery. State statutes direct the Workforce Board to identify strategic industry clusters for workforce development in the state plan for workforce development, *High Skills, High Wages 2008-2018: Washington’s Strategic Plan for Workforce Development*. Statutes also direct Workforce Development Councils (WDCs) to identify area strategic clusters in their local strategic plans.

There have been two phases to this effort. The first phase consisted of a state quantitative analysis of the data to identify clusters, including which ones are more strategic than others. The second phase consisted of conversations and exchanges of data with local areas to reconcile state and local lists of strategic clusters. This second phase has now been completed. Ms. Beth Thew asked about the ability to change the list over time.

Motion 11-158-06

Ms. Beth Thew moved that The Workforce Training and Education Coordinating Board append the lists of strategic clusters to High Skills, High Wages, and request that each Workforce Development Council append the Reconciled List of Strategic Clusters for Workforce Development for its workforce development area to its local Strategic Plan. Ms. Anne Goranson seconded the motion. The motion passed.

Retooling Washington’s Workforce

Mr. Bryan Wilson, Ms. Amy Leneker and Ms. Terry Teale presented the material for Tab 9. Ms. Leneker shared information about unemployment insurance exhaustees. She shared a staggering 64,500 individuals will exhaust by the end 2011. She also shared the Employment Security Department staff reductions will begin in January 2012 with additional layoffs later in the year. Ms. Teale is expected to have the local stories ready for legislators before session begins in January.

Adjourned 3:15 p.m.