

SANTEE-LYNCHES
WORKFORCE INVESTMENT BOARD MEETING
Tuesday, January 24, 2012 - 6:00 PM
Santee-Lynches Regional COG
36 West Liberty Street, Sumter SC 29150

MINUTES

Members Present:

Clarendon – Beverly Moberg (Acting Chairman), John Tindal, Dan Yount
Kershaw – Mike Bunch, Dr. James Coleman, Ed Garrison, Dean Riddle, Craig Smith
Lee – Thaddeus Dickey, Dr. Cleo Richardson, Troy Santoscoy
Sumter – Bobby Anderson, Rob Fauvie, Rick Levy, David Merchant, Joe Perry, Anita White

Members Absent:

Kershaw –John Hornsby (Excused)
Sumter –George Kosinski (Excused), Jeannine Gamble, Dr. Tim Hardee (Excused), Hyacinth Kinley (Excused), Sharon Teigue (Excused), Gerald Vaughn, Donald Witherspoon

Staff Present:

Jim Darby, SLRCOG Executive Director; Areatha Clark, Workforce Development A/E Director; Gwen Davis, Workforce Development A/E Deputy Director; Hope Turner, Workforce Development Finance Coordinator; Donna Thames, Workforce Development Administrative Assistant; Brenda Golden, Workforce Development Youth Director; Bruce Mills, Santee-Lynches Research Analyst.

Guests:

Major General Abraham Turner, SCDEW Executive Director; Dr. Nicholas Anderson, SCDEW Assistant Executive Director; Dwight Stewart, CEO Clarendon County & WIA Consortium Chairman; Arthur Beasley, CEO Lee County; Abby Linden, SCDEW Local Operations Coordinator; MaryAnn Sewell, Palmetto Youth Connections; Stephanie Bradley, Palmetto Youth Connections; Lorie Boddie, Kaiser Group, Inc.; Chris Berry, Kaiser Group, Inc.; Qualisha Belton, Kaiser Group; Jim Rieboldt, Kaiser Group, Inc.; Charley Boulware, Kaiser Group, Inc.

I. Welcome and Call to Order:

The Santee-Lynches Workforce Investment Board of Directors Meeting was called to order by Acting Chairman Beverly Moberg at 6:02 PM. Mr. Thaddeus Dickey provided the invocation and

Acting Chairman Moberg led the Pledge of Allegiance. Ms. Areatha Clark introduced the guests. (A quorum was present at the meeting).

Approval of Minutes: (M)

Acting Chairman Moberg entertained a Motion to approve the Workforce Investment Board (WIB) Meeting Minutes of November 21, 2011. **A motion was made by Mr. Troy Santoscoy and seconded by Mr. Bobby Anderson.** Acting Chairman Moberg asked if there was any discussion. There being none, Chairman Moberg called for a vote. **All were in favor and the motion passed unanimously.**

II. Special Guest:

Major General Abraham Turner, South Carolina Department of Employment and Workforce (SCDEW) Executive Director, thanked the WIB for allowing him to attend the WIB Meeting and provided a Power Point presentation. (Note: WIB Members were provided a copy). He provided a snapshot of what is happening at the State level.

General Turner informed the WIB Members that the strategic objective is “**Putting South Carolinians back to work**” and he had three criteria:

- 1) Must be **measurable**. Local areas are required to report to the US Department of Labor on a 90 day basis; however, on the State level they are reporting every 30 days.
- 2) Must be **progressive**. General Turner’s goal is for the unemployment rate to progressively go down below the national rate. The unemployment rate in September 2011 was at 11.1% and as of this morning the unemployment rate has dropped to 9.5%. The national rate is at 8.5% at present.
- 3) Must be **sustainable**. General Turner stated that 99.6% of their funding comes from Federal grant money and only .4% comes from the State (\$348,000), which is used to fund the SC Occupational Information System (SCOIS) program within the schools.

General Turner provided **his goals** for reducing the unemployment rate and putting South Carolinians back to work:

- 1) Reduce Unemployment to under the National rate.
- 2) Lead the Nation in Reduction.
- 3) Reinvigorate DEW Workforce with training programs so that the same answer will be given to a question at all SCDEW Centers.
- 4) Closer Linkages with Legislators.
- 5) Closer ties with Business Owners.
- 6) Visit all **SC Works** sites within the first year.

General Turner provided his **priorities** list:

- 1) Job Training.
- 2) Unemployment Insurance. General Turner stated that statistics show that the average person receiving UI benefits is 25-30 years old, is married, and has two kids and is only receiving \$238.99 per week to support the family, which is not enough money to pay all of the bills. These individuals are coming to the **SC Works** Centers to receive help and Staff must focus on the individuals who need and want help.

- 3) Business/Legislative Links.
- 4) Veterans. General Turner explained that South Carolina led the nation in hiring Veterans up until approximately two years ago. The Local Veterans' Employment Representatives (LVERs) and Disabled Veterans' Outreach Program Representatives (DVOPs) were paid by a \$2.7 million grant and there were a total of 49 across the state. Most counties had LVER and DVOP representatives that assisted Veterans through the program. The LVERs and DVOPs attended all Transition Assistance Program (TAP) Briefings at military bases throughout South Carolina. South Carolina's rate was at 76.6% for hiring Veterans and now it has fallen to 46%. General Turner further explained that there are 1,200 Veterans per month who are leaving the military which equates to 28,000 Veterans per year that did not get a job. He stated that the unemployment rate for SC could have been below the National Rate, but it will be again, because the LVERs and DVOPs are now back.

South Carolina's Unemployment Rate is now at 9.5% and the National Unemployment Rate is 8.5%. The Counties in South Carolina were highlighted and Kershaw County's unemployment rate is at the National rate of 8.5% while the other three counties in our region are above the National rate.

General Turner stated that he has asked all of the employees at DEW to turn it up by adding one more task each day (i.e. call one more client, make one more contact with a business, etc.) to get customers back to work. He explained that there are (5) customers for every job opening and there are two options: 1st: Train the customer, but this takes time or 2nd: Put more customers into the pool (i.e. have 10 customers for every job opening). He further explained that the 25 year old receiving UI benefits does not care if he is in the pool with 4 or 9 other job seekers; he only wants a chance to receive a job. Current SCDEW efforts include:

- 1) Prevention is top priority – multi-pronged effort underway!
- 2) Better detection of fraud and non-fraud overpayments through the Benefits Audit Reporting and Tracking System (BARTS) is underway. Payroll information has been reviewed every 90 days when businesses were required to report their payroll data; the review will take place every week once the new BART System is in place.
 - Software that will cross matches wage data with unemployment data to find potential conflicts.
 - Automatically sends request for information to claimant and employer to determine if true overpayment has occurred.
 - Automation of this cross match is expected to allow DEW to identify, recoup, and potentially prosecute (if fraud) more cases of overpayment.

General Turner gave an example that there are 180 South Carolinians who owe \$10,000 in overpayment of UI claims and letters have been sent out to them giving those folks two options: Pay back the money or be prosecuted.

- 3) Collection Efforts outlined: DEW has a number of ways to recoup funds:
 - Voluntary repayment plans with claimant /OIG Partnership.
 - Capturing future unemployment benefits if claimant files in future.
 - Wage garnishment.

- Interception of state income tax refund.
- And coming soon... Interception of federal income tax refund (Treasury Offset Program – TOPs).

Mr. Charley Boulware, Job Developer with the Kaiser Group, asked about the Governor's plan for training programs for UI customers. General Turner responded that the announcement would be coming shortly, possibly by the end of the month. He added that upon starting the program, the WIB holds a big part with training, since each WIB understands the needs in their region. He further elaborated that WIA Funds are in the hands of the WIB and they must manage the Adult, Dislocated Worker and Youth funds. General Turner informed the WIB that he does not manage the funds for local areas, but he is the governor's representative of the WIA funds and he has a "vested interest." He further offered assistance from the DEW Staff to the WIB in any capacity.

David Merchant asked the question who did away with the LVERs and DVOPs? General Turner responded that this was a federal decision. However, on day two of his role as the Executive Director he instructed his Staff to bring back the LVERs and DVOPs at the TAP Meetings.

Acting Chairman Moberg thanked General Turner for his presentation.

III. Committee Reports:

SC Works Committee: Mr. Rick Levy, Chairman of the **SC Works** Committee informed the WIB that the **SC Works** Committee met on January 12th, 2012 and the transition between the Santee-Lynches Regional Council of Governments (COG) and the Kaiser Group is going well. He welcomed the Kaiser Group on board and thanked Ms. Gwen Davis for her efforts as Interim Director of the **SC Works** Centers over the past eight months.

Mr. Levy discussed the Pilot Study being conducted by Mathematica and stated that the MOA should be signed once the Roles and Responsibilities Agreement is signed. With the Pilot Study, Staff will be trained in March and the customer intake process will begin no later than April.

Mr. Levy updated the WIB on the Statewide Certification and stated that Phase I, which was the self-assessment, has been completed. Phase II goes through February 2013 and according to information received via email from Ms. Abby Linden, Local Operations Coordinator with SCDEW, the State is currently analyzing the self-assessments to determine the technical assistance that needs to be provided to the local areas. A meeting should be forthcoming.

Mr. Levy provided the following information on performance at the **SC Works** Centers in the Santee-Lynches region: Ending December, 2011, there were 532 participants served in the program. There have been 13 new enrollees in the program since December under the Kaiser Group and 0 have exited the program. He reminded the WIB that with the "demand-driven" model, it cuts down on the aggregate number of enrollees.

Going forward, Mr. Levy informed the WIB that he, along with Mr. George Kosinski and Dr. Tim Hardee, hopes to meet in the very near future with the Human Resource Department of Continental

Tire and develop an understanding of the profile of workers that they want to hire and their requirements for hiring. It was noted that it will be at least 15 months out before Continental Tire will begin the hiring process.

Youth Council Report: Mr. Troy Santoscoy, Chairman of the Youth Council informed the WIB that the Youth Council met on January 12th and he provided an update from the meeting. Palmetto Youth Connections (PYC), the Youth Provider, has enrolled 79 participants in the program as of the January 12th meeting; their goal was to enroll 86 by the end of December and 106 by the end of January 2012. PYC is falling short of their goal as of the January Meeting. The expenditures for PYC are also low, but PYC has submitted a spending plan to the WIA Staff, who will monitor their spending monthly. Mr. Santoscoy shared that there were several special guests at the Youth Council Meeting. The first was Megan, a Youth participant in the program, who was basic skills deficient and wanted to become a pharmacy technician. PYC has helped her with training and she is now enrolled in a post secondary school in the Pharmacy Tech program. The second guest was Sumter City Councilman Calvin Hastie and the third guest was the JAG Coordinator at Manning High School, Ms. Carolyn Reed. There are 20 students enrolled in the JAG program that are also co-enrolled in the WIA Program.

Healthcare Sector: Mr. Rob Fauvie, Chairman of the Healthcare Sector reported that the Healthcare Sector Partnership has been meeting for 9 months. In a Power Point presentation he presented to the WIB the Healthcare Sector Partnership's six-month action plan:

- What is the Healthcare Sector Partnership all about? It is a prescription for a better workforce!
- Next he reviewed the Healthcare Employment by type from 2002-2010: Ambulatory Care, Hospitals, Nursing & Residential Care and Social Assistance. He reviewed the growth trends of each.
- Next the "hot jobs" were reviewed and noted that "hot jobs" are in healthcare.
- **Challenge #1:** Critical shortages in specialty nursing positions were noted and there are not enough nurses to care for the young people.
- With the shortages of nurses, the partnership is addressing this challenge by:
 - Convening the Chief Nursing Officers at each hospital.
 - Creating awareness of shortages in nursing.
 - Showing how career ladders can steer more qualified people into nursing.
 - Supporting high school student Expo to highlight health care professions.
- The next slide showed a variety of career paths, showing how it was possible to start at any level with proper training and education.
- The 2012 Student Health Career Expo was then highlighted. The Expo is scheduled for Friday, February 17th and 300 high school students from all four counties have been invited to participate. Tours, Workshops and Keynote Speakers will be featured at the Expo. A keynote speaker will be Dr. Bobby Ridgeway, who began his career as a firefighter, then became an EMT, then a nurse and now he is a doctor.
- The exhibit areas, agencies and companies that will be partnering with the Expo were listed on the next slide.

- **Challenge #2:** Critical shortages in key allied health professions such as OT, PT and EMS.
- Partnership is addressing this challenge by:
 - Convening the Chief Nursing Officers at each hospital.
 - Conducting a survey of employers re: need for physical therapists and physical therapy assistants.
 - Exploring options for a physical therapist assistant program.
- Future regional demand for PTAs and PTs among survey responders. The charts show that there is a growth of 10 per year.
- **Challenge #3:** Computer skills of healthcare workers/implementation of electronic medical records.
- Partnership is addressing this challenge with surveys at Clarendon Health, Kershaw Health, Tuomey Hospital, and National HealthCare to determine most-needed training for employees.
- A list of training opportunities was shown along with a refined list showing three priority training needs based on surveying all of the hospitals in our region.
 - Stress management; how to care for sicker patients and how to deal with family dynamics.
 - Legalities regarding employment/labor issues.
 - Communication, critical thinking and leadership.
 - The Partnership is also addressing this challenge by exploring training in Meditech since all three area hospitals utilize this software.

Mr. Fauvie asked if there were any questions and Mr. Thaddeus Dickey asked if transportation had been worked out for the students coming to the Expo. Ms. Brenda Golden replied that transportation would be provided to the schools that made the request.

Again the WIB was reminded of the 2012 Student Expo on February 17th. A flyer was included in the board packets.

Finance Sub-Committee: Mr. David Merchant, Chairman of the Finance Sub-Committee reported that the Finance Sub-Committee, which consists of Dan Yount, Mike Bunch and himself, met on January 17th and reviewed all of the financial information that will be presented tonight. He reported that the Finance Sub-Committee is working toward simplifying the data to make it more understandable and they will be meeting on a bi-monthly basis prior to WIB Meetings to discuss financial information and motions that will need to come before the Board.

Mr. Merchant reported that the Santee-Lynches Workforce Area received \$25,713 in Incentive funds for Program Year 2010, which expires on June 30, 2012. Mr. Merchant brought forth on behalf of the Finance Sub-Committee the following motion to the WIB:

To modify the Incentive funds Budget for PY10 as follows:

Job Developer Cell Phones & iPads - (Purchased with PY 09 Incentive Funds)	(-\$4,675)
Staff Training & Conferences - (Low Staff Training & Travel)	(-\$1,000)
Consultant to Address Global Changes for Workforce Development - (No Longer a Priority)	(-\$3,000)

WorkKeys Assessments -\$50 per Assessment - (No Companies Utilized Service)		
	(-\$2,500)	
	Subtotal	(-11,175)
Marketing & Outreach – SC Works - (New Branding Outreach for All Fund Streams)		\$10,175
Healthcare Sector Expo - (Motivational Speaker)		<u>\$ 1,000</u>
	Subtotal	\$11,175

Mr. Merchant called on Ms. Areatha Clark to explain the new branding outreach. Ms. Clark explained that the One-Stops are now called **SC Works** Centers and all new signs are up at the four locations. With the Incentive Funds, new flyers, brochures, etc. will be printed to explain the **SC Works** Centers and to get the message out on the services that are offered. Such outreach items would be used at Career Fairs, Job Fairs, etc. to promote the **SC Works** Centers and their services.

Acting Chairman Moberg called for a second to the motion to modify the Incentive Funds as outlined above. **The motion was seconded by Mr. John Tindal.** Acting Chairman Moberg then asked if there was any discussion. There being none, Chairman Moberg called for a vote. **All were in favor and the motion passed unanimously.**

Financial Report: Ms. Hope Turner, Workforce Development Finance Coordinator, presented the financial update with a Power Point presentation. She first reviewed the three funding streams (Adult, Dislocated Workers and Youth) and provided an update on these funds, which have a 2 year life on the funds that were awarded July 1, 2011. Of the total \$3,675,992 funds, as of December 31, 2011 only 28% of the funds have been spent. Ms. Turner explained that 37.5% of the funds should have been spent in order to be on target; however, the trend is 9.1% below.

Ms. Turner reported that 98% of the Program Year 10 IWT Grant money was spent and the remaining 2% (\$4,368) was rescinded back to the state. This was due to training classes being cancelled for Accuride near the end of their contract period, which meant that the classes could not be rescheduled.

Ms. Turner reported that Program Year 11 Incentive funds have been allocated in the amount of \$41,956. In an effort to develop a plan for the new allocation, Ms. Turner notified the WIB Members that they would be receiving an email from her on Wednesday Morning, January 25th seeking ideas for obligating the Incentive Funds. She also stated that the Youth Council would be presenting ideas at their February Meeting, and she and Ms. Areatha Clark have been asked to attend the next Healthcare Sector Partnership Meeting to discuss the availability of funding. At the March WIB Meeting, a plan will be presented to the WIB for approval on the Incentive Funds.

Ms. Turner then reviewed reasons for under-spending on Adult and Dislocated Worker Funds.

- WIA Funds are used after all other financial aid resources have been exhausted and more participants are now qualifying for financial aid due to the longer periods of receiving unemployment benefits.
- Trade participants make up a larger portion of those in training and Trade funds cover the cost with the exception of WIA case management and supportive services.

- Demand driven policy/concept targets skilled workers with minimal need for training.
- Training is co-related to available jobs and jobs of higher wages are still somewhat limited in the region.
- Participants desiring re-employment rather than training.

Ms. Turner reported that Staff will work with the Kaiser Group on a spending plan and should have one in place by the next WIB Meeting. As Mr. Santoscoy reported earlier, Staff has already been in contact with PYC and has reviewed their spending plan. Ms. Turner then reported reasons for the under-spending with the Youth funds:

- Most Youth Participants are high school dropouts. The first phase is GED, which is low cost investment.
- Additional funding for post-secondary comes later in the process.
- All staff positions had not been filled.

Ms. Turner reviewed Chart 2, which provided an overview by funding streams of the available funds, expenditures and the balance. The blue represents the fund allocations, the red represents the year-to-date expenditures and the green represents the balance of unspent funds. These funds are monitored monthly.

Chart 3 was reviewed next showing \$3.8 million in total income awarded to date and \$3.2 million has been obligated to service providers, leaving a balance of \$562,723 in unobligated funds. Ms. Turner stated that the remaining unobligated funds will be monitored by the Finance Sub-Committee and a plan will be presented to the WIB (i.e. add to training, assist with Healthcare Sector strategies, etc).

Ms. Turner asked if there were any questions and General Turner commented that on the State level, they review data quarterly and take a snap shot from each region, which should be spending at least 75% of the allotted funds. He also emphasized the importance of occupational skills training. He encouraged the Kaiser Group coming on as the new Provider and PYC to review and consider occupational skills training as one of their priorities for funding.

Chairman Dwight Stewart asked if the money carries over and Ms. Turner replied that the funds do carry over into a new program year. The first in, first out method is used to ensure that no money has to be returned back to the State.

Acting Chairman Moberg asked about the Incumbent Worker (IWT) Grant funds and Ms. Turner replied that the IWT grant money was very beneficial to the Santee-Lynches region, but the program discontinued when the State's funding was cut. Acting Chairman Moberg then asked if the Incentive Money could be used for IWT and Ms. Turner replied that she had spoken to Ms. Tudy Newsom with the State and Incentive Money can be used for IWT for Rapid Response type training only. Since it was such a small pool of money, Ms. Newsom's recommendation was that small grants should be offered to companies that have not received IWT grants in the past.

Mr. Rick Levy addressed Mr. Jim Rieboldt and stated that Ms. Toni White has the data and they will need to decide on how to use the funds. Mr. Levy then informed Mr. Rieboldt that Kaiser

needs to close the gap between the initial UI participation level (blue on the chart) and the new enrollees in the WIA program (green on the chart). [Components of WIA program participation chart will be attached to the minutes]. Kaiser must use their experience and Healthcare may be a great opportunity to use training funds. Mr. Rieboldt replied that it is important to note that an event plan and not necessarily a spending plan must be identified. What make a good candidate or how to find a good candidate may come from an event plan and the end result will be when the spending occurs. He further stated that there will be great opportunities with Continental Tire.

Ms. Turner ended by stating, it is not just about spending the funds, but also the “return on investment” is what we are looking for.

IV. Acceptance & Signing of the WIA Consortium Roles and Responsibilities Agreement

Acting Chairman Moberg reminded the WIB Members that a copy of the Roles and Responsibilities Agreement was emailed to each of them, as well as, a copy is provided in the meeting packet. Acting Chairman Moberg asked for a motion to accept and authorize her as Acting Chairman to sign the Roles and Responsibilities Agreement.

A motion was made by Mr. Bobby Anderson to accept and authorize the WIB Chairman to sign the Roles and Responsibilities Agreement and it was seconded by Mr. Rick Levy. Acting Chairman Moberg asked if there was any discussion. There being no discussion, she called for a vote. **All were in favor and the motion passed unanimously.**

V. Update on the 2010-2015 SLWIB Strategic Plan:

Ms. Areatha Clark reported that two items are highlighted on the Strategic plan that are due this quarter. An update on the Strategic Plan will be reported at each WIB Meeting to ensure that the WIB meets all of the goals and objectives as outlined in the Strategic Plan in a timely manner.

Item 1.2.3 - Initial implementation of the Working Plan - Healthcare Expo. (February, 2012)

The Student Health Expo is planned for Friday, February 17th. WIB Members are invited to the Expo and additional information/flyers are provided in the board packets.

Item 2.1.1 Convene workshop between School Districts, Chambers, and Industrial Associations for revisiting/re-launching of Workforce 2000+ (January 2012 - March 2012).

Ms. Brenda Golden on behalf of the Youth Council was called on to provide an update. She discussed the re-launching of Workforce 2000+, (soft skills for success posters), and stated that the Youth Council will be convening a meeting/work shop with the School Officials to discuss Workforce 2000+. There was discussion that many of the schools still have posters in their classrooms.

Ms. Clark asked Mr. Levy if he would like to comment on Workforce 2000+. Mr. Levy responded that Workforce 2000+ was used in the classrooms by the teachers to build character, to teach students to be team players, and to be honest, etc. There were additional discussions on updating the Workforce 2000+ or re-launching the present version. Mr. Bobby Anderson added that he

would suggest updating it. He added that teachers used the posters at the beginning of each year as a model and it was a wonderful teaching tool. Dr. Richardson added that in the Lee County School District they approached it as “character education” and teaching about bullying in the classrooms. Mr. Dan Yount questioned if Workforce 2000+ has a component that encourages students to graduate. Ms. Golden replied that the information is “work ready skills based”, and added that this may be a good suggestion to add a component that encourages students to graduate if Workforce 2000+ is revised.

Ms. Golden added that the Youth Council will meet first with the School Districts and then the local businesses. Ms. Clark asked the WIB Members to send suggestions to Ms. Golden regarding possible changes to Workforce 2000+.

Mr. Levy reminded the WIB that they were cited by the State for not following through on the previous Strategic Plan. Now there is a plan in place with names assigned to each of the strategies. He reemphasized “being good stewards” and following through with items on the Strategic Plan assigned to WIB Members.

VI. Other Business:

A “sample” Progress Report was emailed to the WIB Members on Tuesday morning. Acting Chairman Moberg asked the WIB Members to review and provide any comments/suggestions to Ms. Areatha Clark by noon on Friday.

State of Workforce Report Update on Manufacturing:

Mr. Bruce Mills, SLRCOG Research Analyst reviewed a flyer that contained consensus points on Workforce Skill Requirements for Continental Tire and other Advanced Manufacturing Firms. A copy was provided in the WIB Board Packets.

There are approximately 1600 new job openings anticipated by Continental Tire beginning in 2013. Continental Tire and other manufacturing companies are primarily looking for workers with significant manufacturing-floor experience and/or relevant education in a technical school background. High School Students not planning on going to a four year college should be encouraged to pursue a one-year to two-year certificate or degree in manufacturing-related education and they must have disciplined work habits to be considered for hiring.

Mr. Mills closed by reporting to the WIB that he has a conference call set up for Friday, February 3rd at 9:00 AM with the VP of Human Resources with Continental Tire on their hiring requirements for new employees. Mr. Rick Levy and Dr. Tim Hardee will be invited to participate in the conference call. All WIB Members were encouraged to help with the messaging of the importance of post-secondary education beyond High School.

Mr. Dwight Stewart, on behalf of the WIA Consortium of CEOs, thanked the WIB Members and Staff for their hard work and stated that we must be progressive and sustainable to help find jobs for customers.

VII. Acting Chairman's Comments

Acting Chairman Moberg thanked General Turner, Mr. Stewart and all others for their presentation at tonight's meeting.

VIII. Adjourn

There being no further business, the Santee-Lynches Workforce Investment Board Meeting was adjourned at 7:35 PM.

Prepared by Donna Thames