

**SANTEE-LYNCHES
WORKFORCE INVESTMENT BOARD MEETING
Tuesday, October 11, 2011 - 6:00 PM
Santee-Lynches Regional COG
36 West Liberty Street, Sumter SC 29150**

MINUTES

Members Present:

Clarendon – Beverly Moberg (Vice Chairman)
Kershaw – Mike Bunch, Dr. James Coleman, Dean Riddle, Craig Smith
Lee – Thaddeus Dickey, Dr. Cleo Richardson
Sumter – Virginia (Ginny) Dority (Chairman), Rob Fauvie, Rick Levy (participated via phone), Anita White

Members Absent:

Clarendon – John Tindal (Excused), Dan Yount (Excused)
Kershaw – Ed Garrison (Excused), John Hornsby (Excused)
Lee – Troy Santoscoy (Excused)
Sumter – Bobby Anderson (Excused), Jeannine Gamble, Dr. Tim Hardee (Excused), Hyacinth Kinley (Excused), George Kosinski (Excused), David Merchant (Excused), Joe Perry (Excused), Sharon Teigue (Excused), Gerald Vaughn (Excused), Donald Witherspoon

Staff Present:

Gwen Davis, Interim One-Stop Operations Director; Areatha Clark, Interim Workforce Development A/E 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; Qualisha Belton, Sumter One-Stop Site Manager.

Guests:

Kal Kunkle, Palmetto Youth Connections, MaryAnn Sewell, Palmetto Youth Connections, Linda Bultman, Sumter One-Stop, Renee Shelton, Sumter SCDEW

I. Welcome and Call to Order:

The Santee-Lynches Workforce Investment Board of Director's Meeting was called to order by Chairman Ginny Dority at 6:02 PM. She welcomed everyone to the meeting and led the Pledge of Allegiance. Ms. Areatha Clark introduced the guests.

Approval of Minutes: (M)

Chairman Dority entertained a Motion to approve the Workforce Investment Board (WIB) Meeting Minutes of August 18, 2011. **A motion was made by Dr. James Coleman and seconded by Dr. Cleo Richardson.** Chairman Dority asked if there was any discussion. Mr. Rick Levy stated that the minutes indicate that he was present and absent at the meeting. Let the records show that Mr. Rick Levy was not present at the meeting. Chairman Dority called for a vote. **All were in favor and the motion passed unanimously with the approval of the meeting minutes with the one correction.**

II. Committee Reports:

A. One-Stop Report – Status of 2nd RFP Process

Chairman Dority deferred the One-Stop Report to Ms. Areatha Clark. Ms. Clark reviewed the timeline that had been emailed to the WIB Members prior to the meeting and also included in the meeting packets for tonight's meeting.

- The RFP was advertised in the South Carolina Business Opportunities Publication (SCBO) on Monday.
- The RFP will be advertised in the four local newspapers (Sumter, Camden, Clarendon and Lee) on Wednesday, October 12th.
- The Due Date for the Proposal is Monday, November 14th.
- Ms. Clark reminded the WIB Members that the timeline is very tight in order to have a new service provider/contractor in place by January 1, 2012.
- The Rating and Ranking Committee Members will review and score the RFP Proposals on Friday, November 18th.
- The recommendation from the Rating and Ranking Committee will be forwarded to the full WIB by email for their approval on Friday, November 18, 2011. [Note: After the WIB Meeting, a "Special WIB Meeting" was scheduled for Monday, November 21, 2011].
- A recommendation from the full WIB will be sent to the Chief Elected Officials (CEOs) from each of the four counties on Tuesday, November 22, 2011 for their approval.
- Upon approval from the CEOs, a Notice of Intent to Award will be sent.
- Contract Negotiations with the perspective provider will take place between December 1st and December 6th and execution of the contract no later than December 9, 2012.
- Mobilization will take place between December 12th – December 31st.
- New provider will begin work on Monday, January 2, 2012.

Ms. Clark then asked for questions. Mr. Thaddeus Dickey asked what the backup plan was if the CEOs did not approve the recommendation from the WIB Board. Ms. Clark responded that the Staff would provide documentation to the CEOs that the process that was followed was per State and Federal Guidelines and she felt the CEOs would approve the recommendation as long as the appropriate documentation is provided.

B. Report from the One-Stop Operator

Ms. Gwen Davis, Interim One-Stop Director, reviewed the charts and graphs provided in the meeting packets for tonight's meeting. She reminded the WIB that in October, 2010 the WIB voted and adopted the "demand driven" policy in providing guidance for referrals to job placement and job training. With this business model policy in place, it is driven by the business customers/employers. Business customers post job openings, their requirements for the job openings, etc. and expect to receive qualified candidates to interview for the jobs. Ms. Davis noted that the job developers are a critical component to the process of gathering business intelligence data on the needs of the business customers and communicating those needs to the case managers in order to identify suitable candidates to fill the open positions.

Key elements to consider in evaluating the One-Stop operation performance under the demand driven operating principle are described in the handout material. As listed in the **first handout**, there are two categories of ideal participants that best suit employer needs:

- First Category – Providing employers with WIA job candidates that demonstrate (resume) the academic credentials, previous training, and work experience, corresponding to job order requirements. These are job seekers who can demonstrate their work readiness and can be matched to an employer.
- Second Category – Offering training to WIA program participants who can contribute the necessary academic background, business sector interest, aptitude and motivation within training costs and timeframe constraints. Emphasis will be placed upon priority business sectors with documented job demands. (Priority sectors are healthcare, manufacturing, retail and government). These are job seekers who have the necessary abilities to perform, however would require some short-term training to meet the needs of the employer for job match.

Ms. Davis explained that these two categories of customers are not those typically seen walking through the doors of the One-Stop for various reasons, i.e. some job seekers seek other employment resources due to the stigma of the unemployment office. The success of the demand driven operating principle is limited by this challenge of attracting suitable candidates to fill the jobs and meet the expectations of the business customer.

Next, the typical one-stop job seeker composite profile of persons utilizing the one-stop services was highlighted and broken down into the following categories:

- Age Group-25-30 years of age; 35-55 years of age;
- Education-17% No diploma/GED; 58% only diploma/GED; 25% post secondary;
- Prior Work Experience-production piece goods, construction, clerical, or miscellaneous;
- Poor Reading Skills-TABE test score of 6th-8th grade level;
- Lack of Computer Skills- 50% or more with no practical computer experience;
- Other Characteristics such as commitment level, afraid of the "new" workforce, homeless, lack of transportation, jail time, denial of the reality that old jobs will not likely return, discouragement at limited employment opportunities, and employer demands inconsistent with pay scale offered.

A comparison of the typical job seeker profile to the two categories of suitable job seekers lead us to the key question: What is the perception versus the reality of the Santee-Lynches one-stop?

access to a client base that meets the implied success criteria of the SLWIB's "demand-driven" policy? (i.e. Clients entering the WIA system and employer expectations of persons referred to fill job vacancies)?

Staff has documented that the solution rest in the Wagner-Peyser side to re-employing unemployment insurance recipients per Ms. Davis; and she explained that the one-stop Staff needs the support of the WIB to improve the Wagner-Peyser component. The State was to implement the four "R" Pre-Assessment System in August, but the local SCDEW Staff has not implemented this assessment. Support is needed from the State and Local Wagner-Peyser Staff to move this assessment forward, which determines if a customer falls into one of the following categories: Refer, Refresh, Retrain or Remediate. This assessment process is designed to move the unemployed into re-employment as quickly as possible.

Ms. Davis restated to the WIB Members that there is a gap in meeting the employer's demands with the "demand-driven" policy as adopted by the WIB. There is a challenge to match job seekers to employers.

The **second chart** reviewed was the components of WIA program participation:

- The blue line indicates the participants who attend the initial orientation; the majority is mandated to attend in order to receive UI benefits.
- The red line indicates a drop of approximately 52% of participants who returned to the second orientation. Ms. Davis noted that the chart (starts with the month of April since that is when the new enrollments accelerated) gap is consistent across the chart for months April thru September.
- The purple line indicates participants who are interested in and eligible for the WIA program and who have completed certification to receive WIA benefits.
- The green line indicates new enrollees into the WIA program using the "demand-driven" policy adopted by the WIB in October 2010.

Ms. Davis explained that the difference between the participants who attended the first orientation through enrollment is the Wagner-Peyser piece that moves these numbers. Those who are only interested in meeting the requirement to receive unemployment benefits attend the first orientation as required, but typically do not go any further in the process to enrollment. They are not motivated to return to work.

Chairman Dority asked about the orientation and how long it lasted. Ms. Davis replied that normally the first orientation lasted around 45 minutes. Staff explains to participants: why they must have a resume, about the VOS system and about the WIA program. At the second orientation, Staff assists participants with their resume. There was additional discussion regarding having more than one orientation, transportation issues returning for the second session, stream lining the orientation sessions and who requires the participants to attend the orientation. Ms. Beverly

Moberg questioned whether it was our system or the state's system? Ms. Davis replied that the State mandates that the participants attend the orientation, which is designed by the one-stop Staff. Mr. Craig Smith added that some areas don't require the orientation for unemployment insurance customers. We just tell them that they must attend. [Note: Individuals who file UI claims are randomly selected to attend orientation sessions. Therefore, not all who file for UI benefits must attend orientation; however, those who are selected must attend or risk denial of UI benefits. Documentation is on file]. Ms. Anita White added that the timeframe of Santee-Lynches' orientation (approximately 45 minutes) is similar to the timeframe of orientations held in Florence (Pee Dee region).

The **third chart** shows the Region's Employed vs. Unemployed and Unemployment Rate by year. Ms. Davis explained that over the past ten years, the unemployment rate has been consistent through 2008. The red section in the chart indicates the unemployed in our region and the blue section indicates the individuals/residents employed over the ten year period. The charts identify the customer base that the one-stop Staff must fit in the "demand-driven" model adopted by the WIB. Ms. Davis emphasized that the Wagner-Peyser is the first answer to making a change.

The **fourth chart** was reviewed showing the PY'10 and PY'11 new programmatic participant levels. (Adult enrollments are indicated in blue, Dislocated Worker enrollments are indicated in red and Youth enrollments are indicated in green). Ms. Davis explained that SCDEW was the one-stop operator and Paxen was the youth provider during the 1st and 2nd quarters. During this time-period, the Dislocated Worker enrollment numbers were high due to the plant closures and layoffs in the region. During the 3rd quarter, the COG became the one-stop operator and Palmetto Youth Connections became the youth provider. There was limited new enrollment activity during this quarter. The charts show progress at the one-stops beginning with the 4th quarter of Program Year 2010 under the new shift in Staff and the continued upward trending in the 1st quarter of Program Year 2011.

The **fifth chart** indicates the new programmatic participant level activities by month. Mr. Thaddeus Dickey questioned when the RFP's new provider starts in January, 2012 (3rd quarter of PY'11) will the enrollment numbers reflect the 3rd quarter numbers of PY'10? Ms. Davis replied that historically this is the case. A new provider must have start-up time. A new provider must hire staff, set up new processes, assess the file inventory, etc. in the start-up timeframe after implementation of their contract. Ms. Beverly Moberg added that this may not be the case; we may be able to manage it better than before.

Mr. Mike Bunch asked what caused the increase during the month of June. Ms. Davis replied that participants started looking for training opportunities and the one-stop increased their partnership with other agencies and targeted those individuals who were completing training programs at post secondary institutions and are work ready in an effort to get folks back to work. She further explained that there is now an agreement in place with Shaw AFB to attract airman and their spouses who are often skilled and qualify for in-demand jobs and it is working out well. (Newsletter from Shaw AFB was available). Ms. Davis reminded the WIB Members that under the "demand-driven" policy, it is a "quality" system and not a numbers system.

The **sixth chart** reviewed briefly was the dashboard. Ms. Davis explained that this report summarizes data from the other reports that have been reviewed. She then reviewed page 2 which outlines the participants in training during this period of operation. The first grey box indicates 35 participants in training that are being funded with WIA funds. One of the targeted areas of training is in the healthcare field. The next grey box indicates 6 non-WIA funded participants in the program that are being case managed by the WIA Staff. The third grey box indicates the 124 participants in training under the TRADE program, but, who are also being case managed by the WIA Staff. The blue box indicates the summary of all participants in training, who are being case managed by the WIA Staff (total of 165). Once the participants complete training, the Case Managers are responsible for placing these participants into employment.

Mr. Thaddeus Dickey asked if the Staff could guarantee a job for these 165 participants. Ms. Davis replied “no”, but it was the Staff’s goal to find employment for these participants. Training opportunities are based on in-demand occupations which enhances the placement possibilities. The Job Developers are gathering the resumes from these participants and are going out to the employers to see what jobs are available. Ms. Beverly Moberg then questioned why the One-Stops were only serving 165 participants in training. Ms. Davis explained that WIA funds are only one source of funding and that there are many other sources that can be used for training. WIA cannot serve everyone. In the past, the One-Stop trained participants, but many did not find employment. Now Staff is putting participants in training based on the “demand-driven” policy. The numbers will not be high, but they will be quality numbers. Mr. Dean Riddle asked if there is feedback from employers. Ms. Davis replied that the Customer Service Surveys are being used and Staff is receiving feedback and are making improvements as necessary. Mr. Riddle then asked if Staff was recruiting. Job Developers are creating a data base and listing the types of skills available and then sending emails to employers to inform them of qualified candidates to fill their positions, per Ms. Davis. Job Developers are also working with the Economic Developers in the region. In closing, Ms. Davis informed the WIB Members that with the announcement of Continental Tire, more participants have come into the One-Stops in anticipation of obtaining an employment opportunity with Continental.

C. Youth Council Report

In the absence of Youth Council Chairman, Mr. Troy Santoscoy, Ms. Brenda Golden, Workforce Development Youth Director, provided the Youth Council Report and stated that the Youth Council had met on Friday, October 7, 2011.

The following were highlights from the Youth Council Meeting:

There was discussion regarding Palmetto Youth Connections’ (PYC) Monitoring results (8 findings, 1 observation and 1 financial observation), as well as, the letter of acceptance to the response from PYC to the Monitoring Report. (A copy of this letter was included in the Board packets). The monitoring was for the contract period between January and June, 2011.

A the last WIB Meeting, the Board Members approved 50% of the cost with WIA funding for the Jobs for America’s Graduates (JAG) program at Manning High School. Since then, Staff has met

with the JAG Coordinator at Manning High School, signed a Memorandum of Understanding (MOU) with SCDEW and Clarendon School District 2. Information is being compiled on 20 senior participants recruited for the program and staff will begin enrolling the twenty JAG seniors in the WIA Program.

Ms. Golden explained that since the Youth Council Meeting this past Friday, RTA has sent a letter informing Staff that the interim contract (July-September) has been overspent. The contract with RTA provided \$5,000 each for Youth and Adults riding RTA. It was noted that no Adult money was expended during this contract period. A total of \$10,403 was expended in Youth funding. Therefore, a Contract amendment is needed to authorize these expenditures. The Youth Council has been polled by email and they have approved recommending a contract amendment to RTA.

As a result, Ms. Golden requested approval to modify the July-September Youth Contract with Santee Wateree RTA to add \$5,403.00 to their existing contract amount of \$5,000.00. These additional funds will come from unobligated Youth funds. **A motion was made by Mr. Thaddeus Dickey and seconded by Mr. Rob Fauvie to approve modifying the July-September Youth Contract with Santee Wateree RTA to increase their budget by \$5,403.00 to cover incurred expenses.** Chairman Dority asked if there were any discussions.

Mr. Rob Fauvie asked about the money that was in the contract for the Adult riders. Ms. Golden responded that this money goes back into the Adult unobligated fund pool. There was discussion informing the WIB that money could not be transferred from the Adult funds to the Youth funds. Mr. Mike Bunch asked if Staff was comfortable with the extra funds being requested from RTA. Ms. Golden responded that invoices with backup documentation including rider's names will be sent in from RTA and Ms. Hope Turner will verify and approve each invoice. There being no further discussion, Chairman Dority called for a vote. **All were in favor and the motion passed unanimously.**

D. Report from Youth Contractor

Mr. Kal Kunkel with Palmetto Youth Connections elected in the essence of time not to present a report from PYC.

E. Financial Update

Ms. Hope Turner, Workforce Development Finance Coordinator, provided the WIB Members with the financial update through August, 2011 since September invoices were just arriving. She explained that the spending trends for the first two months of PY'11 are on target for the Adults. Dislocated Worker funding is trending above normal due to the large influx of trade participants. Since July 1st, the Case Managers have received an additional 155 trade participants added to their present case loads.

There was discussion regarding the Adult spending and transferring funds from one funding stream to another. Ms. Turner explained that with the Board's approval, funds can be transferred from the Adult funding stream to the Dislocated Worker funding stream, but funds cannot be transferred from either of these funding streams to the Youth funding stream. Ms. Beverly Moberg questioned the

funding and asked who spends the money for Dislocated Worker funds. Ms. Turner explained money that is allocated for dislocated workers are spent on dislocated workers or vice versa for money allocated for adults. However, as a participant is entered into VOS, it determines the funding stream for the costs to be incurred by that participant. Ms. Moberg continued to express her concerns. Ms. Turner reminded Ms. Moberg and the WIB Members that the contract between the WIB and the COG included the funds available for both funding streams and the WIB must approve any transfers between funds. The VOS drives all of the expenditures. Any funds not obligated during the COG's contract period will be added to the new provider's contract amounts.

Ms. Turner explained that the Youth is trending below where they need to be for the first two months of the new program year. One explanation is that Adult Education does not bill for their services until after each quarter. Expenditures should increase for the month of October. Henkels and McCoy (Palmetto Youth Connections) expenditures are averaging \$34,016.34 when they should be at \$53,000.

Next Ms. Turner gave an update on IWT, which closed the end of September and stated that Ahlstrom, Color-Fi, and Covidien each spent 100% of their grants. Kershaw Health and Accuride are still open pending final invoices.

Ms Turner ended by stating that the Santee-Lynches financial situation at present is sound.

F. Notice of Incentive Money Earned – PY'10

Ms. Turned announced that the Santee-Lynches region earned \$41,956 in incentive funds out of a possible \$54,500 or 77%. These funds were earned on performance measures and establishing growth or demand industries and occupations. The Finance Sub-Committee, which consists of WIB Members Mike Bunch, David Merchant and Dan Yount, will be meeting to determine how to best utilize these incentive funds in our region. Ms. Turner asked if WIB Members had any specific ideas to notify one of the Finance Sub-Committee members, so that a budget plan could be sent to the State for approval.

Mr. Rick Levy via phone stated that approximately a year ago a list of potential items was created for the use of incentive funds. Ms. Turner responded that she had the list and would provide it to the Finance Sub-committee for their review. She explained that there is more flexibility with the Incentive funds versus the other funds.

Mr. Craig Smith asked if the expenditure of funds were only at 15%. Ms. Turner responded "yes" and then explained that SLRCOG has cost sharing agreements (utilities, rent, phones, maintenance, etc.) with SCDEW and these are only invoiced quarterly. Mr. Dean Riddle questioned what percentage should the Adult spending be at and Ms. Turner responded 16%.

III. Quarterly Progress Report from WIB to CEOs

- Written Report – re: meeting local Board's goals
- State Certification Standards
- Federal Program Performance Standards – DOL Performance – Real time or State's Reports

- Other

Chair Dority stated that there should be “Group Discussion” on the WIB reporting to the CEOs in writing. (She referenced the Consortium Agreement, page 2, area highlighted in “yellow”). There was a question whether other WIBs reported to CEOs and then a brief discussion was held on the purpose of the quarterly progress report, which is to show the CEOs what the WIB is doing. Ms. Davis informed the WIB that they could share the Corrective Action Plan. The discussion ended with Mr. Rob Fauvie asking if the WIB could propose to the CEOs what the WIB would like to report.

IV. Corrective Action Plan Review

Chair Dority asked if the WIB Members had any questions or comments on the Corrective Action Plan. (A copy of the Corrective Action Plan was emailed to the full WIB prior to this meeting). Mr. Rick Levy responded that there was a lot of detailed information in the report, as well as, history on why the Santee-Lynches region is where it is today. Mr. Rob Fauvie stated that the WIB should request that dates and responsibilities be added to this corrective action report, similar to the WIB having dates and responsibilities assigned within the WIB’s Strategic Plan. He added that there is a lot of good information in the report, but the WIB must hold the COG responsible with the correction action plan.

V. State of the Workforce Report

Mr. Bruce Mills, Santee-Lynches Research Analyst, gave a brief overview of the State of the Workforce Report, with a slideshow listing the Goals for a Skilled Workforce and the topics that will be included in the report. The completed Workforce Report will be emailed to all WIB Members within the next two weeks and will be reviewed at the next WIB Meeting.

VI. Strategic Plan Review & Approval

Ms. Areatha Clark and Mr. Rick Levy via phone reviewed the revised updated Strategic Plan. Ms. Clark added that at the two Strategic Planning Meetings held (September 6th and 20th) the WIB Members made revisions to the Strategic Plan. (A copy of the proposed changes/revisions to the Strategic Plan was emailed to the full WIB prior to this meeting). Printed in black is the original language in the Strategic Plan; printed in red is the new language, and the items marked through were from the original strategic plan that are being proposed to be deleted. Ms. Clark reviewed the proposed revisions to the Strategic Plan and mentioned that the proposed date would be changed to 2010 – 2015. Mr. Rick Levy added that goal 3 replaced a combination of goals 3 and 4 on the original plan. He explained that the original goal 3 was more of a “how” and not a “what” and that the Strategic Plan with revisions has three goals with objectives and strategies. These revisions were in response to the audit review approximately a year ago when the WIB only met three out of the seven standards to become a high-performing Board. He expressed that the original Strategic Plan was a “nice” plan, but the observations involved three parties and some were not measurable and were not bound by a time line. Mr. Levy referred to the second handout with the Strategic Plan that outlined the dates by each strategy. This sheet will help evaluate each strategy by quarter. The next steps will be to identify which committees or subgroups will be responsible to monitor these strategies.

Mr. Rick Levy made a recommendation in the form of a motion to accept the revisions and changes to the updated Strategic Plan as presented at tonight's meeting. The motion was seconded by Ms. Beverly Moberg. Chairman Dority asked if there was any additional discussion. There being no further discussion, Chairman Dority called for a vote. All were in favor and the motion passed unanimously.

Mr. Rick Levy added that the original master copy of the Strategic Plan will be kept and the WIB Members will be provided with a clean copy. He ended by adding that at the next Executive Committee Meeting, committees or subgroups will be added to monitor these individual strategies to ensure successful implementation of the new plan.

VII. Other Business

- **Board Members Protection from Lawsuits**

Chairman Dority deferred this to Ms. Areatha Clark to discuss. Ms. Clark read the information that had been provided to Ms. Moberg in a previous email. She read the following information on Tort Liability Insurance: "The COG carries a TORT Liability Insurance Policy. It covers reasonable & responsible acts of the Employees and Board Members when operating within the scope of their official duties and guidelines. Potential contractual liabilities are excluded from this policy." This information was provided by the State to Ms. Kathy Powell. Mr. Rob Fauvie then stated ... "we don't need an attorney now".

- **One-Stop Chairman Recommendation - (M)**

Chairman Dority reminded the WIB that the One-Stop Committee does not have a Chairman at present. She recommended Mr. Rick Levy to become the new Chairman of the One-Stop Committee and asked for a motion.

A motion was made by Chairman Ginny Dority and seconded by Mr. Craig Smith to approve Mr. Rick Levy as the new One-Stop Chairman. Chairman Dority asked if there was any discussion. There being no discussion, Chairman Dority called for a vote. **All were in favor and the motion passed unanimously.**

VIII. Chairman's Comments

- Chairman Dority stated that she had concerns regarding the charts and stated that the information provided to the WIB was different from the information she receives from the State DEW Office.
- Her next concern was with dislocated workers needing computer skills. She asked Ms. Gwen Davis about the computers (in the old Trade Office) at the DEW office. Ms. Davis explained that these computers belong to WIA, but DEW was unwilling to set the computers up, so that their customers could use them. Ms. Davis added that the computers may be moved to Lee County – possibly to the library in Bishopville, so that the participants could have access to online services when the Bishopville One-Stop Center was not open.
- Chairman Dority passed out a timeline to the WIB Members of the activities that had taken place since the last WIB Meeting with her contact with the CEOs.

IX. Adjourn

There being no further business, the Santee-Lynches Workforce Investment Board Meeting was adjourned at 7:29 PM.