

**Workforce Development Council Meeting**  
Regular Quarterly Meeting  
July 9, 2008

**AGENDA ITEMS**

- |  |                            |               |
|--|----------------------------|---------------|
| A. Call to Order   | Warren Lotsberg            |               |
| B. Approval of Minutes   | Warren Lotsberg            |               |
| C. Director's Report   | Bill Molseed               |               |
| D. New Business  |                            |               |
| 1. Dakota Seeds Internship Approval  | Mel Ustad                  | <b>Action</b> |
| 2. Volunteers to Read WIA Award Nominations  | Bill Molseed               | <b>Action</b> |
| 3. Workforce 2025 Update   |                            |               |
| (a) Manufacturing Workforce Summit   | Marcia Hultman             |               |
| (b) Healthcare Workforce Development   | Sandy Durick<br>Halley Lee |               |
| 4. SDDOL Service to Veterans   | Todd Kolden                |               |
| 5. State Plan submissions for DRS and SBVI   | Grady Kickul               |               |
| 6. New University Degree Programs<br>University System Support for Workforce<br>2025 (May Board of Regents item) | Paul Gough                 |               |
| 7. Local Employment Dynamics   | Bernie Moran               |               |
| E. Adjournment   |                            |               |

## AGENDA ITEM A CALL TO ORDER

The South Dakota Workforce Development Council (WDC) met in Pierre in the Kneip Building Conference Room # 3 on Wednesday, July 9, 2008. The meeting was called to order by Council Chairman Warren Lotsberg at 10:00 a.m. CDT. Roll call was conducted, and a quorum was present.

### Members Present

Warren Lotsberg, Chairman	Grady Kickul	Patricia Kenner
Pat Lund, Vice Chairwomen	Mark Wilson	D. J. Mertens
Paul Gough	Pam Roberts	Larry Tolzin
Helen Wegner	Roland Benson	Mel Ustad

### Members Absent

George Cook	Cal Geis	Wally Myers
Shelley Stingley		

### Others Present

Bill Molseed	Kari Porch	Dan Muck
Marcia Hultman	Sandra Durick	Halley Lee
Todd Kolden	Bernie Moran	Deb Halling
Bill McEntaffer	Robert Kean	Gloria Pluimer
Bobbie Lower	Marcia Hess	

## AGENDA ITEM B APPROVAL OF MINUTES

Helen Wegner made a motion to approve the April 3, 2008 minutes. Larry Tolzin seconded the motion. **Motion passed.**

## AGENDA ITEM C DIRECTOR'S REPORT

The WDC members wished Patricia Kenner a happy birthday.

### Federal Legislation

President Bush signed the supplemental appropriation legislation that included a 13-week extension of unemployment insurance (UI) benefits and funding to assist with associated administrative costs. To be eligible, individuals must have exhausted regular UI and worked 20 hours in full-time covered employment or earned the equivalent in covered wages. The extension has a clause to help workers who filed an initial claim as far back as May 2006. In South Dakota we estimate 1,300 individuals could receive the extended benefits.

Congress and the administration are laying out differing plans for funding labor programs. The Senate is looking to restore funding lost from recent rescissions. President Bush says he would veto bills exceeding his overall spending request.

The South Dakota Department of Labor (SDDOL) was notified that South Dakota was one of eight states eligible to receive incentive grants. The grants are awarded to states exceeding required performance measures for the Workforce Investment Act (WIA) and Adult Education and Literacy (AEL) programs administered by the Department of Labor, and the Perkins programs administered by the Department of Education. South Dakota received \$821,995 which was split equally between the programs. The financial award is a testament to the exceptional performance of our local delivery staff for WIA and AEL, as well as the secondary and post-secondary programs under Perkins. Incentive funds cannot be used for on going activities but are to be focused on innovative and collaborative efforts aligned with workforce development strategies. South Dakota's goal with these funds is to improve performance while linking strategies to Governor Rounds' Workforce 2025 Initiative.

Representatives from the Regional Department of Labor office in Dallas visited South Dakota in early April for a review of WIA Adult and Dislocated Worker programs. A few items for improvement were identified. The items were procedural in nature and had no reported questioned costs. The findings included improvement on monitoring of sub-recipients, improvement on supporting documentation for financial transactions and a separation of fiscal responsibilities (this was corrected on the spot). In addition to the reported findings, the regional office identified a positive practice for recruiting/referral methods. The recruiting/referral method identified was a card "What's in Your Wallet?" The card lists local offices and their telephone numbers. The cards are distributed throughout the communities with SDDOL partners who may work with individuals that could benefit from SDDOL services.

#### TAA Certifications

The SDDOL received notice that the petition submitted by Gateway for Trade Adjustment Assistance Act (TAA) was approved by USDOL. The certification will assist workers laid off between May 2007 and June 2010. On July 8, 2008, SDDOL learned another 100 Gateway employees were given notice of layoff. SDDOL is working with local office staff planning rapid response activities and informational meetings for the employees.

SCI in Rapid City was approved for TAA. The certification assists those laid off from early 2007 through the spring of 2010. SDDOL conducted informational meetings and have about 45 potential eligible workers at this point.

TAA is an entitlement program. It offers training, financial assistance, a wage replacement program for older workers and healthcare tax credits for eligible workers. SDDOL coordinates TAA services with the WIA Dislocated Worker program.

#### Western Governors University (WGU)

SDDOL's effort at recruiting candidates for the WGU's scholarships for rural math and science teachers has been very successful. An informal report from WGU shows South Dakota has 45 to 50 students enrolled in the program, while North Dakota has fewer than 10. Nationally WGU has about 400 students in the scholarship program.

#### AEL / COABE Meeting

SDDOL and the Commission on Adult Basic Education co-hosted a regional conference in Rapid City on July 28-30, 2008. Nearly 200 individuals attended. It was a very comprehensive conference which brought in nationally recognized experts from the adult education field. The conference benefited the professional development of our teachers and instructors in the local AEL programs.

#### Healthcare Workforce Development Team

The Department of Health and SDDOL submitted an application to attend a national Nursing Education Capacity summit. Attendance was very limited and South Dakota's application was not selected. However, South Dakota will have access to materials and products from the summit.

#### Manufacturing Academy, RTEC, Yankton

SDDOL, the Regional Technical Education Center (RTEC), Mitchell Technical Institute and nine-private sector businesses sponsored the Manufacturing Academy in Yankton. The businesses included: Applied Engineering, Wilson Trailer, Kolberg-Pioneer, Sapa Extrusions, Vishay Dale Electronics, Mtron, Gehl Company, A-Ox Welding and Midwest Industrial Tool. The project included 80 hours of classroom and hands-on experience for area students. The activities included topics on safety and employability skills as well as real experience with welding, lathes, milling and CNC production equipment. All reports indicated this was a successful event that can be replicated elsewhere.

#### Kudos to Harr Motors, Aberdeen

PY2007 SDDOL WIA Award winner for Outstanding Large Business, Harr Motors of Aberdeen, was recognized by Toyota for demonstrating a commitment to maintaining high standards for customer satisfaction. As a result, Harr Motors was showcased in an August 2008, regional issue, of *Time Magazine*. *Time* was impressed with the connection Harr Motors had with the local WIA program through the local office. The article focused on the collaboration and services that benefited both the company and SDDOL WIA participants.

### **AGENDA ITEM D NEW BUSINESS**

#### **AGENDA ITEM D1 DAKOTA SEEDS INTERNSHIP APPROVAL**

Mel Ustad, Department of Tourism and State Development, presented information on the Dakota Seeds program. Dakota Seeds, one component of the Governor's Workforce 2025 Initiative matches funds with businesses to provide internships and assistanceships to students in the STEM (science, technology, engineering and math) fields. Six businesses requested funds through Dakota Seeds to provide 17 internship opportunities. Mel asked for approval from the WDC to fund the internships for these businesses.

Pat Lund made a motion to approve funding for the internships. Patricia Kenner seconded the motion. **Motion Passed.**

## **AGENDA ITEM D2 VOLUNTEERS TO READ AWARD NOMINATIONS**

Bill Molseed asked for volunteers to read the Workforce Investment Act (WIA) Award Nominations. Pat Lund and Patricia Kenner volunteered to read the nominations.

## **AGENDA ITEM D3 WORKFORCE 2025 INITIATIVE UPDATE**

Marcia Hultman, SDDOL Deputy Secretary, provided an update on the Workforce 2025 Initiative. Workforce 2025 is getting a lot of public attention and media coverage. In June 2008, SDDOL state staff presented to 10 different groups and local office staff presented to more than 50 local civic groups. SDDOL Secretary Pam Roberts was featured on the cover of the *Prairie News* magazine, and Pam Roberts, Marcia Hultman and Dawn Dovre were interviewed by "Inside Keloland".

A Manufacturing Workforce Summit was held in Sioux Falls on June 24, 2008. More than 200 representatives from industry, economic development, education and state government gathered. State Chamber of Commerce and Industry President David Owens, Governor Mike Rounds, SDDOL Secretary Pam Roberts, South Dakota Department of Education Secretary Rick Melmer and Board of Regents Executive Director Tad Perry spoke at the event.

Individuals from the National Association of Manufacturers shared information on national trends and the importance of using Internet marketing to attract young people. High school, technical school and college students shared their prospective and expectations of manufacturing during a noon luncheon, followed in the afternoon by five breakout sessions featuring Workforce 2025 agency partners.

Other industries SDDOL is working with include financial services, construction trades and state government.

Dakota Roots, the first component of Workforce 2025, has 291 business partners, 1,232 registered job searchers and 524 individuals who returned to jobs in South Dakota. The average age of those returning to South Dakota to work is 35, bringing with them spouses and children. The individuals found jobs in both professional and

nonprofessional areas. Dakota Seeds, another component of Workforce 2025, has had 230 internship opportunities listed and made 169 placements.

Future plans for SDDOL include surveying Dakota Roots participants who have not returned to South Dakota. The survey results will be used to determine how SDDOL can better serve participants and what prevents participants from returning to South Dakota. Information from the survey will be used to enhance the Dakota Roots program. SDDOL will also be working on ways to engage older workers in the workforce. By the year 2025, 90,000 individuals will be eligible for retirement. Many of the individuals will want to work. Many of them will need to work. SDDOL is working to determine how to keep older workers engaged in the workforce and how to educate employers to be flexible so older workers can spend time with their grandchildren or go south for a couple of months in the winter. SDDOL is also considering a Work Readiness Certificate pilot program. Work Readiness certificates measure an employee's readiness to perform in a specific field. SDDOL may use the work readiness assessments to determine if programs have adequately prepared participants for the workforce.

Sandra Durick, South Dakota Office of Rural Health Administrator and Halley Lee, Healthcare Workforce Center Manager provided three handouts and an update on the Healthcare Workforce Initiative. According to statistics, between the years 2004 and 2014, nearly 13,000 additional workers will be needed in the healthcare industry. Contributing factors include:

- There will be a 13% decrease in the number of high school graduates by the school year 2013-2014.
- By the year 2025, South Dakota will have the 9<sup>th</sup> highest proportion of elderly nationally.
- As the baby boomers retire and leave the healthcare workforce, they are subsequently aging and requiring additional healthcare services; at the same time there are fewer high school graduates available to replace them in the workforce.

In response to this challenge, the Healthcare Workforce Initiative was introduced. The Healthcare Workforce Initiative is a collaborative effort between the South Dakota Departments of Education, Health, Labor and the Board of Regents. The four departments met and began looking at statewide goals and objectives relating to the healthcare workforce.

The initial Healthcare Workforce summit was held in August 2006, in Pierre, to raise awareness of the need for healthcare workers. A second summit was held in July 2007, in Pierre, to unveil new programs and projects and address the group collectively. In April and May 2008, five different areas hosted Healthcare Workforce Seminars. The seminars provided participants with tools, resources and information to implement in their respective facilities to aid in addressing workforce issues.

The Healthcare Workforce Initiative provided for several other projects. Avera Health, in conjunction with the Office of Rural Health developed a project to assist rural communities to identify and address the shortage of rural health workers in South Dakota. The Healthcare Workforce Partnership Fund was established in conjunction with the South Dakota Community Foundation in October 2007. The fund was generously initiated with contributions from Avera Health, Regional Health and Sanford Health to support healthcare workforce projects in South Dakota.

Northern State University, South Dakota State University and the University of South Dakota sponsored University Health Career Camps to provide students with hands-on experience in a wide variety of health professions. The South Dakota Departments of Health and Education provided Scrub Camps.

#### **AGENDA ITEM D4 SDDOL SERVICE TO VETERANS**

Todd Kolden, SDDOL Technical Services Administrator, gave an overview of the Technical Services programs he oversees before providing information on the services SDDOL provides to veterans. The Veterans' program is a federally funded program which provides funding for veterans' representatives housed at each SDDOL local office. The representatives provide services to veteran job seekers including intense services, case management services, referral services to Veterans Affairs and work to ensure veterans receive all services to which they are entitled.

SDDOL educates and ensures priority service is given to veterans in the local offices. Federal law requires priority of service be given to veterans. SDDOL also educates and refers issues of employment and reemployment rights. Veterans returning from active duty are entitled to reemployment rights, including benefits that would have occurred while they were serving in active duty. SDDOL, working with the Board of Regents, will provide outreach services to veterans attending universities. Ninety days prior to graduation, veterans will be taken into case management to ensure they have found employment upon graduation.

#### **AGENDA ITEM D5 STATE PLAN SUBMISSION FOR DRS AND SBVI**

Grady Kickul, Division of Rehabilitation Services, provided an update on the Vocational Rehabilitation State Plan. During the April 3, 2008, meeting Grady asked for public input on the Vocational Rehabilitation State Plan for the Division of Rehabilitation Services and the Services for the Blind and Visually Impaired. The plan was submitted in June 2008 and preliminary approval has been given for FFY2008.

#### **AGENDA ITEM D6 NEW UNIVERSITY DEGREE PROGRAMS AND UNIVERSITY SYSTEM SUPPORT FOR WORKFORCE 2025**

Paul Gough, Board of Regents, provided an update on their activities. Paul distributed a handout featuring three key pieces of information. The first piece of

information included new degree programs and delivery sites approved by the board in May and June 2008. The second piece of information was a news release on a Healthcare Career Summer Camp at USD. The third piece of information provided an overview of the Workforce Development Initiative and the activities resulting from the initiative.

#### **AGENDA ITEM D7 LOCAL EMPLOYMENT DYNAMICS**

Bernie Moran, Labor Market Information Center (LMIC) Administrator, provided an update on the Local Employment Dynamics (LED) program. The LED program is a partnership between the U.S. Census Bureau and SDDOL. South Dakota and 47 other states participate in the program with the remaining two states in the process of making legislative changes needed in order to become partners. The LED program has eight Quarterly Workforce Indicators (QWI). The indicators include total employment, job flows, job creation, new hires, separations, turnover rate, average monthly earnings and average new hire earnings. The QWI can be examined by age, gender, geography, industry and time period. With the use of a Memorandum of Understanding, the U.S. Census Bureau and the SDDOL can share confidential wage record information. By sharing information the SDDOL has access to timely and detailed workforce data. Prior to the LED program SDDOL had to rely on surveys which were very expensive or census data which is only produced every ten years.

#### **AGENDA ITEM E ADJOURNMENT**

The next WDC meeting will be held on September 23, 2008. It will be held via DDN. DDN sites will be located in Pierre, Sioux Falls, Rapid City, Huron, Belle Fourche and Clear Lake at 10:00 a.m. CDT.

Pat Lund moved to adjourn the meeting at 11:59 a.m. CDT. The motion was seconded by Larry Tolzin. **Motion passed.**