

Workforce Development Council Meeting
Regular Quarterly Meeting
January 3, 2008

AGENDA ITEMS

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|--|-----------------------|---------------|
| A. Call to Order | Pat Lund | |
| B. Approval of Minutes | Pat Lund | |
| C. Director's Report | Mike Ryan | |
| D. New Business | | |
| 1. Volunteer RFP Readers | | |
| 2. Increase Allowable Maximum for Occupational Skills Training | Bill McEntaffer | Action |
| 3. 2007 Labor Market Report | Bernie Moran | |
| 4. Workforce 2025 | Dawn Dovre | |
| 5. Five-Year Perkins State Plan | Gloria Smith-Rockhold | |
| 6. New University Programs & Sites | Paul Gough | |
| 7. Registered Apprenticeship | Don Reese | |
| E. Adjournment | | |

The agenda was amended to include a Governor's Office of Economic Development update at the end of the meeting.

AGENDA ITEM A CALL TO ORDER

The South Dakota Workforce Development Council (WDC) met in Pierre in the Kneip Building, Kneip Conference Room # 3 on Thursday, January 3, 2008. The meeting was called to order by Council Vice-Chairwoman Pat Lund at 10:00 a.m. CST. Roll call was conducted, and a quorum was present.

Members Present

Pat Lund, Vice-Chairwoman	Cal Geis	Patricia Kenner
Mark Wilson	D. J. Mertens	Paul Gough
Pam Roberts	Shelley Stingley	Larry Tolzin
Helen Wegner	Roland Benson	Kim Olson

Members Absent

Warren Lotsberg, Chairman	Grady Kickul	George Cook
Wally Myers		

Others Present

Mike Ryan	Bill McEntaffer	Bernie Moran
Kari Porch	Dawn Dovre	Don Reese
Gloria Smith-Rockhold	Melodee Lane	Bobbi Lower
Jean Bennett	Ron Rosenboom	Deb Halling
Marcia Hess	Andy Szilvaski	
Todd Kolden	Jessie Elder	

AGENDA ITEM B APPROVAL OF MINUTES

Patricia Kenner made a motion to approve the July 10, 2007 minutes. Helen Wegner seconded the motion. **Motion passed.**

AGENDA ITEM C DIRECTOR’S REPORT

Mike Ryan sat in for Bill Molseed as executive director. Bill recently had a valve repaired in his heart and was recovering at home.

The SDDOL received a 2-percent funding recession for fiscal year 2007 from the federal government. They will receive an across-the-board 1.75-percent reduction in fiscal year 2008.

Job Corps services for recruitment and placement are now provided through McNeil Technology. They have a new office in Pierre, and are housed within the South Dakota Career Center (SDCC) offices in Rapid City and Sioux Falls.

Jeff Kjenstad, manager at the SDCC in Brookings is filling in as interim acting director at the Brookings Career Learning Center (CLC). Jeff is performing the day-to-day operations and services to ensure the services provided by the CLC continue.

Pam Roberts introduced Kim Olson, deputy secretary for the Office of Tourism and State Development. Kim was sitting in for Rich Benda.

AGENDA ITEM D NEW BUSINESS

AGENDA ITEM D1 VOLUNTEER RFP READERS

Mike Ryan asked for volunteers to read the Requests for Proposals (RFP). Larry Tolzin, D. J. Mertens and Shelley Stingley volunteered to read the RFPs.

AGENDA ITEM D2 INCREASE ALLOWABLE MAXIMUM FUNDING FOR OCCUPATIONAL SKILLS TRAINING

Bill McEntaffer, South Dakota Department of Labor (SDDOL) program specialist, asked for approval to increase the funding allowance for Occupational Skills Training from \$3,000 to \$4,000 per year. Occupational Skills training has not had a funding increase allowance for 10 years and with the cost of tuition and books for most technical schools at \$5,000 per year, the increase is needed for students to receive training. Students enrolled in an Occupational Skills Training program must complete the program within two years. Occupational Skills training funds are available for both adult and youth programs. Helen Wegner made a motion to approve the fund allowance increase. Cal Geis seconded the motion. **Motion passed.**

AGENDA ITEM D3 2007 LABOR MARKET REPORT

Bernie Moran, SDDOL, Labor Market Information Center (LMIC) administrator, provided the WDC members with the 2007 Labor Market Report. The report is also available on the LMIC Web site. The report is produced as a new deliverable of the WIA funds LMIC receives from the Employment and Training Administration. LMIC attended the April 5, 2007 meeting and surveyed the WDC. The information from the survey was incorporated into the 2007 Labor Market Report. LMIC will attend the next quarterly WDC meeting to survey the members for items to incorporate into the 2008 Labor Market Report.

AGENDA ITEM D4 WORKFORCE 2025

Dawn Dovre, SDDOL public information officer, presented information on Governor Rounds' Workforce 2025 initiative. The mission of Workforce 2025 is to ensure South Dakota has a competent and qualified workforce allowing for economic growth and expansion.

The South Dakota Departments of Labor, Tourism and State Development, and Education and the Board of Regents joined forces to engage business, education and the state's workforce system to work together to develop solutions for the

challenges that lay ahead. Workforce 2025 focuses on three time periods: the immediate is zero to years out, intermediate three to 10 years out, and emerging needs from now until 2025.

Workforce 2025 has four components: Dakota Roots, Live Dakota, Industry Initiatives and Dakota Seeds.

1. Dakota Roots, launched in October 2006, encourages individuals to come to South Dakota to live, grow and build by matching participants with career opportunities available from leading businesses, and keeps current South Dakotans working in South Dakota.
2. Live Dakota focuses on retaining South Dakota natives in the workforce and drawing employees from outside the state. Focus groups were conducted to determine the perception young adults have of South Dakota career opportunities and the preferred mediums for messages.
3. Industry Initiatives concentrate on the healthcare, manufacturing, construction trades, financial services and state government industries. The goal of the workforce action teams is to increase and stabilize South Dakota's workforce by working with industry leaders to ensure future educational and training needs are met.
4. Dakota Seeds focuses on increasing the number of internships in South Dakota in the STEM fields (science, technology, engineering and mathematics). These opportunities will provide students with real world experience and help companies develop pipelines for permanent employees.

AGENDA ITEM D5 FIVE-YEAR PERKINS STATE PLAN

Gloria Smith-Rockhold, South Dakota Department of Education (SDDOE), assistant director for the Office of Career and Technical Education, provided information on Perkins IV, and education initiatives closely related to workforce initiatives. The Perkins IV reauthorizational period in December 2006 was passed by Congress and signed by the president, and went into effect July 1, 2007. Perkins IV is the largest investment of the federal government in high school education. It funds secondary and postsecondary career and technical education in South Dakota, with a primary emphasis on improving the current career and technical educational programs.

Perkins IV relates closely to the mission of the SDDOL and Governor's Office of Economic Development by preparing students for high-skill, high-wage jobs. It provides students with the opportunity to apply the academic skills in a hands-on setting. Perkins IV encourages students to get postsecondary credits while still in high school.

Perkins IV has a lot of influence from No Child Left Behind with three accountability measures based on results of the reading scores, math scores and graduation rates.

The Perkins IV state plan is under a transition plan. It is a six-year act, previously a five-year act. The state plan involves input from many different audiences and the

SDDOE wanted the WDC to be aware of Perkins IV and invites their input on the state plan.

AGENDA ITEM D6 NEW UNIVERSITY PROGRAMS & SITES

Paul Gough, Board of Regents, provided two press releases and a summary of new university programs and sites. The first press release featured new health-related programs. A bachelor's degree in health sciences at the University of South Dakota will help prepare students for post-baccalaureate healthcare professional schools. A minor in health at Black Hills State University will assist students in a variety of careers and meets South Dakota teacher's certification requirements. A certificate in gerontology at Northern State University will assist students wanting to work in occupations and industries that serve the elderly.

The second press release featured two new degrees in statistics at South Dakota State University (SDSU). A new master's degree will prepare graduates for a variety of careers including risk analyst, statistician actuary and agriculture statistician. A new minor in statistics can be added to a bachelor's degree for students interested in specializing in quantitative work in a data-based field. The SDSU Math and Statistics Department has received financial support for assistantships from the financial industry in Sioux Falls.

The last handout was a summary of the Board of Regents' approval of new programs, authorizations to plan and new delivery sites. The new Ph.D. programs are directly related to the Governor's 2010 initiative and will help in developing research and technology infrastructure.

Several new program delivery sites were approved. The new sites will provide opportunities for individuals who can not relocate or commute to a university community. The board approved programs in Sioux Falls, Rapid City, Pierre and several on-line programs.

AGENDA ITEM D7 REGISTERED APPRENTICESHIP

Don Reese, South Dakota's director for the United States Bureau of Apprenticeship and Training program, provided an update on the apprenticeship program. In July 2007, Assistant Secretary Gaye Gilbert issued TEGl 2-07 dealing with the leveraging of registered apprenticeships, and the workforce strategy for the workforce investment system. The purpose of the TEGl was to provide information and resources to support the use of registered apprenticeships in the workforce investment system. The registered apprenticeship system is a critical postsecondary education training and employment option. The registered apprenticeship system has more than 49,000 programs nationwide with 450,000 apprentices registered, impacting more than 250,000 employers. South Dakota has more than 200 programs, 1,000 apprentices registered and 200 completers. Completers are individuals considered by their industry to be competent employees,

able to work on their own without supervision. The apprentices are predominantly in high-growth industries including construction, energy, hospitality, health services, information technology and transportation. Many of these industries are facing a critical shortage of workers now and in the foreseeable future.

Don plans to visit each SDCC to talk with managers and staff regarding current apprenticeship opportunities, and to discuss partnership opportunities allowing for marketing and to establish apprenticeship programs for both employers and workers. Apprenticeship programs can be used to meet many criteria of the WIA performance measures.

AGENDA ITEM D8 GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT (GOED) UPDATE

Kim Olson, deputy secretary, Office of Tourism and State Development provided a GOED update. Every year, GOED surveys manufacturers with a 30-percent response rate. Preliminary information shows manufacturer investments over the past year exceeded all historical numbers. In 2007, capital investments were more than a half billion dollars before the Homestake and Hyperion projects.

GOED tracks how many companies inquire about locating in South Dakota, expanding in South Dakota or starting out in South Dakota. GOED tracks which communities are explored, who those companies talk to, as well as how many expand or start businesses and post jobs. Many communities and agencies also host such activities. Last year, for the inquiries GOED was involved in a record 62 locations had inquiries.

In fiscal year 2007, 22 companies received READY loans representing \$9.3 million in financing loans and projected to create 856 jobs. In the first half of fiscal year 2008, \$15 million worth of loans were approved and the job numbers were well above the 856 jobs created in fiscal year 2007. The first question companies ask when considering setting up business is, "How is your workforce?" GOED partners with the SDDOL, SDDOE and the Board of Regents to demonstrate labor statistics, the taskforce graduating from school and the programs our universities provide. These numbers are what drive the companies to the locations. Aberdeen had two large announcements. Molded Fiber Glass, a wind-blade manufacturing company with potentially 600 to 700 jobs is in the plans to be built next year, and a beef plant, if built, will potentially create several hundred jobs.

The Hyperion Energy Center project in Elk Point, which will fill a critical need if zoning is approved, will be operational in 2012 or 2013 and employ 1800. Initially, 10,000 workers will be needed to construct the plant.

The Homestake project will also produce a large number of jobs.

AGENDA ITEM E ADJOURNMENT

The next WDC meeting will be held on Thursday, April 3, 2008 in Pierre in the Kneip Building, Kneip Conference Room # 3 at 9:00 a.m. CDST.

Paul Gough moved to adjourn the meeting at 11:50 a.m. CST. The motion was seconded by Cal Geis. **Motion passed.**