

**SD WORKFORCE DEVELOPMENT COUNCIL**  
**Regular Quarterly Meeting**  
**January 5, 2012**  
**1:30 p.m. – 3:30 p.m. CT**

**Via Dakota Digital Network**

**Pierre Kneip Building Conference Room # 3 located at 700 Governors Drive**  
**Huron DHS located at 2361 Dakota Avenue S**  
**Sioux Falls DHS located at 811 E 10<sup>th</sup> Street**  
**Aberdeen DOL located at 420 S Roosevelt Street**  
**Rapid City DHS located at 111 New York Street**  
**Belle Fourche DOT located at Hwy 34 West**  
**Yankton RTEC located at 1200 W 21<sup>st</sup> Street**  
**Brooking SDSU SPC203 located at 1015 8<sup>th</sup> Street**

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|--------------------------------------|----------------------------------|
| A. Call to Order                     | Warren Lotsberg                  |
| B. Introduction of New WDC Member    | Warren Lotsberg                  |
| C. Roll Call                         | Kari Porch                       |
| D. Approval of Minutes               | Warren Lotsberg                  |
| E. Director's Report                 | Bill Molseed                     |
| F. New Business                      |                                  |
| 1. Dakota Seed Internship Status     | Ann Gesick-Johnson <b>Action</b> |
| 2. Board of Regents Workforce Update | Paul Gough                       |
| 3. WorkReady / NCRC                  | Marcia Hultman                   |
| G. Adjournment                       |                                  |

**AGENDA ITEM A      CALL TO ORDER**

The South Dakota Workforce Development Council (WDC) met by Dakota Digital Network (DDN) on January 5, 2012. The meeting was called to order by Chairman Warren Lotsberg at 1:30 p.m. CT.

**AGENDA ITEM B      INTRODUCTION OF NEW WDC MEMBER**

Bill Molseed introduced Dave Giovanninni. Dave lives in Aberdeen and is the general manager at Molded Fiber Glass. Dave is originally from upstate New York and has 30 years of experience in the manufacturing industry. He began employment with Molded Fiber Glass in Aberdeen, two years ago. Molded Fiber Glass currently employs 400 individuals. They plan to start producing larger wind blades, and with the production of the larger product, additional employees will be added.

Bill also introduced Laurie Gill. Laurie is the Secretary of Human Services and the Mayor of the City of Pierre. She was employed by the Department of Health for 13 years prior to her appointment to the Department of Human Services.

**AGENDA ITEM C      ROLL CALL**

Roll call was conducted and a quorum was present.

Members Present

Warren Lotsberg, Chairman	Paul Gough	Wally Myers
Pam Roberts	Helen Wegner	Randy Hanson
Dave Giovanninni	Cal Geis	Shelley Stingley
Ann Gesick-Johnson	D. J. Mertens	Laurie Gill
Mark Wilson		

Members Absent

Tom Bohnet, Vice-Chairman	Sarah Folsland
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Others Present

Bill Molseed	Kari Porch	Lisa Johnson
Dawn Dovre	Robert Kean	Brandon Kucker
MacKenzie Osadchuk	Andy Szilvasi	Marcia Hultman
John Anderson	Barb Unruh	Mary Gates
Bill McEntaffer	Jeff Kjenstad	Rob Wallum
Dan Thielsen	Todd Kolden	Bernie Moran
Greg Johnson	Gloria Pluimer	Larry Porterfield
Dustin Larsen		

## **AGENDA ITEM D      APPROVAL OF MINUTES**

Randy Hanson made a motion to approve the October 6, 2011, minutes  
Helen Wegner seconded the motion. **Motion passed.**

## **AGENDA ITEM E      DIRECTOR'S REPORT**

Our funding, as well as other federal programs, was held up by the dispute between the Senate and House on the expiring Emergency Unemployment Compensation Act and the Social Security payroll tax cut. These were separated from budget items and were given a two month continuing resolution. Congress will act on these early this year.

Congress completed the fiscal 2012 appropriations process for this current year, passing a \$915 billion spending measure. The budget agreement ensures most U.S. Department of Labor programs will be funded at levels similar to fiscal 2011. Earlier proposals had substantial cuts to Workforce Investment Act programs while changing the funding cycle from a program year to a fiscal year basis. These are not a part of the agreement.

Highlights of the agreement include:

- Near level funding for most DOL programs.
- The State set aside will not exceed five percent; it was 15 percent. Funds were transferred to the Workforce Innovation Grants.
- Dislocated Workers State Grants are reduced by \$55 million; (5.1 percent decrease)
- Workforce Innovation Grants are funded at \$50 million;
- It includes a directive for the Government Accountability Office to assess the capabilities of the Adult and Dislocated Worker Employment and Training programs to adequately prepared participants for currently available jobs.
- It provides \$4.094 million for State Unemployment Insurance and Employment Service Operations including a total of \$60 million to conduct in-person reemployment and eligibility assessments (REA) and unemployment insurance improper payment reviews.

The job market is ending the year better than it was a year ago. Nationally, the number of people applying for unemployment benefits has dropped by 10 percent since January. The National Unemployment rate, was 8.6 percent in November (down from 9.8 percent last year), is at its lowest level in nearly three years. Manufacturing output is rising, business owners say they're more optimistic about hiring and consumer confidence has jumped to its highest level since April.

Most economists say the recovery in the labor market is maintaining its momentum, albeit slow. And most analysts now say another recession is unlikely, but also urge caution.

Indicators show small businesses plan to hire is greater than at any time in three years. And some surveys found more companies are planning to add workers in the first quarter of this year than at any time since 2008. We see the same indicators in South Dakota.

However, there seems to be a disconnect between the unemployment rate and the availability of good jobs. The demand for workers is picking up, to the point where some employers are not able to find skilled workers. The Department of Labor and Regulation (DLR) is proactive in its effort to refer qualified applicants. Through a specific program, the Reemployment eligibility assessment, we provide a process for those on unemployment. This includes regular scheduled in-person visits with the Unemployment Insurance recipient and a DLR staff person, referral to the Job Search Assistance Program (JSAP), and a case manager providing guidance and direction for the job seeker and holding them accountable. The JSAP program helps job seekers present themselves to an employer, how to complete an application or write a resume, and job retention tips. If a person is uncooperative with these DLR programs, they would be jeopardizing their continued receipt of UI benefits. Our local offices regularly search their list of job seekers for matches to the job openings in their service area. These efforts are intended to inform more people about the many job openings that match their skills. As always, we are open to hearing any suggestions from the business community that may help in increasing the number of job applicants for the available jobs.

One of the efforts DLR is fully committed to is the continued development of the NCRC. This program has expanded greatly over the last few months. The NCRC is underway with other state agencies. Human Services, Vocational Rehabilitation was the first and others now include the Department of Corrections and the Bureau of Personnel. We have engaged the Department of Education and working with ACT to find a fit with the secondary school system. This is quite promising. We also recently began implementing a partnership with selected businesses to participate in a Work Ready project. This includes a profile of specific occupations to determine the level of work readiness needed for that position. Using the tools we have with NCRC and other ACT assessments we can validate an individual's readiness for an employer. Deputy Secretary Marcia Hultman will discuss this later in the agenda.

In December we kicked off the WIA Gold Standard Evaluation. This is a study of WIA programs across the county. We were one of 30 lucky programs to be selected to participate in this research. The aim is to learn how WIA training impacts our adult participants. This will be done by studying a control group

that receives limited WIA assistance and compares with a group that receives full WIA services. The evaluation will follow these selected individuals through their participation in WIA and for a period of time after they exit. The study will look at their earnings, jobs held, and other related outcomes. This is a 5-year study so we won't see any of these results for some time. Our role is to explain the program to those seeking WIA assistance, conduct the random assignment, and provide WIA services according to the study group the person was assigned. Most WIA participants will be in the full service group. Only 15 percent will be selected for limited services. And many of those will receive the services they need or want from WIA. All of these individuals will receive the full slate of other DLR services. We started the selection process and have yet to have any concerns or complaints. We will keep you informed on the status as this study progresses.

We received notice of the availability of nearly \$100 million under the Workforce Innovation Fund Grants. This is a new program designed to retool service delivery strategies, policy, and administrative systems to improve outcomes for the workforce customers. The grant is looking for ways to deliver services more efficiently, facilitate cooperation across program, ensure programs are developed in partnership with employers, and emphasize building knowledge about effective practices. This grant is quite broad in scope and not looking to support on-going programs but rather directed to new and unleashed ideas, promising ideas, and adapting proven ideas. We will be looking at this grant opportunity to see how we can best proceed with a winning application.

## **AGENDA ITEM F      NEW BUSINESS**

### **AGENDA ITEM F1      DAKOTA SEEDS**

Ann Gesick-Johnson, Department of Tourism and State Development, provided information on four businesses applying for funding through Dakota Seeds. Dakota Seeds recommended funding a graduate assistant and four internships. They recommended denying three graduate assistants.

East River Electric Power Cooperative in Madison is a wholesale power supplier. They are seeking an engineering student to do design work and work on technical documents. Dakota Seeds recommended funding the internship at \$2,000.

Innovative Materials and Processes in Rapid City conducts research for the Department of Defense in the area of energetic and pyrophoric materials. They are looking for graduate student to do research on a new decoy. Dakota Seeds recommends funding the master's level graduate assistant at \$8,000.

Mitchell Prehistoric Indian Village in Mitchell is an archeological site. They are looking for an archeological student to work on excavation as well as cataloging and sorting the finds. Dakota Seeds recommends funding the internship at \$2,000.

Secure Banking Solutions in Madison provides information security to banks as well as health care facilities. They are requesting two undergraduate interns and three graduate assistants to work on projects relating to the security. Dakota Seeds recommends funding two interns for a total of \$4,000 and denying the three graduate assistants because they have three existing assistants.

Shelley Stingley made a motion to approve the recommendations made by Dakota Seed. Wally Myers seconded the motion. **Motion passed.**

## **AGENDA ITEM E2      BOARD OF REGENTS UPDATE**

Paul Gough provided an update from the Board of Regents (BOR). The *Board of Regents Workforce Update* mailed to the council members noted the new degree programs approved in December and the programs authorized for off-campus and distance delivery and provided a press release on the placement of public university graduates.

[http://sdjobs.org/workforce\\_training/wdc/wdcagenda010512\\_bor\\_workforce\\_update.pdf](http://sdjobs.org/workforce_training/wdc/wdcagenda010512_bor_workforce_update.pdf).

New Programs Approved by the Board of Regents in December

- South Dakota School of Mines and Technology (SDSM&T) Master of Science in Mining Engineering. The program will help mining engineers advance in their careers and responds to the needs of the mining industry.
- University of South Dakota (USD) Bachelor of Arts and Bachelor of Science in Sustainability. Graduates will be prepared for careers in natural resource management, renewable energy, and community planning, with a focus on industries identified as crucial to South Dakota's future, such as wind energy, hydroelectric power, geothermal energy, green construction techniques, and bio-fuels.
- Dakota State University (DSU) Minor in Digital Editing. A variety of employers, including marketing and advertising firms, hire students with Digital Editing skills. Students will learn to prepare convincing video narratives.

Programs Authorized for Off-campus and Distance Delivery

- Northern State University (NSU) Bachelor of Science degree in Banking and Financial Services – centers in Pierre and Rapid City.
- Northern State University Bachelor of Science degree in Business Administration – Internet delivery.
- South Dakota State University Bachelor of Science degree in Nursing – Aberdeen. Information for prospective students is available on the College of Nursing web site: <http://www.sdstate.edu/nurs/programs/index.cfm>

Press Release: Study Tracks Placement of University Graduates

The Board of Regents press release reported that a new study shows that about 70 percent of South Dakota resident students who attend one of the six South Dakota public universities remain in the state after graduation to either work or pursue additional postsecondary education

**AGENDA ITEM E3      WORKREADY / NCRC**

Marcia Hultman, DLR Deputy Secretary, provided an update on the WorkReady / NCRC project and provided information on a link located on the DLR website connecting to Internship opportunities.

Marcia is working with the Governor’s Office of Economic Development (GOED) and BOR to provide information on internships which can be found through a link on the DLR website. The internships will benefit students from South Dakota who have moved away from home to pursue their education and would like to move back to South Dakota.

The WorkReady / NCRC project was launched in Watertown in August 2011 as a pilot project. DLR staff visited businesses in the Watertown community to emphasize the importance of the NCRC and encourage them to list job orders referring or requiring the NCRC. DLR also worked with Lake Area Technical Institute (LATI) to encourage students to take the NCRC. The WorkReady project expanded to the communities along the James River in November 2011.

DLR is working with the Department of Education (DOE) on a project to encourage high school students to take the NCRC assessment. The NCRC is a good tool to prepare students for the workforce.

A 30-second television advertisement on Dakota Roots released during the holiday season was shown. Dakota Roots was launched in October 2006. Since its launch, one family per day has returned to South Dakota to

work. With the release of the advertisement over the holidays, Dakota Roots traffic has increased by 400 percent. Future Funds provided funds for the advertisement.

Marcia shared a Mike Rowe video that demonstrated the need for a skill workforce.

**AGENDA ITEM F      ADJOURNMENT**

Helen Wegner made a motion to adjourn the meeting at 2:25 p.m. Laurie Gill seconded the motion. **Motion passed.**