

SD WORKFORCE DEVELOPMENT COUNCIL
Regular Quarterly Meeting
January 6, 2011

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| A. Call to Order | Pat Lund | |
| B. Roll Call | Kari Porch | |
| C. Approval of Minutes | Pat Lund | Action |
| D. Director's Report | Bill Molseed | |
| E. New Business | | |
| 1. Dakota Seeds | Mary Lehecka Nelson | Action |
| 2. WIA Evaluation | Ron D'Amico,
Social Policy Research | |
| 3. DOE Update
My Life Network
Annual Report | Mark Wilson
Tiffany Sanderson | |
| 4. Board of Regents Update | Paul Gough | |
| 5. Adult Education Annual Report 2010 | Barb Unruh
John Anderson | |
| 6. TANF Work Experience Program | Brandon Kucker | |
| 7. Labor Market Report | Bill Molseed | |
| F. Adjournment | | |
| G. WIA Title I Awards Luncheon | Ramkota | |

AGENDA ITEM A CALL TO ORDER

The South Dakota Workforce Development Council (WDC) met in Pierre at the Ramkota River Center on January 6, 2011. The meeting was called to order by Vice-Chairwoman Pat Lund at 10:00 a.m. CST.

AGENDA ITEM B ROLL CALL

Roll call was conducted and a quorum was present.

Members Present

Pat Lund, Vice-Chairwoman	Cal Geis	Tom Bohnet
Mary Lehecka Nelson	Mark Wilson	Paul Gough
D. J. Mertens	Wally Myers	Sarah Folsland
Pam Roberts	Helen Wegner	Randy Hanson
Grady Kickul		

Members Absent

Warren Lotsberg, Chairman	Roland Benson	Shelley Stingley
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Others Present

Bill Molseed	Kari Porch	Dawn Dovre
Deb Halling	Ron D'Amko	Brandon Kucker
Scott Kwasnewski	Barb Unruh	John Anderson
Tom Meyer	Mike Midling	Mark Anderson
Deb Gardner	John Shaner	Steve Almeida
Ron Rosenboom	Marcia Hultman	Tiffany Sanderson
Bill McEntaffer		

AGENDA ITEM C APPROVAL OF MINUTES

Wally Myers made a motion to approve the October 14, 2010, minutes. Cal Geis seconded the motion. **Motion passed.**

AGENDA ITEM D DIRECTOR'S REPORT

After a contentious Congressional debate, the tax extenders bill was approved and signed by the President. The bill includes an extension of the 2001 and 2003 tax cuts, creates a two-year patch for the alternative minimum tax and extends dozens of popular short-term tax breaks including the research and development tax credit and the deduction for state and local income taxes. The bill also features a provision to allow businesses to depreciate 100 percent of the cost of new capital investments made in 2011, a cut in the Social Security payroll tax on the employee side from 6.2 percent of wages to 4.2 percent, and extends federal emergency unemployment

insurance benefits and 100 percent funding for the Extended Benefits Program for 13 months, through December 2011.

Congress passed a continuing resolution which allows for continuous normal operations through March 4, 2011, for certain programs, including DOL employment and training programs. The new Congress will take up the funding issue over the next few weeks.

Stop-gap legislation extended the Trade Adjustment Assistance (TAA) program which was expanded under the American Recovery and Reinvestment Act (ARRA) and ensures health care assistance for trade-affected workers. TAA was set to expire on December 31st and now is extended for six weeks.

The administration is placing greater emphasis on credential attainment through Employment and Training (ETA) programs. We recently received guidance from the U.S. Department of Labor (USDOL) that covers a number of recommendations for state and local workforce agencies to consider in order to increase credential, degree and certificate attainment by participants of the public workforce system. The intent is to ensure individuals who receive subsidized training have a portable recognized credential that tells employers they are qualified for specific employment. We are reviewing the recommendations and will implement those we believe will work in South Dakota.

As the House Republicans assumed the majority they selected lawmakers who will assume the chairmanships of the House committees. For education and the workforce, Representative John Kline of Minnesota was selected Chairman of the House Education and Labor Committee. Representative Kline will oversee most workforce issues, such as the reauthorization of the Workforce Investment Act. South Dakota Representative Kristi Noem also sits on this committee.

Since the last council meeting we underwent a federal review of our WIA, Wagner-Peyser and veterans' programs to validate the data we report to the regional office. This was the first time we had such a review since WIA began over 10 years ago. The review identified seven findings for response and some concerns for our consideration. We are required to submit a written response by the middle of January. We organized a coordinated effort led by Deputy Secretary Hultman to prepare our response and plan for returning to compliance. Some of the issues identified have been already been corrected, some are in various stages of completion, and some will take a bit of time to be fully implemented. This is a high priority for us. I can assure the council, and Secretary Roberts, that we will be in full compliance and return to the high standards expected.

We began implementation of a \$617,000 grant from USDOL to provide on-the-job training to certain long-term unemployed dislocated workers. Employers could receive up to 90 percent reimbursement of wages paid for providing occupational skills training on the job. We are setting a goal to help 100 dislocated workers to gainful employment. This should provide an immediate stimulus to the economy.

December 2010 marked one full year the National Career Readiness Certificate (NCRC) has been marketed to the general public as an employment tool for job seekers in South Dakota. In that year, from January 1, 2010, to December 29, 2010, 588 certificates were earned through SDDOL. We continue to emphasize the use of NCRC by job seekers and employers. We are seeing an increase in the number of employers who list their job orders with a preference for the NCRC. This is generating more interest from the public seeking this certification. South Dakota has a very respectable rate for individuals who attain the Gold rating, nearly 50 percent of those who have taken the assessment. Nationally this rate is around 23 percent. This says a lot about our workforce.

Potential state budget cuts could impact our Adult and Education Literacy (AEL) program. We have historically received \$200,000 in state general funds. We are prepared to deal with any reductions that may happen and continue our commitment to providing service through our local programs as best we can.

As we welcome Governor-Elect Daugaard to Pierre, we are very pleased with the reappointment of Secretary Roberts to continue her leadership of the Department of Labor and services we provide to the public. She adeptly dealt with the recession which brought huge numbers of dislocated workers to our offices, dealt with a significant Unemployment Insurance Trust Fund issue and helped the Governor build a positive response to employment issues facing the state. We truly appreciate your guidance. Thank you, Secretary Roberts.

AGENDA ITEM E NEW BUSINESS

AGENDA ITEM E1 DAKOTA SEEDS

Mary Lehecka Nelson, Department of Tourism and State Development, provided information on two businesses applying for funding through Dakota Seeds for internship and assistantships.

Polaris Industries in Vermillion requested assistance with one intern. The intern will be responsible for doing a cost analysis of the distribution center process. Dakota Seeds recommended funding the intern at \$2,000.

Secure Banking Solutions in Madison requested a PhD-level graduate assistant. The assistant will work to document processes in information security programs in community banks and credit unions. Dakota Seeds recommended funding the graduate assistant at \$10,000.

Helen Wegner made a motion to approve the recommendations made by Dakota Seeds. Wally Myers seconded the motion. **Motion passed.**

AGENDA ITEM E2 WIA EVALUATIONS

Ron D'Amico and Mike Midling from Social Policy Research provided information on the upcoming WIA evaluation they will be conducting. Social Policy Research is a company out of California. The evaluation is a national evaluation in which South Dakota was one of 30 areas selected to be evaluated. The evaluation will focus on adult and dislocated worker services.

The evaluation is being conducted because a provision in the Workforce Investment Act (WIA) policy required it. The evaluation was supposed to be conducted within the first five years after WIA implementation but because of funding issues at the federal level it was postponed until now.

The purpose of the evaluation is to identify good elements within the program and areas that need improvement. The program will measure the impact, not the outcome, of the program. The evaluation will provide comparison groups in order to determine whether WIA services help participants get a better job or get a job more quickly than those not receiving WIA services.

For the evaluation, WIA participants will be selected and placed into one of three groups: those receiving full WIA services, those receiving core and intensive services or those receiving only core services. Eighty-five percent of the participants will be placed in the group receiving full services.

The evaluation will be conducted over an 18-month period. Procedures for the evaluation will be customized in the fall of 2010 and early 2011; SDDOL staff will be trained in the spring of 2011; random assignments will begin in July 2011 and end in the fall of 2012. A short-term impact report will be completed in 2014 and the final report will be completed in 2015.

The WIA evaluation meets ethical guidelines because:

- There is a compelling need for the evaluation.
- Nobody is denied services because services are available elsewhere in the community.

- There are too many potential participants for existing services.
- Program services are not an entitlement.
- Applicants are clearly informed of the evaluation at the onset and will give their consent.
- The program is reviewed by the Institutional Review Board to ensure ethical guidelines are followed.

The state of South Dakota will:

- Work to customize procedures
- Obtain consent forms
- Collect baseline data and enter information into RAD system
- Maintain customers

SDDOL Local Office staff were provided with information on the evaluation via Dakota Digital Network (DDN) on January 7, 2011.

AGENDA ITEM E3 DOE UPDATE

Mark Wilson and Tiffany Sanderson provided information on happenings within the Department of Education (DOE). Mark provided a handout outlining DOE's vision for South Dakota's four technical institutes. Some of their goals are to increase the number of students staying in South Dakota after graduation to 80 percent, have a 71 percent retention rate within the technical institutions, have each campus in one location, and have all the institutions share a common goal and direction.

Tiffany provided two handouts and showed a PowerPoint on the My Life website. The My Life website is a planning tool for 63,000 students, grades 7-12. The website provides a vast number of tools for students, from knowledge and interest tests to what career cluster would best match their interests and abilities. The website provides information on higher education options and scholarship availability. It also provides students with descriptions and information of different positions within businesses that subscribe to the My Life. The website can be found at: www.sdmylife.com.

Discussions during the meeting included agency partners working together and sharing resources when working with businesses.

Parents have access to the website and can view their youth's information. This will allow parents to play an active role in their student's academic decisions.

Once a month, Tiffany mails a two-page newsletter to school counselors, superintendents and principals. The newsletter keeps them updated and informed on changes to the website.

Mark provided the 2010 Annual Report for the South Dakota Technical Institutes. South Dakota's technical institutions experienced record enrollment in 2009-10 with nearly 6,000 students enrolled between them. This is an 18 percent increase over the previous year. Some highlights provided in the report were the retention rate by career cluster for 2009-10, program costs and average starting salary for several programs. More information can be found on their website at www.sdteched.com.

AGENDA ITEM E4 BOARD OF REGENTS UPDATE

Paul Gough provided an update on the Board of Regents (BOR) workforce activities. A *Board of Regents Workforce Update* was included in the packets that were mailed to the WDC members. The *Update* provided information on FY10 Bachelor's graduates enrolled in graduate and professional programs in fall 2010, information on healthcare career summer camps, and new programs and delivery sites approved by the Board in December 2010.

Two tables provided information on South Dakota public university FY10 bachelor's graduates enrolled in graduate and professional programs in the public university system.

The first table shows that 11.9% of the FY10 graduates were enrolled in a system graduate or professional program in the fall 2010 semester.

The second table shows the numbers of FY10 public university bachelor's graduates preparing for healthcare careers in a system healthcare degree program. System graduates also enroll in healthcare programs not available in South Dakota such as Dentistry and Optometry.

Two universities provided information on healthcare career summer camps:

- The University of South Dakota will be holding a healthcare career camp on June 19 – June 24 in Vermillion. More information can be found on their Web site at: www.usd.edu/medical-school/health-careers-camp.cfm.
- South Dakota State University will be holding a healthcare career summer camp on July 27 – 29. More information can be found on their Web site at: www.sdstate.edu/nurs/outreach/health-camp/index.cfm.

In December 2010 the Board of Regents approved new programs to help students prepare for careers. The programs did not require any new state resources.

- Black Hills State University received approval for a Master of Education in Reading that will prepare K-12 reading specialists for South Dakota school districts. The degree replaces a specialization within another BHSU master's degree.
- South Dakota State University received approval for a Bachelor of Arts and a Bachelor of Science in Advertising, a Bachelor of Science in Speech Communication and a Bachelor of Science in Theatre. The new majors are the result of the productivity review conducted in 2010. The new majors replace specializations.
- South Dakota State University received approval for a Bachelor of General Studies. The degree is designed to allow former students with substantial credit to complete a degree without a traditional major. The degree requires 128 credit hours (general education, university graduation requirements, electives, 15 hours in each of three emphasis areas, and a capstone course). The degree was approved for Black Hills State University, Dakota State University, Northern State University and the University of South Dakota in June 2010.
- South Dakota State University was approved for undergraduate minors in advertising, soil science and sustainable energy systems. A grant from South Dakota Department of Labor was used to develop the course content modules and internships for the sustainable energy systems minor.

Also at the December meeting, the Board of Regents approved new delivery sites to allow people to obtain their education without relocating. Off-campus and distance delivery is supported with self-support tuition.

- The Dakota State University Bachelor of Business Administration in Management was approved for internet delivery.
- Northern State University (NSU) was authorized to deliver the Associate of Art in General Studies and Bachelor of General Studies by distance delivery and to Huron. NSU will deliver scheduled campus courses to Digital Dakota Network (DDN) locations, including Huron. This will make good use of resources and provide opportunities to students who cannot commute to Aberdeen. NSU may offer courses online. Courses may be taught in Huron when the enrollments are large enough to generate sufficient self-support tuition revenue to cover salaries and other costs.

- South Dakota State University was approved to provide the Master of Education in Curriculum and Instruction and the Master of Education in Educational Administration online. Online delivery will accommodate K-12 teachers who cannot commute to Brookings.

AGENDA ITEM E5 ADULT EDUCATION ANNUAL REPORT 2010

Barb Unruh and John Anderson shared information on the Adult Education and Literacy programs. Copies of the Adult Education and Literacy Programs Annual Report for 2009-2010 were handed out. The report provided an overview of the programs implemented in 2009-2010. It also showed areas within the program that need improvement. John and Barb will be implementing changes to address these areas.

AGENDA ITEM E6 TANF WORK EXPERIENCE PROGRAM

Brandon Kucker provided information on the TANF Work Experience program. The 2010 TANF Work Experience Program Report which had been presented to Secretary Roberts and Secretary Bowman was included in the packet mailed to the council members.

In June 2010, the Department of Social Services (DSS) received a \$3 million federal Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) grant to help youth gain work experience. DSS partnered with the SDDOL to implement a program to provide low-income youth between the ages of 16 to 24 from eligible families with a meaningful work experience. The grant was used to pay the wages for each participant in the program.

Most of the individuals who participated in the summer work experience program had never had a job and did not have the skills necessary to find gainful employment.

The program enrolled 334 participants and these participants earned nearly \$460,000. Of the 334 participants enrolled, 121 were TANF participants and 285 were receiving food stamps. Seventy six of the participants were retained by their worksite after the program ended.

AGENDA ITEM E7 LABOR MARKET UPDATE

Bill Molseed provided information on the 2010 Labor Market Report. The 2010 Labor Market Report was included in the packet mailed to the council members. The Program Year 2009 Workforce Information Grant requires an economic analysis report be presented to the Governor and the Workforce Development Council.

This is the fourth year this requirement has been in place. The Labor Market Information Center (LMIC) produced the 2010 Labor Market Report for South Dakota. The report is available on the LMIC website at http://dol.sd.gov/lmic/economic_report_2010.aspx.

The report is also available on the LMIC website in Adobe.pdf format at http://dol.sd.gov/lmic/economic_report_files/sd_economic_report_2010.pdf.

For information on the report contact Bernadette (Bernie) Moran, LMIC Administrator, at 605.626.2314 or by e-mail, Bernie.moran@state.sd.us.

AGENDA ITEM F ADJOURNMENT

The next meeting will be held April 28, 2011 in Pierre in Kneip Conference Room # 3 at 10:00 a.m.

Pat Lund declared the meeting adjourned at 12:15 p.m.