

SD WORKFORCE DEVELOPMENT COUNCIL
Regular Quarterly Meeting
May 15, 2014
1 p.m. (CDT)
Kneip Conference Room # 3

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| A. Call to Order | Warren Lotsberg | |
| B. Roll Call | Kari Porch | |
| C. Approval of Minutes | Warren Lotsberg | |
| D. Director's Report | Bill Molseed | |
| E. Business | | |
| 1. Youth Council | Bill Molseed | Action |
| 2. South Dakota WINS &
Workforce Summit Update | Bill Molseed
Marcia Hultman | |
| 3. LMI Economic Reports / Summary | Bernie Moran | |
| 4. Vocational Rehabilitation Updates | Eric Weiss | |
| 5. Dakota Seeds Update | Ann Gesick-Johnson | |
| F. Adjournment | | |

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AGENDA ITEM A CALL TO ORDER

The South Dakota Workforce Development Council (WDC) met in Pierre, in Kneip Conference Room #3, on May 15, 2014. The meeting was called to order by Chairman Warren Lotsberg at 1 p.m. (CDT).

AGENDA ITEM B ROLL Call

Roll call was conducted and a quorum was present.

Members Present

Warren Lotsberg, Chair	D. J. Mertens	Marcia Hultman
Tom Bohnet, Vice-Chair	Tiffany Sanderson	Eric Weiss
Nathan Lukkes	Paul Turman	Cal Geis
David Giovannini	David Westbrook	Sarah Folsland

Members Absent

Randy Hanson	Jim Borszich
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Others Present

Bill Molseed	Kari Porch	Bernie Moran
Kendra Ringstmeyer	Julie Johnson	Dawn Dovre
Deb Halling		

AGENDA ITEM C APPROVAL OF MINUTES

Cal Geis made a motion to approve the January 15, 2014, minutes with a correction. Tiffany Sanderson seconded the motion. **MOTION PASSED.**

AGENDA ITEM D DIRECTOR’S REPORT

We had an open discussion concerning workforce issues at the January 2014 meeting. Council members voiced concerns about workforce issues in the smaller communities and rural area of the state. They discussed partnering with associations to better educate individuals on specific opportunities. They told of large companies moving into smaller communities, and the difficulties they are having in locating skilled workers. Worker shortages occur in the truck driving and skilled trades. Increasing the employment of individuals with disabilities was mentioned, along with sending out a survey to employers to learn of employers’ needs.

At council member Randy Hanson’s invitation, Secretary Hultman and I met with Randy and staff from Associated General Contractors. The issues discussed were similar to these discussed by the WDC. How can we get young people interested in construction? Randy also invited us to meet with the Brookings contingent, in Pierre for Brookings day at the legislature.

The Governor convened the first of a series of six regional workforce forums. Many of the items in our conversation were discussed in the breakout sessions at the forum in Mitchell. I believe many of these same thoughts will be brought up at the other regional events. I appreciate the council members who attended the Mitchell event, and encourage all council members to attend at least one of the events. Your contributions to the dialogue with the Governor and regional business leaders are important, and will have an impact on the final outcome of the series. We will hear more about the Mitchell summit and the upcoming events later in the agenda.

We received our notice of funding for the Department of Labor and Regulation (DLR) training programs. Some of you may recall in past years, these allotments were provided to us in January, giving us plenty of time to plan for the upcoming program year. With funding still limited, there isn't much new we can do other than continue the good works with the funding we receive. This year the Workforce Investment Act (WIA) received a bit of an increase in the adult, dislocated worker, and youth programs. The Adult Education and Literacy (AEL) program had a slight reduction in the instructional component, but a bit of an increase in the EL Civics component for an overall small increase.

The WIA program will be able to maintain level funding to our local offices for the eligible individuals. The youth program has more than adequate funding, and we are looking at trying some new approaches to serve the youth of our state. There will be more on this later in the agenda. The AEL program received an increase in the state general fund, which will help to continue service in each of the AEL program locations (Aberdeen, Huron, Mitchell, Watertown, Brookings, Madison, Sioux Falls, Vermillion, Yankton, Pierre, and Rapid City and the Black Hill area, plus the Department of Corrections facilities).

The Wagner-Peyser component received a slight increase in funding of two dollars. Level funding presents difficulties in managing the budgets with increasing costs to doing business. However, with good planning and prudent management of available funding we will be able to continue delivery of a quality service to employers and job seekers.

Recently, DLR was facing unexpected actions creating anxious weeks for our department, and the Wagner-Peyser program in particular. We were faced with the sudden cancellation of federal funding for programs providing service to long term unemployed individuals to help them return to work and get off of unemployment. Now, combine this loss of funding for staff and facilities with an immediate and unanticipated huge increase in insurance costs for state employees. This really was a tense moment as our initial thought was we might have to lay off a significant number of DLR staff. To respond to these budget issues we looked at how the DLR programs could repurpose some of

the available resources in order to cover these unexpected fiscal issues. With Secretary Hultman's leadership and a team approach to the issue at hand, we were able to limit the adverse impact and were able to secure funding to carry us through to the end of the program year in June. Looking forward we will continue with a very prudent approach in delivery of DLR services.

The DLR training program underwent a federal equal opportunity compliance review of WIA and Wagner-Peyser services. We provided the Office of Civil Rights (OCR) with our guidance and procedures, and had numerous conference calls to clarify our process and respond to their questions. We ended the review with one finding. This was an oversight on our monitoring of training providers. We had informed the providers of the equal opportunity provisions. However, according to the OCR, our monitoring was not sufficient. We have not received the written statement of findings, but we will address this shortcoming in accordance with the direction of OCR.

South Dakota will have another federal review of our services. Last year the WIA adult and dislocated worker programs, WIA youth, Veterans program, Senior Community Service Employment program, and the Disabilities Employment Initiative project were all reviewed by the regional office. Now we have been scheduled for a review of a discretionary grant for serving long term unemployed dislocated workers. The review will cover the same process and policies they reviewed last summer, just a different set of files.

South Dakota was asked by the regional office to participate in a re-employment strategies technical assistance project. States have implemented re-employment services to assist individuals who have been on unemployment insurance to utilize various strategies to help them move into suitable employment. A national consulting firm, Maher & Maher, is conducting the project to help the state do a self-evaluation. The consultant will then conduct an on-site visit to see how things work in the state. Information gleaned from South Dakota, along with other states selected for this process, will provide the basis for the report generated by the consultant for U.S. Employment and Training Administration on best practices.

AGENDA ITEM E BUSINESS

AGENDA ITEM E1 YOUTH COUNCIL

Bill Molseed, DLR Workforce Training Administrator, introduced Kendra Ringstmeyer, DLR Youth Program Specialist, and provided information on the establishment of the youth council. A youth council was established during the January 2014 meeting. Tiffany Sanderson and David Westbrook volunteered to represent the WDC. Bill, Kendra, Tiffany, and David met by conference calls to discuss the needs of the council. Bill asked the council to approve four additional individuals to serve on the

youth council. The four individuals he recommended to serve on the council are Jeffrey Haywood from Job Corps, Sherrie Fines from the Department of Social Services, Steve Stunes from Interlakes Community Action Center, and Kristi Bunkers from the Department of Corrections.

Paul Turman made a motion to approve the recommendations. D.J. Mertens seconded the motion. **MOTION PASSED.**

AGENDA ITEM E2 SD WINS & WORKFORCE SUMMIT UPDATE

Bill Molseed and Secretary Marcia Hultman provided an update on the South Dakota Workforce Initiative (SD WINS) and the Workforce Summits. Governor Dennis Daugaard and the SD WINS cabinet are hosting six workforce summits across the state to discuss what state, community, business, and educational leaders can do to advance South Dakota's Workforce Initiative. The first summit was held in Mitchell on April 29, 2014. Additional summits will be held in Watertown on May 21, 2014, Brookings on May 22, 2014, Rapid City on June 3, 2014, Aberdeen on June 4, 2014, and Sioux Falls on June 17, 2014.

The summits are open to the public and will provide a forum to discuss current programs, learn about demographics, workforce trends, and determine what strategies are needed to move forward.

For additional information and to register for a summit in your area visit the SD WINS website at www.southdakotawins.com.

Once all of the summits have taken place, the information gathered from the summits will be compiled into a report. The council will have a more active role as the process goes forward.

AGENDA ITEM E3 LMI ECONOMIC REPORTS/SUMMARY

Bernie Moran, DLR Labor Market Information Center (LMIC) administrator, discussed some of the deliverables required by the Workforce Information Grant (WIG), which LMIC receives on an annual basis from the U.S. Employment and Training Administration (ETA).

The ETA requires statewide economic analysis reports and encourages annual publication. However, the ETA recognizes conditions may not change sufficiently each year to necessitate an annual report, and gives states the discretion to determine the frequency. For years in which a comprehensive economic report is not issued, grantees must publish other, less comprehensive economic reports of value to state policymakers as well as state and local workforce investment boards (WIBs). For the last several years, the LMIC has been publishing multiple

economic reports. For the current PY13 program year, the LMIC plans to publish a statewide economic analysis report.

As the WIG also requires states to consult with customers about the relevance of the labor market information collected and disseminated, the LMIC surveyed the DLR local office managers and the WDC members for input on topics to include in the report. The results of this survey will be included in the required annual grant report for PY13.

AGENDA ITEM E4 VOCATIONAL REHABILITATION UPDATES

Eric Weiss, Department of Human Services, Division of Rehabilitation Services, provided an update on Vocational Rehabilitation activities. He provided two handouts. The first handout included information on the Vocational Rehabilitation Fall Conference to be held in Aberdeen, October 7-9, 2014. The second handout provided information on the South Dakota Works Task Force. The South Dakota Works Task Force provided five recommendations, along with the strategies and the actions to implement these recommendations. One of the recommendations was to find and support businesses to employ people with disabilities. The Department of Social Services plans to create a point of contact at the state level to interact with businesses, partner with organizations to reach employers, and expand the number of business-led organizations employers can go to for technical assistance and consultation when employing individuals with disabilities.

AGENDA ITEM E5 DAKOTA SEEDS UPDATE

Ann Gesick-Johnson, Governor's Office of Economic Development provided an update on Dakota Seeds. Dakota Seeds has been funded through the EPSCor program. Funding through EPSCor will end July 2014. The Governor funded \$200,000 out of the Future Funds. This funding not only includes STEM type jobs, but also includes other industries, accounting, and manufacturing

AGENDA ITEM F ADJOURNMENT

Cal Geis made a motion to adjourn the meeting at 2:35 p.m. David Westbrook seconded the motion. **MOTION PASSED.**