

WORKFORCE DEVELOPMENT COUNCIL
Regular Quarterly Meeting
July 9, 2009

AGENDA ITEMS

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|---|--------------------|---------------|
| A. Call to Order | Warren Lotsberg | |
| B. Approval of Minutes | Warren Lotsberg | |
| C. Director's Report | Bill Molseed | |
| D. New Business | | |
| 1. Introduction of New DOL Staff | Bill Molseed | |
| 2. Election of Officers | Warren Lotsberg | Action |
| 3. Dakota Seeds | Ann Gesick Johnson | Action |
| 4. Summer Youth Work Experience Update | Deb Halling | |
| 5. Board of Regents Workforce Update | Paul Gough | |
| 6. National Career Readiness Certificates | Andy Szilvasi | |
| E. Adjournment | | |

AGENDA ITEM A

The South Dakota Workforce Development Council (WDC) met via the Dakota Digital Network (DDN) on July 9, 2009. The meeting was called to order by 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	Cal Geis
Pat Lund, Vice-Chairwoman	D. J. Mertens	Wally Myers
Ann Gesick Johnson	Shelley Stingley	Larry Tolzin
Helen Wegner	Roland Benson	Brad Bies
Patricia Kenner	Paul Gough	Pam Roberts

Members Absent

George Cook

Others Present

Bill Molseed	Kari Porch	Deb Halling
Andy Szilvasi	Robert Kean	Alberta Rouse
Bill McEntaffer	Kathy Evans	Scott Kwasniewski
Steve Almeida	Marcia Hess	Nathan Lukkes

AGENDA ITEM B APPROVAL OF MINUTES

Wally Myers made a motion to approve the April 2, 2009 minutes. D. J. Mertens seconded the motion. **Motion passed.**

AGENDA ITEM C DIRECTOR'S REPORT

The last few months have truly been an exciting time to be a part of workforce development programs. A lot of good things have happened in South Dakota in the midst of this national recession. The stimulus programs have been the center of our activity for the Department of Labor (DOL) and our partners. Youth, Adults, and Dislocated Workers are beginning to see some benefits from the stimulus funds.

Federal Update

At the April 2, 2009 meeting, we learned Hilda Solis had been confirmed as Secretary of the US Department of Labor (USDOL). Recently, Jane Oates was confirmed as the new Assistant Secretary for the USDOL, Employment and Training Administration. Ms. Oates will oversee the Workforce Investment Act (WIA) and other key federal workforce programs. She is the recent executive

director of the New Jersey Commission on Higher Education and a senior adviser to Governor Corzine. She has been actively engaged at the national level in workforce and education legislative issues. Oates is widely respected by workforce leaders across the nation as an advocate for a strong workforce development system, including attempts to reauthorize WIA. Re-authorization of WIA is something both Congress and the administration have strongly indicated they would like to see happen yet this year.

The President said his idea is to “fundamentally change our approach to unemployment in this country, so that it’s no longer just a time to look for a new job, but is also a time to prepare yourself for a better job.” He indicated he would propose “changing senseless rules that discourage displaced workers from getting the education and training they need to find and fill the jobs of the future.”

USDOL has approved the state’s request for an extension of the current WIA and Wagner-Peyser strategic state plan and performance goals through PY 2009. The current plan and performance measures will remain in effect until the revised state plan is reviewed and approved. The revised state plan has been reviewed and approved. The revised state plan was submitted on June 26, according to the timeline and requirements of USDOL. Updates to the WIA / Wagner-Peyser revised plan include:

1. Emphasizing the Governor’s Workforce 2025 initiative (and its components: Dakota Roots, Live Dakota, Dakota Seeds, Build Dakota, and Grow Dakota) under the State Workforce Investment Priorities.
2. Updating the state’s economic and labor market analysis, and high-demand occupations listing.
3. Engaging business in partnership to address employment issues.
4. Integrating labor market information in planning and decision making.

The US Department of Education (USDOE) has approved the Adult Education and Family Literacy (AEL) state plan extension and the agreed-upon performance levels. The total grant award for this year is \$1,266,771. This includes the \$78,530 reduction in funding we talked about at the April 2, meeting. Last year’s allotment was \$1,345,301.

WIA/Wagner-Peyser and AEL state plans can be found on the DOL Web site.

Wagner-Peyser state plans can be found at http://dol.sd.gov/workforce_training/wia_state_plan_2009.pdf.

The AEL state plan can be found at http://dol.sd.gov/workforce_training/aelstateplan.pdf.

USDOL released the program year (PY) 2009 WIA Adult and Dislocated Worker allotments. South Dakota has reductions in each of these programs. The Adult program lost \$1, the Youth program lost \$2, but the Dislocated Worker program was reduced by \$547,284. These reductions are all based on established funding formulas. For the Dislocated Worker program the formula considers the data recorded at the end of December 2008 and includes the total unemployed, the state's relative share of excess unemployed (4.5 percent) and the state's relative share of long-term unemployed (15 weeks or more). The December 2008 UI rate for South Dakota was at 3.7 percent. The brunt of the recession had yet to hit our state.

The Employment and Training Administration has announced five solicitations for grant applications. The grant opportunities include:

1. Energy Training Partnership Grants -

The Workforce Development Council in partnership with DOL is an eligible applicant. The intent of the grant is to help build a national "green economy." Grants will foster the development of a workforce ready to meet the demands of the energy efficiency and renewable energy industries. Closing date is October 20, 2009.

2. Labor Market Information Improvement Grant –

DOL / Labor Market Information is an eligible applicant. The intent is to collect, analyze, and disseminate labor market information to enhance the labor exchange infrastructure for careers within the energy efficiency and renewable energy industries. Closing date is August 14, 2009.

3. Energy Training Partnership Grants –

National non-profit labor management organizations and statewide or local non-profit entities are the eligible applicant. Between 20 and 30 projects will be funded to provide training and placement services in energy efficiency and renewable energy industries. Closing date is September 4, 2009.

4. Pathways Out of Poverty –

National non-profit entities with local affiliates and other local entities are eligible applicants in partnership with the WDC. Funds will support national local entities that provide pathways out of poverty and into employment. Grants will focus on connecting large populations (including those impacted by significant automotive industry restructuring) to career pathways in green industries. Closing date is September 29, 2009.

5. Green Capacity Building Grants –

Only selected current DOL grantees are eligible to apply (Native American, National Farmworker Job Program, Prisoner Re-Entry Initiative, Senior Community Service Employment Program, Women in Apprenticeship and Non-traditional Occupations, Youth Build, and Young Offender Grants). The

intent is to build the capacity of DOL-funded training programs to ensure targeted groups are prepared to meet the needs of our expanding green industries.

The USDOL released more than \$450 million in Trade Adjustment Assistance (TAA) funding to states to provide career training, and employment and case management services to workers who lose their jobs due to outsourcing and foreign trade. South Dakota's total TAA funding comes to \$1.1 million, with \$350,000 of this dedicated to case management services. SCI, in Rapid City, and MPC, in North Sioux City, are the only two TAA certifications in South Dakota at this time.

U.S. Secretary of Education Arne announced a \$7 million special competitive grant to establish innovative and sustainable community college programs that prepare displaced workers for second careers. This first-of-its-kind grant program will be used to develop national models that can be replicated across the country, especially in communities where autoworkers have lost their jobs. This is an opportunity for the state's technical institutes and universities. We will certainly support any application that may go forward.

State Update

National Unemployment is 9.5 percent – June 2009 seasonally adjusted.
(July 2009 data will be released August 7, 2009.)

Statewide unemployment is 5.0 percent – May 2009 seasonally adjusted.
(June 2009 data will be released July 15, 2009.)

DOL continues to monitor layoff events as they happen and respond accordingly. Local offices continue to see newly unemployed workers. Recent significant layoffs include: Gehl (Madison and Yankton), Load King (Elk Point), OEM (Watertown), Technical Ordinance (Clear Lake), and Rainbow Play Systems (Brookings).

Stimulus activity was implemented by DOL to help workers adversely impacted by the recession. DOL employed interns in our local offices with the sole responsibility of providing case management for dislocated workers. This provides those workers on unemployment insurance with individual and specialized assistance to help them utilize all of the labor tools available to help in their return to employment or to enter appropriate training leading to suitable employment opportunities.

To better prepare our local delivery staff to assist dislocated workers, we have arranged for case management training, where employment service providers will gain the skills and knowledge to successfully assess, prepare, and aide customers moving from employability development to gainful employment. We

have contracted with the National Veterans Training Institute (NVTI) to conduct this training.

We are working with Department of Social Services (DSS) Child Care on coordinating support services for dislocated workers. DSS will expand their eligibility to cover more dislocated workers and make DSS stimulus funds available for a couple of months of day care. DOL support service funds could then be available to those dislocated workers who exhaust the DSS resources. This would expand the impact of both DSS and DOL stimulus programs. Our resources will be better targeted for those in long-term training while DSS would assist those in shorter job-seeking activities.

DOL has worked closely with our technical training providers (Lake Area, Southeast, Mitchell, Western Dakota, and RTECH) to provide specialized training for dislocated workers. We have used stimulus funds to help these institutes provide new or additional training opportunities. Selected training programs were based on information from a recent LMI survey of employers which identified occupations in demand combined with respectable wages. Some of the training programs include truck driving, CNC machining, welding, facilities maintenance, and HVAC.

We certainly appreciate the enthusiastic and quick response from these training providers. They stepped up and went “outside” the box to meet the needs of dislocated workers. The only problem was that available funds for specialized projects were limited. However, stimulus funds remain available for individuals to access the on-going training and education programs offered by the technical institutes, and our universities. Our local offices continue to work with dislocated workers and eligible adults promoting training and education as a means to suitable employment.

The Stimulus Summer Youth project has been a great success. It has been many years since we have been engaged in delivery of a summer youth program. I have been impressed with how this program evolved and the reception it has received from our local staff, the employer community and the eligible young people we have enrolled in the program. I have seen a renewed energy with some of our more seasoned local staff, employers have stepped up to provide really meaningful opportunities, and our young participants have been eager to learn and work.

DOL received nearly \$3 million in federal stimulus money for summer youth job training. Nearly all of this has been obligated for wages. We saw an overwhelming positive response from both the business community and our young people. These dollars were quickly put to excellent use towards meaningful employment opportunities. Summer work experiences were created to help less experienced workers ages 14 through 24 establish a work history,

gain references, acquire new skills and build good work habits. Prevailing wages are being paid by DOL from the stimulus funds.

We set a goal of providing 600 participants with work experience and training. We exceeded this goal in a matter of weeks. Deb Halling will provide more on this project later in the agenda.

At the April 2, meeting, the WDC approved funding for Career Readiness Certificate training providers. We now are in the beginning phase of implementing the National Career Readiness Certificate (NCRC) program. This is the assessment and remediation project we have contracted with our training providers. The steps include providing the necessary training for our training partners on how to conduct the assessment and on the curriculum for remediation. DOL has two new staff to help implement this project and to work with our local offices and training partners as we roll out the NCRC program to the employer community.

The NCRC project will also be a great partner with our Adult Education programs. Since the age-18 compulsory attendance requirement was implemented on July 1, 2009, AEL programs are gearing up for a more adult centered program. The two programs are a great complement to each other.

Andy Szilvasi will provide more information on the NCRC later in the agenda.

At our January 8, meeting we presented the AEL End of Year handout. This referenced a lot of positive information on the direction of AEL programs. One of the significant efforts of AEL is helping our students transition to post-secondary training. By combining AEL and Career Readiness preparation we are building a much better pathway for success.

AGENDA ITEM D NEW BUSINESS

AGENDA ITEM D1 INTRODUCTION OF NEW DOL STAFF

Bill Molseed introduced three new Department of Labor staff members, Nathan Lukkes, Steve Almeida, and Scott Kwasniewski. Nathan is a staff attorney and has been with DOL for four months. His duties include handling contracts and legal questions for Workforce Services. Steve Almeida is a program specialist and works in the Rapid City office. Scott is a program specialist and works in the Brookings office. Steve's and Scott's major responsibilities will be to market the National Career Readiness Certificates.

AGENDA ITEM D2 ELECTION OF OFFICERS

D. J. Mertens made a motion to nominate Warren Lotsberg as the WDC Chairman. Grady Kickul seconded the motion. D. J. Mertens made a motion to

cease nominations. Grady Kickul seconded the motion. **Motion passed.** The chair conducted a roll-call vote. Warren Lotsberg was unanimously elected as the WDC Chairman.

D. J. Mertens made a motion to nominate Pat Lund as Vice-Chairwoman for the WDC. Grady Kickul seconded the motion. **Motion passed.** The chair conducted a roll-call vote. Pat Lund was unanimously elected as the WDC Vice-Chairwoman.

AGENDA ITEM D3 DAKOTA SEEDS

Ann Gesick Johnson, Department of Tourism and State Development, provided information on 19 businesses applying for Dakota Seeds funding for internships. She requested approval for Dakota Seeds to provide funding to 18 businesses and to reject two internships due to a lack of STEM connection.

Sioux Valley Energy from Colman is an electric cooperative that is looking to hire an internship with GIS experience to help in their engineering department. Dakota Seeds recommended funding of \$2000.

Mitchell Telecom is a telecommunication company that works in fiber optics. The intern will work on installing new technology for the company's customers. Dakota Seeds recommended funding of \$2000.

Brown Construction from North Sioux City is a building contractor looking for two interns. The first would be a project engineer who would work with the project manager on the control process. They are also looking for a construction management engineer for that position. The second would be a construction foreman intern. Dakota Seeds recommended funding the first position for \$2000 and rejecting the foreman position due to a lack of STEM relationship.

Wildcat Manufacturing from Freeman makes screening and processing equipment. The intern will work in the design department to assist with the design and documentation of parts. Dakota Seeds recommended funding this position for \$2000.

Martin Group from Mitchell provides software solutions, engineering and business services in the communication industry. They requested two interns. The first would be an IT intern to work on hardware, software and network connectivity. The second is an accounting position who will perform statistical analyses on the financial aspect of the company. Dakota Seeds recommended funding the two interns for a total of \$4000.

Morris Inc. from Fort Pierre is a heavy highway construction company who would like one engineering intern who will work on civil design projects. Dakota Seeds recommended funding of \$2000.

BrightPlanet II from Sioux Falls does deep Web and surface Web searches. The intern will be responsible for system/network administration. Dakota Seeds recommended funding of \$2000.

Clark Engineering from Sioux Falls is a multi-disciplinary engineering firm. They are looking for two civil engineering students to work on a variety of projects. Dakota Seeds recommended funding both interns for a total of \$4000.

South Dakota Discovery Center from Pierre is a hands-on science center. They are looking for an intern to serve as a summer science educator that will work with elementary students across the state. The internship will be next summer. Dakota Seeds recommended funding of \$2000.

William Randall Publishing from Yankton is a small publishing company. They are looking for an intern to develop their sales, particularly Web sales. Dakota Seeds recommends denying funding for this project. It does not provide the necessary STEM connection.

VistaComm from Sioux Falls is a marketing firm. The intern will be involved in code programming, Web site development, and database design. Dakota Seeds recommends funding of \$2000.

RESPEC from Rapid City is a technical consulting firm. The intern will work in the material testing group to test rock specimens for geomechanical analyses. Dakota Seeds recommends funding of \$2000.

Eisenbraun & Associates from Yankton is a civil engineering firm. They are looking for two interns to assist them with land and hydrographic surveying. Dakota Seeds recommends funding both interns for a total of \$4000.

Planning & Development District III from Yankton, in conjunction with the Small Business Development Center, is looking for an intern to assist entrepreneurs with business development. Students would be based in Mitchell. Dakota Seeds recommended funding of \$2000.

9 Cloud Inc. from Sioux Falls is a start-up business and will create an online cultural and alternative news publication aimed at young professionals. They are looking for one intern to develop the Web platform for this publication. Dakota Seeds recommends funding of \$2000.

Dakota Power, LLC from Rapid City is looking for three undergraduate interns, a graduate assistant and PhD assistant to work on research, design, testing and evaluation of lightweight electric drive and power systems. Dakota Seeds recommends funding the interns for a total of \$24,000.

American Science and Technology from Brookings is developing a non-destructive evaluation sensing system. They are looking for two interns to work on the development and testing of new products. Dakota Seeds recommends funding the interns for a total of \$4000.

AlphaGenix from Sioux Falls develops biomaterial for regenerative medicine and tissue engineering. They are requesting assistance for an intern who will do design and application of 3-dimensional biomaterials. Dakota Seeds recommends funding of \$2000.

3M from Brookings manufactures health care products at their plant. They are looking for two engineering students to work on modifying plant machinery. Dakota Seeds recommends funding the two students for a total of \$4000

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

AGENDA ITEM D4 SUMMER YOUTH WORK EXPERIENCE UPDATE

Deb Halling, DOL Program Specialist, provided an update on the summer youth work experiences implemented as part of the stimulus program. DOL received guidelines for administering the summer stimulus program in April 2009 and by May 1, they already had youth employed in work experiences.

In April, DOL set a goal to have the local offices serve 600 individuals. According to a July 6, 2009 SDWORKS report 644 individuals had already been enrolled in work experiences.

Our priority was to find employment for individuals on public assistance. The first priority was to serve out-of-school youth; individuals that either dropped out of high school or graduated and had no idea of what they wanted to do. As of July 30, 2009, 554 out of 600 were in that category. One-fourth of the 644 youth are involved in such programs as TANF, SNAP, and Vocational Rehabilitation. An additional 43 percent of the youth are involved in other DSS programs such as Housing, WIC, and Parenting programs. The success is credited to the great job the field office staff have done, reaching out to the youth and employers.

DOL received \$2.8 million in their training budget. By May 15, 2009, the DOL local offices had obligated \$2.6 million. Last week, 756 checks were cut for a weekly payroll of \$207,534.

Deb shared four success stories. A January engineering graduate spent six months looking for a job but, with no work experience and with today's economy, finding employment was difficult. However, through the stimulus program, she gained experience and, once her work experience ends, the employer would like to keep her on.

The second individual, a graduate from Northern State University wanting to go into broadcasting, had no experience. The stimulus program provided the necessary experience and provided the individual the opportunity to cut commercials and be on the air.

The third individual, a University of South Dakota biology major, was looking at a career in the medical field but had no direct patient care experience. The stimulus program provided her a chance to be a radiology assistant. She stated it was a real eye-opener to work with the patients, to understand and see what they go through during their care at the hospital. It reinforced her decision to pursue a career in a health field and she was amazed to see the technology of the MRI, CT, and other equipment used in radiology. Without the stimulus program she would not have had these experiences.

The fourth individual, a single mother from Todd County, had no summer job and no way to pay for day care for her young children. Through the stimulus program, she is working in a Big Brother/Big Sister program.

Grady Kickul complemented DOL for their efficiency in implementing the stimulus program.

AGENDA ITEM D5 BOARD OF REGENTS WORKFORCE UPDATE

Paul Gough, Board of Regents, provided an update on the Board of Regents workforce and career activities.

Paul informed the Council that Dr. Jack Warner started as the Executive Director and CEO for the Board of Regents on July 8, 2009. A press release with his bio was included with the handouts mailed to the members prior to the meeting. Dr. Warner mentioned workforce development as one of his priorities.

Paul provided an update on the University of South Dakota's Master of Social Work (MSW) program that was partially funded by the Legislature. The Board of Regents received a preliminary report from USD. The University is making good progress toward recruiting an MSW director and a field placement director. The first students will begin in the summer of 2010. The Board requested funding for the program to address the need for social workers.

Paul's handouts included information from the South Dakota School of Mines & Technology (SDSM&T) and the University of South Dakota (USD) about students with summer 2009 internships:

- Seventy to eighty percent of the SDSM&T students have an internship before they graduate.

- The average wage for students from the School of Mines doing internships this summer was \$16.48 (per hour) with some employers providing a housing stipend, relocation expenses, and a signing bonus.
- The SDSM&T and USD internship employers are listed in the handouts.

Thirty-four high school students attended the University of South Dakota Healthcare Career Camp in June.

Twenty-seven K-12 counselors attended the University of South Dakota's Summer Counselor Institute in July. The purpose of the institute was to provide the counselors with more information on healthcare careers so they can better advise K-12 students.

Paul reported that the Board approved several new degree programs and new delivery sites during its recent meetings:

- The new Black Hills State University's Associate of Science in Advanced Manufacturing Technology delivery was approved and approved for delivery in Yankton and Rapid City.
- The Board approved a new SDSM&T Master of Science degree in Robotics and Intelligent Autonomous Systems. Robots are used in the manufacturing industry, in the military, and in scientific research.
- The South Dakota State University (SDSU) Master's Degree in Architecture was approved. Students have had to leave the state for to prepare for a career in architecture. Now they will be able to complete their education at SDSU.
- The Board authorized SDSU to deliver the Master's of Science degree in Counseling and Human Resource Development in Sioux Falls. The Board authorized USD to deliver the Master of Arts degree in Counselor Education in Sioux Falls. The universities will cooperate to deliver these degrees.
- Additional new programs are listed in the handout.

Paul called the council's attention to a White House press release issued on July 8. President Obama nominated Roberto Lang for a United States District Court judgeship for South Dakota. Roberto Lang graduated from the University of South Dakota in 1985 and Northwestern University Law School in 1988. He has been practicing law in Sioux Falls at Davenport, Evans, Hurwitz and Smith, LLP where he is a partner.

AGENDA ITEM D6 NATIONAL CAREER READINESS CERTIFICATES

Andy Szilvasi, DOL Program Specialist, provided an update on the National Career Readiness Certificates (NCRC). The NCRC verifies to employers anywhere in the United States that an individual has the essential core employability skills in the areas of reading, math, and locating information. American College Testing (ACT) has researched over 16,000 occupations and reading, math, and locating information are highly important to the majority of jobs in the workplace.

On June 30 and July 1, agreements were signed between WorkKeys and Thinking Media. WorkKeys is the assessment tool provided by ACT. Thinking Media provided by KeyTrain is the curriculum DOL's providers will use to prepare participants for the WorkKeys assessments.

Professional development for the NCRC has been scheduled. ACT training is done online using instructional material to prepare test administrators on its usage. DOL will hold the initial KeyTrain professional development training on August 4, 2009 in Pierre.

Scott Kwasniewski and Steve Almeida have been provided with a wealth of information on the NCRC. They have been assigned the duty of assisting DOL field staff in getting NCRC information and communications out to businesses and local offices and working with providers that will be giving the assessments and providing the curriculum. Scott's and Steve's first task will be to provide an awareness campaign on NCRC to ensure businesses buy into the system and to ensure the participants are aware of what the program is, what it means and what it can do to help them progress within their desired occupations.

AGENDA ITEM E ADJOURNMENT

The next meeting will be scheduled and the information sent out very soon.

Larry Tolzin made a motion to adjourn the meeting at 11:00 a.m. Grady Kickul seconded the motion. **Motion passed.**