

South Dakota Workforce Development Council (WDC)
Meeting Minutes
March 23, 2016
Kneip Conference Room #3, Kneip Building
700 Governors Drive, Pierre, SD

Chairman Giovannini called the meeting to order at 10:03 a.m. (CDT). Kari Porch called the roll. A quorum was present.

Members Present: Chairman David Giovannini, Marcia Hultman, Tiffany Sanderson, Eric Weiss, Mike Rush, Cal Geis, Lee Anderson, Aaron Scheibe, Jim Borszich, Scott Peterson, and Mark Rogers.

Members Absent: Vice-Chair Tom Bohnet, Warren Lotsberg, Randy Stainbrook, Randy Hanson, and Lance Weaver.

Others Present: Director Bill McEntaffer, Kari Porch, Kendra Ringstmeyer, John Anderson, Laura Trapp, Dawn Dovre, Kelsey Baker, Bernie Moran, Gloria Pluimer, Gloria Miller, Sarah Bierman, Kim Olson, and Mary Gates.

Jim Borszich made a motion to approve the December 9, 2015, meeting minutes with a few edits. Mark Rogers seconded the motion. **MOTION PASSED.**

Director Bill McEntaffer provided the director's report. The Department of Labor and Regulation (DLR) has not heard from USDOL regarding funding for the specific programs. We anticipate level funding.

The DLR is implementing a new Data Management System. The current system is outdated. After accepting proposals, DLR contracted with Geographic Solutions (GSI) for a new system. The goal is to have GSI system implemented by October 1, 2016.

The DLR has been working with the Division of Rehabilitation Services on the Unified State Plan. The Unified State Plan is a requirement of the Workforce Innovation and Opportunity Act (WIOA). The State Plan will be submitted to the USDOL by April 1, 2016.

The USDOL review team will be in Pierre the week of May 1, 2016, to assess how DLR is implementing the WIOA.

Laura Trapp, DLR Adult and Dislocated Worker Program Specialist provided information on additional trainings to be added to the eligible training provider list and additional Workforce Innovation and Opportunity Act (WIOA) Adult target groups. She asked the Council's approval for these programs to be added.

Aaron Schiebe made a motion to approve the Software Support Specialist: one-year Diploma programs at Southeast Technical Institute (STI). Tiffany Sanderson seconded the motion. **MOTION PASSED,**

Mike Rush made a motion to approve the Diesel Technology (Agriculture/Construction Emphasis): two-year Associate and two-year Diploma programs at STI. Mark Rogers seconded the motion. **MOTION PASSED.**

The Financial Services: Insurance Emphasis: two year Associates program (Distance Learning) program at STI was tabled.

Jim Borszich made a motion to not approve the Business Management: two-year Associates Degree program at Mitchell Technical Institute (MTI). Cal Geis seconded the motion. **MOTION PASSED**

Aaron Schiebe made a motion not to approve the Culinary Academy: two-year Associates or one-year Diploma program. Eric Weiss seconded the motion. **MOTION PASSED.**

Jim Borszich made a motion to approve the Butler Edge Ag Technician (Paid Internship): two-year Associates Degree program. Mark Rogers seconded the motion. Aaron Scheibe abstained from the vote. **MOTION PASSED.**

Mark Rogers made a motion to approve the Power Sports Technology: two-year Associates Degree or one-year Diploma program. Aaron Scheibe seconded the motion. **MOTION PASSED.**

Aaron Scheibe made a motion to pass the Agriculture Technology: two-year Associates Degree program. Eric Weiss seconded the motion. **MOTION PASSED.**

Mark Rogers made a motion to pass the Precision Ag Technology: two-year Associate Degree program. Aaron Scheibe seconded the motion. **MOTION PASSED.**

Laura Trapp asked for the Council's approval to add School Drop Out to the WIOA Adult Targeted groups.

Mark Rogers made a motion to approve the addition of School Drop Out to the list of WIOA Adult Targeted groups. Eric Weiss seconded the motion. **MOTION PASSED.**

Kendra Ringstmeyer, DLR Youth Program Specialist provided information on the WIOA Title I Occupational Skills Training and asked for the Council's approval for the maximum funding allowed of \$5,200 per year with a maximum of \$10,400. The funding total includes tuition, required fees, and books. Books may be paid for with WIOA Title I funding under Support Services.

Jim Borszich made a motion to approve the clarification on the Tuition Assistance funding. Cal Geis seconded the motion. **MOTION PASSED.**

Director McEntaffer provided an update on the Unified State Plan and asked for the Council's approval to submit the Unified State Plan to the USDOL by April 1, 2016. The State Plan can be found on the DLR website at:
http://www.sdjobs.org/workforce_training/documents/wioa_sd_unified_state_plan.pdf.

Aaron Scheibe made a motion to approve the Unified State Plan for submission to the USDOL. Tiffany Sanderson seconded the motion. Eric Weiss abstained from voting. **MOTION PASSED.**

Tiffany Sanderson, Department of Education (DOE), provided an update on the technical institutes' strategic plan and the Build Dakota Scholarship program. The Build Dakota Scholarship program was created in December 2014, through a \$50 million investment funded by a \$25 million donation by T. Denny Sanford and \$25 million contributed from the South Dakota Future Fund. Both in-state and out-of-state students are eligible for the scholarships. During the first five years approximately 300 scholarships will be awarded annually. The scholarships will provide for tuition, books, and other required program expenses. Recipients of the scholarships will commit to working in South Dakota, in their field of study, for three years following graduation. The scholarships are awarded to individuals in high-demand, high-wage areas of study. The programs are evaluated on an annual basis and adjustments made as necessary to provide scholarships in the highest demand fields. Approximately 1,200 applications were received by the April 2016 closing date. The scholarships awarded from that pool will start in fall 2016. The technical institutes are working with business partners to assist with stretching the funding to provide more individuals with scholarships. The DLR is also working with DOE to reach out to Build Dakota Scholarship applicants to assist them where they are eligible for Title I funds.

Each year 6,300 individuals enroll in South Dakota's four technical institutes. Students can receive certificates, diplomas, and degrees. Of the 6,300 students enrolling each year, 2,500 are graduating, with a majority of them staying in South Dakota. South Dakota's technical institutes have been nationally recognized, in several categories as the top in the nation. The technical institutes are expanding to provide capacity for more students to attend.

Bernie Moran, DLR Labor Market Information Center (LMIC), made available the 2014 Labor Market Report and the 2014 Workforce Information Grant (WIG) Annual Performance Report. LMIC is funded from two sources, the Bureau of Labor Statistics and the Employment and Training Administration.

The annual Labor Market report is one of the requirements of the WIG. Other funding requirements include population of the Workforce Information Database, industry and occupational projections, and customer consultation.

Gloria Pluimer and Gloria Miller, Black Hills Special Services (BHSCC), provided information and showed a video on the National Farmworker Jobs Program (NFJP). The NFJP is a nationally-directed, locally administrated program of employment and training services for migrant and seasonal farmworkers. The NFJP assists low income migrant and seasonal farm/ranch workers in obtaining permanent, full time employment through education and training. The program helps farmworkers acquire the new skills they need to start careers that offer higher wages and a more stable employment outlook.

The Council members provided information on the challenges and best practices for their businesses and the Pre-Apprentice program was discussed.

Chairman Giovannini, Senior Vice President of Molded Fiber Glass in Aberdeen, stated one of their biggest challenges in finding qualified employees. They have individuals from 26 different countries, speaking four different languages working at their plant. They fund English as a Second Language (ESL) classes for employees including paying wages. Ninety-five employees are attending ESL classes and another 75 are on a waiting list. They help individuals obtain their General Education Development (GED) and have several employees in four year degree programs. They work closely with the technical institutes and have taken advantage of the Build Dakota Scholarship program. They also work with individuals to ensure they have their basic needs met.

Lee Anderson, Human Resource Director for Trail King Manufacturing in Mitchell, stated finding qualified workers is difficult. Trail King is providing scholarships for students to attend welding classes. They provide \$8,000 in scholarship funds towards tuition at MTI for a two-year degree in return for a two-year commitment post-graduation. They offer an additional \$2,000 per year for a third and fourth year post-graduation to those students as an incentive to stay longer. They work closely with the technical institutes to find qualified employees. They provide \$11,000 towards tuition as a partnership with Build Dakota for individuals pursuing a welding degree, which requires a three year commitment post-graduation. We find that the students who pursue a formal education in welding often want to move up in the company more quickly than those who do not. They have mirrored Huron's workforce and work with Cornerstones and have built a diverse workforce with a Spanish speaking workforce.

Mark Rogers, Business Agent at Sheet Metal Workers Local 10 in Dell Rapids, have a pre-apprenticeship program in place to help newer employees decide if this is a field they would like to stay in before completing a full apprenticeship program. Their apprenticeship program is a four-year program. It follows the national curriculum. It has 192 hours of classroom instruction which includes 40 hours of welding. The trainings are held in Mitchell and Rapid City.

Scott Peterson, Owner of Scott Peterson Motors in Belle Fourche and Spearfish, stated finding qualified employees is one of the biggest challenge they face. They provide tuition for students to attend college in exchange for a four year commitment to their organization. With a five year commitment they also include room and board. New employees are trained under a seasoned employee for 12 months. To encourage

employees to investment in the community, Scott Peterson Motors provide employees with \$7,500 to buy a home in the community.

Cal Geis stated Belle Fourche school district purchased some additional lots. These lots will be used to expand technical education classes at the high school. The school will expand their welding program and building trades programs and students will have an opportunity to learn construction trades and get some hands on experience. This will help with the carpentry shortage in the area.

Belle Fourche has a new business, Pipeline Plastics.

Mark Rogers made a motion to adjourn the meeting at 2:23 p.m. (CDT). Cal Geis seconded the motion. **MOTION PASSED.**

Respectfully submitted,

Marcia Hultman
Cabinet Secretary