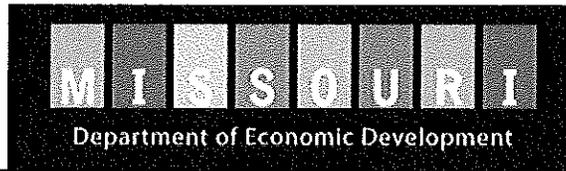


Jeremiah W. (Jay) Nixon  
Governor

Mike Downing, CEcD  
Acting Director



Amy Sublett, Acting Director  
Division of Workforce Development

Maida Coleman, Exec. Director  
Missouri Workforce Investment Board

Keith Gary, PhD  
MoWIB Board Chair

Full Board Meeting  
July 12, 2013  
10:00 a.m.  
American Legion Post 5  
Jefferson City, Missouri

**Members Present:** Keith Gary (Chairman), Garland Barton, Fred Bronstein, Don Cook Sr., David Cramp, Herb Dankert, Eva Danner-Horton, Mike Downing, Wayne Feuerborn, Rep. Lyndall Fraker, Julie Gibson, Ellie Glenn (DHSS for Gail Vasterling), Rick Gronniger, Reggie Hoskins, Rep. Michele Kratky, Birdie LeGrand, Neil Nuttall, Zack Pollack, Jeanette Prenger, LeRoy Stromberg, Josh Tennison, Bill Thornton (DHE for David Russell), Cheryl Thruston, Len Toenjes, Ray Tubaugh, Kelly Walters and Bill Skains via proxy (assigned to Keith Gary).

**MoWIB Staff:** Maida Coleman and Glenda Terrill

**Other Attendees:** Amy Sublett (DWD Acting Director), Tracey Brown (DWD Fiscal Manager), Gordon Ipson (NE WIB Chair), Shams Chughtai (DWD), Brandi Glover (NE WIB Director), Lisa Hostettler (NW WIB Director), Jasen Jones (SW WIB Director), Sally Payne (Springfield Career Center), Melissa Robbins (S. Central WIB Director), Mary Ann Rojas (Ozark WIB Director), Molly Tallarico (DWD) and Yvonne Wright (DESE-VR).

**A. Call to Order, Welcome and Introductions:**

Chairman Keith Gary called the meeting to order at 10:00a.m. Dr. Gary called for introductions from Board members and guests.

**B. Approval of Board Meeting Minutes**

Dr. Gary called for revisions and/or comments to the April 12, 2013 meeting minutes. With no changes voiced, a motion was made by Garland Barton to approve the meeting minutes, seconded by Rick Gronniger. Motion was approved.

**C. NCRC/CWRC Update—Molly Tallarico**

Ms. Molly Tallarico, Division of Workforce Development (DWD), presented 20 new communities applying for the CWRC: Livingston, Grundy, Randolph, Monroe, Chariton, Vernon, Cooper, Howard, Boone, Moniteau, Cole, Gasconade, Laclede, Phelps, Washington, Greene, Barton, Newton, Lawrence and Barry. The deadline for Round Two Counties to reach their goal is July 12, 2015. Ms. Tallarico provided a handout, *CWRC Report Card 07/12/13*, for the Round One Countries and the percentage achieved toward their goals. Jasper County remains the only 100% reached county. Deadline for the Round One Counties to reach their goals is January 11, 2015. Report card is attached.

421 E. Dunklin Street • P.O. Box 1087 • Jefferson City, MO 65102-1087

(573) 526-8229 • Fax (573) 751-3461

*jobs.mo.gov*

Dr. Gary asked for questions or comments from the Board:

1. There has been a change in the DWD policy about administering the NCRC in what can be paid for and how often. What will be the effect on the CWRC given that change?
  - a. Molly stated it would slow progress, with fewer certificates given for free and no cost-free re-testing opportunities. But when reviewing the report cards, the first round is only a one-fourth-way into the program; she thinks the numbers are doable. Molly has a commitment that when more money is available, more services will be available.
  - b. Amy Sublett added that, by design, the program leverages funds from multiple sources. NCRCs are still offered to people through the career centers but there will be a slight reduction in the statewide total that's available but it remains a priority.
  - c. Molly stated that ACT announced a new policy will now allow small businesses to be included towards fulfilling goals. Four small businesses (i.e. <5 employees) can be combined for one goal point.
2. Len Toenjes: The urban areas seem to struggle with the CWRC program – what are the perceived problems? Urban areas, such as St. Louis, are comprised of multiple communities and it is difficult to organize an application. RCGA expressed no interest in serving as a multicounty and multistate organization entity.
3. Dr. Gary: It would be valuable to have the rate of NCRCs for a county prior to CWRC and the rate after for comparison as the program moves forward. Molly agreed this would be helpful but we haven't achieved that status with any county. Julie Gibson added that the number of NCRCs are tracked and would be good information to provide for the Board. Dr. Gary asked if the numbers were being collated. Ms. Tallarico said DWD was not, but ACT is.

Dr. Gary stated that since MoWIB serves as the certifying entity, we should have more discussion on the subject. Dr. Black asked whether certifying communities in the school districts somehow conflicted with the certificate for Carl Perkins. Dr. Nuttall said it really doesn't conflict, but the assessment that is recognized by DESE for the State Plan is the ACT, not WorkKeys. Dr. Gary added that seemed to be a tremendous amount of redundancy and inefficient in doing this county by county. Members involved in making application for CWRC from multiple counties were asked for their opinions about the process.

Dr. Cramp feels there is a great deal of redundancy. He continued saying he has a four-county region, St. Francis, Madison, Iron and St. Genevieve who tried, several years ago, to use a combined approach to the CWRC, which we weren't allowed to do. Dr. Cramp met with the five county school superintendants (he used to be one in Farmington) and got them to agree to do the NCRC testing. School districts have to see the value in the NCRC. The problem is getting business involved to the point of requiring the NCRC in school district. Businesses sign up for the NCRC but are not stipulating it as a hiring requirement.

Mr. Tubaugh added that in the Southwest region businesses matter. Our next step to make the NCRC more worthwhile is getting our able manufacturing on board. We're evolving and I think we'll have a different conversation a year from now. Our employer base is participating we just can't tell you how much yet.

Ms. Tallarico mentioned another ACT rule change now allowing regional areas to come together and apply for the CWRC. We could grow to regional entries; goals would be the same but combined. You really have to work the businesses, they are your partner. We now have over 800 employers recognizing the NCRC. Businesses have to prefer the NCRC in hiring. They can't require it unless they've had job profiling but they can "prefer" it.

Mr. Jasen Jones, Southwest Region, reminded everyone of the importance of the marketing side of economic development. We never forget our existing businesses; they're our top priority. I think the CWRC will help when new companies look for new sites for their businesses. Express Scripts recently opened in Joplin, when it came time for Joplin to be a finalist, the company had familiarity with the NCRC in Georgia and it helped seal the deal for Joplin.

Dr. Nuttall said we also need to highlight some of the challenges we face. The P20 Councils are beginning to play an important role. Our P-20 Council just approved a capital campaign and NCRC is an element of it. We have \$400,000 we're going to try to raise in support of providing WorkKeys tests for that current gap. He added that MO Health Wins and MO Manufacturing and the community colleges are participants.

There's an effort to have college credit given for attainment of the NCRC, you need to talk to your community college contacts about their possible interest in doing this. Jefferson College is working with ACT Compass to adapt its test so that when the WorkKeys exam is given the Compass score can be assessed. That can be taken to the superintendent. Then DESE would recognize it by us giving them a solution.

Dr. Gary asked for a motion to certify the Work Ready Communities in progress: Livingston, Grundy, Randolph, Monroe, Chariton, Vernon, Cooper, Howard, Boone, Moniteau, Cole, Gasconade, Laclede, Phelps, Washington, Greene, Barton, Newton, Lawrence and Barry. Mr. Tubaugh made the motion; Mr. Downing seconded. Motion carried.

Dr. Gary asked for a motion to establish a subcommittee focused on CWRC. Mr. Toenjes made the motion; Ms. LeGrand seconded. Motion carried.

#### **D. Show-Me Heroes Report—Shams Chughtai**

Mr. Shams Chughtai, DWD Veteran's Program Manager, provided background on the Show-Me Heroes (SMH) Initiative launched by Governor Nixon in January, 2010. Current Statistics: 3,079 employers have taken the SMH pledge; 4,324 veterans have been hired; and 69 veterans have utilized the OJT program. The OJT cost savings to employers are: reimbursement up to 50% of worker's wages hired through the program, screening potential employees and referring them based on the employer's specific qualifications; and DWD does the paperwork.

Some challenges to the program include: eligibility for the program has changed from 36 months to 12; 72% or 50/69 of the enrollments are from 3 regions, Central, Ozark and West Central. Mr. Chughtai said he hoped to overcome some of the lack of participation through training the DWD Supervisors and Local Veterans Employment Representatives (LVER) staff.

SMH works by providing direct access to all current MO National Guard Soldiers and Airmen, allowing for targeted marketing of open positions. Additionally, SMH works with the Employment Support of the Guard and Reserve (ESGR) to execute career fairs and employer workshops throughout the state. Likewise, SMH also collaborates with the Department of Economic Development and the Division of Workforce Development to coordinate communication and promotion efforts and to provide access to all DWD programs and resources throughout the state. Their website is: [www.ShowMeHeroes.mo.gov](http://www.ShowMeHeroes.mo.gov).

Dr. Gary asked for more information on the eligibility challenge going from 36 months to 12. Mr. Chughtai responded that before the Final Rules were in place we had interpreted the definition as broader. When the Final Rules were published it restricted eligibility to 12 months, those rules were implemented the end of May. Ms. Sublett added that there are other funding sources, such as for Dislocated Worker, that can also serve veterans if they don't qualify for SMH. They may also be eligible for other OJT programs.

Mr. Toenjes asked if there were any special encouragements for veterans to take the WorkKeys assessment and earn a NCRC. Mr. Chughtai said they market the NCRC along with all career center services. The reaction so far varies.

Ms. Coleman said the PowerPoint would be emailed to the Board along with the CWRC presentation.

**E. Fiscal Update—Tracey Brown**

Ms. Tracey Brown, DWD Fiscal and Administration Manager provided a fiscal update. Ms. Brown said since the April MoWIB financial update we have received the actual guidance with our actual allocations. The planning guidance was not the worst case scenario and we lost an additional \$400,000 total for WIA, which amounts to just less than 1%. The \$400,000 was all taken out of the program year funds. We receive WIA funds at three different times. The youth money comes in April, all 100%. The first part of the Adult and Dislocated Worker (DW) funds come in July with the remainder in October. With sequestration the additional reduction was all take out of the Program Year (PY) funds received in July for the July through September allotment. The Wagner-Peyser (WP) funds are used by the career centers to fund positions and share in the cost with the WIA staff. DWD ended up losing another \$100,000 of WP money for a total of \$850,000 lost over last year. To try to assist the Local WIBs with the funding loss we took \$1,000,000 out of the Individual Training Accounts (ITA) pool and allocated back to the local WIBs. The majority of the funds will be used to keep the career centers open and the staff on board. Last week we learned of being awarded a \$2,000,000 NEG (National Emergency Grant), which is also for ITAs. Seventy-five percent of the funds have to be used for the ITAs and 25% for OJT or work type programs/activities. This is a two-

year grant awarded the end of June. We have yet to receive the grant document so we're not certain of the specific requirements within it. As soon as we have this information we'll develop an allocation methodology and get the information out to the Locals.

Ms. Brown said that for Fiscal Year (FY) 14, the proposed President's budget is similar to what we received this year. The only different is hopefully not having the sequestration amount cut off the top. One change seen for the proposed FY14 is having the state wide set-aside going from 5% to 7%. Three years ago our state set-aside funds were cut down from 15% to 5%. A lot of that 15% was used for special projects in addition to helping the Locals when they were running out of formula money. It's difficult for the State to offer additional assistance with only 5% to work with.

On the subject of WIA Reauthorization, the U.S. Senate draft specifies that Boards will continue to have the membership majority represented by business, but it'll also stipulate that at least 20% be representative of workforce. State and Local planning will go from a 5-year plan to 4-year. Some of the accountability measures will also change. The way WIA is currently written you can transfer funds between adult and dislocated worker up to 30%, with the Senate version it would go up to 50%. Youth services currently require 30% of the Youth dollars be spent on out of school youth, the new version would raise that to 60%. OJT would raise the reimbursement amount to 75% with state approval. The Senate version would also eliminate the sequence of service, meaning a participant can be enrolled in training, even if they haven't received intensive services yet. Additionally, the new version talks about the employment services and that the employment services are co-located with the One-Stop Centers. For the most part in MO, due to various reasons including the recent sequestration and budget cuts, there are a couple of centers where DWD is in them alone and the WIBs aren't co-locating with us which presents issues because it's hard to serve all populations. It also makes it difficult to continue with the Next Generation Career Center (NGCC) model within those particular centers where we're not co-located. Labor Market Information (LMI) is also discussed in the version and expanding representation on the Workforce Information Council. These are all possible changes to be made but we won't know until we're further along because things can change.

Dr. Gary thanked Ms. Brown for her presentation and again stressed to the Board how critically important it is for us to understand the operations of the workforce system.

**F. Legislative Update—Amy Sublett**

Ms. Amy Sublett, DWD Acting Director, said the budget cuts go back to 2010 and they've increased each year. As Tracy stated the initial reduction was from 15% to 5% for the state set-aside funds. Traditionally these funds were considered the governor's reserve which means the state no longer has the flexibility to fund products, services and special initiatives that traditionally the states had. Additionally we had the sequester impact and both the state and the local regions were only allowed to spend about 2% of their total allocation for the whole year in the first quarter.

We want to continue to provide services to the customers who use our career centers. That's our real purpose and the reason we exist. At the last meeting we mentioned closing 5 career

centers: Moberly, Mexico, Caruthersville, Warrensburg and Monett. A local group led by Jasen Jones (SW WIB Director) was able to work together with partners to keep the Monett center going. In St. Louis County we had to get out of our lease at Deer Creek which literally saw huge numbers of customers. Staff was reassigned to Florissant and North Oaks offices. Hopefully, we'll be able to merge into a Supercenter in the County. The Local WIB pulled out of the Delmar location in St. Louis and consolidated with the downtown operation known as SLATE. Delmar is a state owned building and we still have staff there. Eventually we will consolidate into one Supercenter in downtown St. Louis. Similar consolidation discussions are taking place in the Kansas City area. Currently career centers are located at the Northland, Paseo, Independence, and K.C. South. Our staff will be leaving the KC South location and moving to one of the other locations. We're trying to find other ways to provide service access such as through online. We understand that not everyone is computer savvy or has access to computers at home so we're going to reinstate the Shared-Work Program where we have computers and Kiosks located in local communities such as in libraries and courthouses that citizens can access.

We had a staff reduction in January of 2011, which largely impacted Central Office in Jefferson City, but a few field positions were also affected. In April with the career center closings we laid off eight (8) staff. This summer it's likely that we'll have additional layoffs. We've eliminated several of our contracts and internally we're not filling positions. We received the second largest cut in the country, second only to Utah. USDOL looks at six criteria for allocating funds and one is the number of mass closings and MO's decreased significantly. Going forward I think we'll have more opportunities to compete for competitive grants. We will need to be very proactive at the Local and State level in pursuing grants to provide a lot of our services.

On the legislative front, the Governor signed House Bill 196 yesterday. The first part of HB 196 takes the state training programs - Customized Training Program, the New Jobs Training Program and the Job Retention Training Program and bands them under one program, the MO Works Training Program. The combining of programs makes it much easier to market and brand to companies looking to locate or expand in our state. The second part of HB 196 did away with 4-week in person reporting for people receiving unemployment insurance benefits. Recipients are still required to see employment and have the option of reporting in person or online. We anticipate the latter option decreasing some of the career center traffic and long lines. This will also free up staff time to provide more intensive one on one services for those people needing training and other services offered through the local WIBs and career centers.

Ms. Julie Gibson added that the MO Works part has been worked on for three years. Many areas had people having to drive 60-80 miles to a career center for 4-week reporting. At DOL (Department of Labor) everyone on unemployment has to file a weekly benefit claim to say they're looking for work and documenting it. At the same time we're also requiring every UI recipient to come to the career center for a skill assessment and get registered for job search and acclimated to the career center services. If claimants do not show up for their appointment their benefits will be suspended until they get there.

## **G. Alignment**

Dr. Gary said he met with the Alignment Committee Co-Chairs, John Gaal and Len Toenjes in St. Louis on June 17<sup>th</sup>. When we looked back at the Alignment section of the MoWIB Strategic Implementation Plan we were reminded of how overly aggressive and over reaching it was. It's also hampered by the fact that Maida and Glenda have limited amounts of time they can spend on behalf of MoWIB. The meeting gave us an opportunity to step back and talk through some things that we might do that would be more helpful to our overall part. One of the things discussed was leveraging our good relationship with MERIC. We'd like to put together a portfolio of data elements that we might routinely review that would give us a timely snapshot of workforce issues in the state. Another topic discussed was collecting data from our own members of the Board, representing a cross-section of businesses across MO. We want to craft a survey tool that would allow you to share with us what some of your workforce issues are and bring the results back to the Alignment committee. The Alignment Committee would do some analysis and bring back to the Board to give us the opportunity to talk about specifics and move towards action. We're hoping you'd be willing to respond back to the survey. A third item we discussed was getting a sense among the Board as to where our individual priorities lie and how those fit into the overall direction and charge of the Board. Mr. Toenjes had suggested having a few breakout sessions facilitated discussions around workforce development issues.

Mr. Toenjes said while he's supportive and impressed with DWD staff and the reports they bring to the Board we've got tremendous talent around this table which is not being utilized. I've been on this Board for awhile and I don't know that we're fulfilling our role as an advisory Board to the Governor in providing recommendations and papers or concepts about what could be done better with the workforce system in the State. Thinking back to the morning discussions, if we had some small group discussions we could come up with some effective policy recommendations that could impact on a statewide level. I suggested to the Chairman and Maida who also attended the meeting, that perhaps we'd get a sense of the Board through the survey and also see what interest there might be in changing our meeting format to spend more time in group discussion or policy discussion and craft some meaningful and forward looking recommendations rather than providing an Annual Report that reacts to budget cuts and issues.

Rep. Fraker: There was an article in the Wall Street Journal a few months ago saying that average is over. The Workforce skills in place 20 years ago are not the same as what businesses are looking for today. We are losing good projects and jobs to high skilled places. We're not cranking out enough graduates in MO and we're not retaining enough of those that are graduating. This group could be a major factor to help address these needs.

Dr. Black: I've also served on this Board for a number of years and gone through several exercises. In looking at our Strategic Plan, I've love to focus on only a few things. We have to narrow our focus, otherwise we have no policy.

Dr. Gary said one of his goals as Chair has been to raise the visibility of MoWIB, which means clearly stating a value proposition for the board. Being able to make good solid data driven recommendations to the Governor would certainly be value added. Ideally, the Governor

would look to MoWIB for their annual or bi-annual set of recommendations to guide his future planning. Dr. Gary continued saying another thing discussed in the Alignment Committee meeting was getting our hands around some best practices. I think the National Governor's Association (NGA) is one of the best options we have to find out what is going on in other states to develop workforce development. Dr. Gary committed to the Alignment Committee to actively collect this information through his State Board Chair meeting held twice a year.

Dr. Gary wants to send around a tool that was provided from a DOL webinar, a series of two-webinars designed for State Boards. The tool is designed to be customized whether used by a LWIB or State Board. For the survey we will weed out questions which aren't relevant and distribute to you to complete.

Another item Dr. Gary wanted to bring to the Boards' attention is that MO recently became eligible for a National Science Foundation (NSF) Program called EPSCOR, an acronym for Experimental Programs for Strengthening Scientific Infrastructure. MO gained eligibility because the level of funding that the NSF says most states should be achieving decreased at Washington University and MU in Columbia. MO's application for EPSCOR funding includes a significant workforce development component. The application will be submitted in March. Dr. Gary plans to cut out the workforce piece and distribute amongst MoWIB so that we can take a look at what they're proposing. He suspects there are specific programs we're totally unaware of in various parts of the State that we're going to tap into to leverage their application. We should be aware of those programs and having this information from the application will be a key piece of intelligence for us moving forward. Dr. Gary said he hopes the Board gets the sense that we're moving faster and nearer to actionable things coming out of this group as opposed to sort of the way it's been.

#### **H. Staff Report**

Ms. Coleman expressed appreciation to today's presenters for providing thorough and timely information to MoWIB. She suggested that board members let Glenda or she know if they have any specific issues they would like addressed at our meetings so that the appropriate staff attends the meetings to provide the information sought.

Ms. Coleman said the September meeting will be in Kansas City in conjunction with the Governor's Conference on Economic Development. The conference will run from noon on Thursday, September 5<sup>th</sup> through 1:30 p.m. Friday, September 6<sup>th</sup>. MoWIB will meet Thursday, September 5<sup>th</sup> at 8:00 a.m. in the Liberty Room at the Westin Hotel. A reception is scheduled for the Board on Wednesday evening, September 4<sup>th</sup>, 5:30-7:30pm. The reception is being presented by the Full Employment Council (FEC), Missouri Family and Community Trust (FACT) and the Local Investment Commission (LINC). Ms. Coleman is the DED designee on the state's FACT Board on behalf of Acting Director Mike Downing. Julie Gibson is also a board member. The FACT Board is made up of 20 partnerships across the state of MO, which deal specifically with providing services in communities.

**I. Next Meeting Date, September 5, 2013**

Dr. Gary reiterated the next meeting date of September 5, 2013 in Kansas City in conjunction with the Governor's Conference on Economic Development.

**J. Closing Remarks**

Dr. Gary asked for any additional questions or comments from the Board and local WIB representatives

Ms. Lisa Hostetler, Director of the NW WIB, said their region was fortunate in not having any career center closings nor of any of their WIA subcontractors; however NW did reduce staff in the Trenton office. We appreciate the efforts of DWD as they pursue additional funding opportunities to assist us in serving our customers who need training.

Ms. Brandi Glover, Director, NE WIB, reported that the Moberly career center closing requires them to increase partnership with other local agencies. The NW WIB is looking at a broad overview of putting in the access points previously mentioned as a pilot project for their rural counties. We appreciate the efforts to fund additional services.

Mr. Jasen Jones, Director, Southwest WIB, thanked the Board for CWRC approvals. The Southwest region did have some layoffs of staff to keep both offices open. He sees this as an opportunity; right-sizing puts everything on the table. It motivated us to put our workshops online, to compress everything and do some nice videos of our workshop materials.

Mr. Gordon Ipson, NE WIB Chair, said the NE had faced some challenges, losing 3 of 6 staff at the main office. Brandi and Sharon Hillard have taken on extra duties. Mr. Ipson has tasked his two standing committees, One-Stop and Strategic Planning to meet jointly and brainstorm ways to provide services throughout their 16 counties with one fewer career center. Their goal is to have one or more contact points in each county resulting in more services than when we had four career centers.

Lastly, an inquiry was made regarding the Career and Technical Education Student Protection Act that the Governor signed July 2<sup>nd</sup> that creates the Career Technical Education Advisory Board and how it fits with MoWIB activities.

Mr. Toenjes said his understanding of the new law establishes an advisory Board to the State Board of Education. Ms. Coleman said one of our Board members, Dr. John Gaal, had some input on the creation of this piece of legislation. The DWD Director is a member of that Board and possibly the DOLIR director also. One Board member must be a participant of an apprenticeship program. Ms. Coleman continued saying her understanding is that the bill creates an advisory board which has to meet quickly since its initial findings must be reported to the Governor is due by December 1.

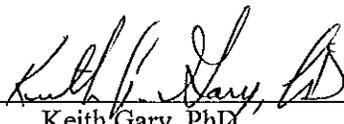
Dr. Nuttall provided some additional background stating that the K12 career centers are vocational technical centers. We have 52 of them in our State and they feel DESE was listening to their concerns. Assistance was sought from Senator Brian Munzlinger, who initiated this

bill to create a separate Board of Education from the State DESE Board. What it evolved into was a Board designated to advise DESE on CTE issues. Involvement from the community colleges area was to secure a place at the table to advise because we have lots of programs in common. Dr. Nuttall asked that we pay attention to the appointments that MoWIB have a voice at the table, and that this group be kept updated on the progress of the new CTE board.

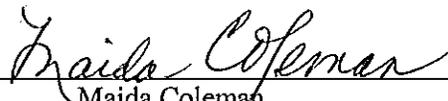
**K. Adjourn**

Dr. Gary adjourned the meeting at 1:15p.m.

**Approved:**



Keith Gary, PhD  
Board Chairman



Maida Coleman  
Executive Director