

Jeremiah W. (Jay) Nixon
Governor

Mike Downing, CECD
Director



Julie Gibson, Director
Division of Workforce Development

Maida Coleman, Exec. Director
Missouri Workforce Investment Board

Keith Gary, PhD
MoWIB Board Chair

Missouri Workforce Investment Board

April 11, 2014

10:00 a.m.

American Legion Post 5
Jefferson City, Missouri

Members Present: Keith Gary (Chairman), Garland Barton, Martha Ellen Black, Steve Coffman (DESE), Herb Dankert, Eva Danner-Horton, Mike Deggendorf, Mike Downing (DED), Wayne Feuerborn, John Gaal, Rick Gronniger, Reggie Hoskins, Birdie Legrand, Neil Nuttall, Mike Pantleo, Nia Ray (DOLIR), Bill Skains, Amy Sublett (DWD), Josh Tennison, Bill Thornton (MDHE), Cheryl Thruston, Len Toenjes, Ray Tubaugh, and Anthony Wilson

Members or Representatives Absent: Matt Aubuchon, Neal Boyd, Fred Bronstein, Alyson Campbell (DSS), Cara Canon, Don Cook Sr., Sen. Tom Dempsey, Rep. Lyndall Fraker, Julie Gibson (DWD), Ellie Glenn (HSS), Rep. Michele Kratky, Sen. Will Kraus, Ron Lankford (DESE), Jeanette Prenger, LeRoy Stromberg, and Kelly Walters

MoWIB Staff: Maida Coleman and Glenda Terrill

Other Attendees: Sheila Barton (Missouri State Univ), Brian Crouse (MO Chamber of Commerce), Clinton Flowers (DWD), Lisa Hostettler (NW WIB Director), Jasen Jones (SW WIB Director), Steve Kraus (DWD), Laura Lester (MERIC), Judy McQuitty (DWD), Sally Payne (Ozark Region), John Peine (Ozark Region), Mary Ann Rojas (Ozark WIB Director), Alan Spell (MERIC), Molly Tallarico (DWD), Jan Vaughn (Central WIB Director) and Yvonne Wright (DESE-VR).

A. Call to Order, Welcome and Introductions:

Chairman Keith Gary convened the meeting at 8:00 a.m. Dr. Gary asked for introductions from Board members and guests.

B. Approval of Board Meeting Minutes

Dr. Gary called for revisions and/or comments to the September 5, 2013 meeting minutes. With no changes voiced, a motion was made by Bill Skains to approve the meeting minutes, seconded by John Gaal. Motion was approved.

C. DWD Waiver Request to USDOL: Allows Older and Out-of-School Youth to Use Individual Training Accounts (ITAs)—Clinton Flowers, DWD Manager of Planning and Research

Mr. Clinton Flowers, DWD Manager of Planning and Research, presented a waiver request to the USDOL to allow older and out-of-school youth to use Individual Training Accounts (ITAs). The Workforce Investment Act (WIA) allows States to request a “waiver” (via the Governor, constituted by MoWIB) of certain administrative procedures. The WIA is designed to distinctly serve Adults, Dislocated Workers and Youth populations. As written, WIA favors referral to training for Adult populations and discourages training referrals to persons under 18 by including barriers such as specialized procurement and bidding requirements. WIA regulations prohibit the use of Youth program-funded training for older and out-of-school youth. Current economic conditions are conducive to permitting WIA programs to increase funding for Youth training and reduce the amount of Adult training funds diverted for Youth needs.

The Waiver request accomplishes these objectives by allowing Youth program funds to be used for training rather than Adult program funds, with the anticipated effect of increased credential attainment. The request also provides an estimate of the number of persons impacted by the waiver, a proposed method of monitoring administrative methods to ensure funds are tracked accordingly, and specific metrics for measuring success.

Mr. Flowers requested Board approval of the Waiver currently being used in 40 states. The Waiver would still need approval by the USDOL. Dr. Gary said he would entertain the following motion: *I make a motion that the Missouri Workforce Investment Board recommend approval of the subject item called: A Waiver Request to Allow Older and Out-of-School Youth to use Individual Training Accounts and that by a majority vote of the Board, the entirety of the Waiver Request be submitted by the Missouri Division of Workforce Development, as written, representing approval of the Governor to be presented to the U.S. Department of Labor.* Motion was made by Dr. Neil Nuttall and seconded by Mr. Bill Skains. Motion carried.

D. MO CWRC and NCRC—Molly Tallarico

Ms. Molly Tallarico, DWD, explained that national participation in the CWRC/NCRC has expanded from the three original states to 17 states. MO has certified over 4,000 with NCRCs and 1,350 businesses have signed partnership letters. Missouri is leading the nation in number of businesses signed up, and in certified counties (MO has 4, SC has two). MO has 4,724 Veterans with a NCRC. MoWIB members approved certification of Butler and Ripley counties as CWRC via an electronic vote. Next deadline for applications for CWRC is May 30th.

Ms. Tallarico announced an Employer Summit, underwritten by the Hawthorne Foundation, being held in Jefferson City on May 22nd from 10am to 2pm. Several workshops and panel discussions are planned. Additional registration information will be sent to Board members. The Board viewed a video emphasizing the importance of NCRC credentials.

E. STEM: MO's Talent Pipeline (Best Practices)—Brian Crouse, V.P. of Education, MO Chamber

Mr. Brian Crouse, V.P. of Education with the MO Chamber, presented on Missouri's STEM talent pipeline, commonly referred to as the P-20 Pipeline.

Overview: MO has 888,205 students in pre-K to 12th grade; 35,000 educators registered with the MNEA, 522 school districts (largest is Springfield with 25,000 students, smallest is Gorin R-III with 23 students); and a \$5.5 billion budget.

PreK: Starts in early childhood at home and in the work centers. Parents largely responsible for educational structure.

K-5: Students exhibit most interest and engaged in math and science. They are early adopters of technology. Schools are challenged to keep students engaged in math and science due to a lack of integrated teaching and inadequate testing.

6-8: Students in the middle grades encounter more science; however, typical pedagogy methods do not engage students and stimulate their curiosity. Additionally, students are increasingly stereotyped into certain pathways by society, peers, teachers, and parents.

9-12: In high school, students tend to fall into two distinct pathways - College or Career and Technical Education (CTE). CTE has more relevance, real-life experiences embedded in the curriculum. The College pathway includes a more theoretical knowledge of math and science with little practical application or training.

Post-Secondary: Here we find a lot of great innovations, focused, where research comes into play and students see the outcome.

The challenge is students lose interest in STEM subjects as they progress in the pipeline. In 2005, 31% of 4th graders were proficient in math, while at 8th grade math proficiency dropped to 26%. Similarly, 40% of 4th graders were proficient in science, but by 8th grade science proficiency dropped to 36%. Results for 2013 show 38.7% of 4th graders proficient in math, dropping to 32.6% by 8th grade. Students need to be engaged early in STEM and teaching approaches used to keep students interested in STEM careers.

MO is above the national average on math and science (ACT results), yet MO students are now competing with students across the globe. ACT conducted a study in 2013 on student interest in STEM. While 48% of students were interested and capable of entering STEM fields, only a very small percentage of students selected STEM fields. A study of 100 women interested in STEM fields resulted in only 12 graduates. Moreover, only three were found working in STEM fields 10 years later. Society and our education structure have changed significantly. More females than males are interested in STEM fields, although the opposite is true among higher-achieving students. The challenge is to change the educational system to instill and nurture strong student interest in programs leading to STEM careers.

Higher Education numbers - MO is average for post-secondary degrees and certificates but far below the President's target of 60%. Washington County has the State's lowest post-secondary degree attainment at 12% of its population. Boone County has the highest post-secondary degree attainment at 54%. While Higher Education is a robust system in MO, it also represents

unrealized potential. MO has over 390,500 higher education students (public and private); 38,380 bachelor degrees conferred in 2012, but only 8,565 STEM degrees at the bachelor's level. 60% of females are going into higher education versus 40% of males. 22,000 graduates in the last two years were females.

A number of factors are known to engage students in STEM: school environment, experiential learning, inquiry-based learning, mentors, curriculum and standards, quality teachers, technology, and out of school experiences. The school environments need to change significantly, making a more inviting, stimulating educational environment that also embraces entrepreneurship. Quality teachers are imperative and MO needs to reinvest in funding the structure, professional development, and externships of teacher education. Technology—tries to figure out how to lessen the financial burden on our schools. Out of school experiences—First Robotics and Project Lift Off are examples.

STEM for the Future: Public messaging, schools and teachers need to know how important STEM is for our State. STEM Hubs, Private/Public Partnerships, Research, Integration, and Professional Development are the key. How do we get more students directed into STEM careers? It's an untapped potential with people in their 50's perhaps looking for a new career, as are our veterans.

STEM Presentation—From the Economic Development and Business View—Judy McQuitty, Mike Downing and Laura Lester

STEM is significant to MO for a number of reasons: it is a key economic driver, it underpins technological innovation, STEM careers have higher growth potential, high demand for STEM workforce by growing companies, and better average pay for workers (lower unemployment). The biggest problem industry reports is the lack of a skilled and knowledgeable workforce. STEM occupations account for less than 10% of Missouri's total employment. Studies indicate that STEM job growth for 2020 is higher than the combined growth rate for all Missouri occupations and 140,000 MO STEM jobs will need to be filled by 2018. Manufacturers report that the most important skill gaps are a moderate to severe shortage of qualified workers and access to a highly skilled and flexible workforce. The most difficult positions manufacturing companies struggle in filling is skilled production workers. Skill deficiencies manufactures find in their current employees: inadequate problem solving abilities, basic technical training, inadequate math, reading, and writing skills. Currently the U.S. is producing 40,000 bachelor's degrees in computer science which is greatly less than the demand. Only 4% of U.S. bachelor's degrees awarded in 2008 were in Engineering compared to 19% in Asia and 31% in China. MO engineering schools are filled to capacity; cost is more than non-STEM disciplines.

Dr. Gary said MOWIB, DED, and the MO Chamber need to monitor programs and progress related to STEM education and careers.

Ms. Coleman introduced Alan Spell with MERIC. There were some questions related to manufacturing in MO. Alan is attending as a resource and offered some insight into this area with the Board.

Alan Spell/MERIC—Manufacturing in MO

MERIC just completed a labor/supply/demand report which includes STEM occupations. The information will be available on MERIC's website shortly. The top gap is science and technology. Healthcare is high. Many people laid off during the recession in the production and construction areas are now looking for jobs in these areas. Despite the interest, many jobs in technology and healthcare are not being filled.

Manufacturing gains have taken place - especially in the transportation area (e.g. GM, Ford, and Boeing). We often find manufacturing in clusters. From 2002-2012 Missouri lost 25% of our manufacturing jobs yet output went up 9%, in real dollars. Manufacturing is a key sector for us.

F. DWD and Fiscal Update—Steve Kraus and Amy Sublett

Ms. Sublett introduced Mr. Steve Kraus, DWD Fiscal, to provide an update on the upcoming year's funding allocation. Mr. Kraus reviewed the state changes for the new funding year. The Adult funding program decreased by \$152,900 and Youth funding dropped by \$195,807. MO received an increase for Dislocated Worker Funding of \$1,419,919. Wagner-Peyser funding continued its downward trend losing \$87,900. In aggregate, this results in an overall State increase of \$990,000. For Adult and Youth programs there is also a hold-harmless clause guaranteeing 90% of the relative share received in the prior two-years. If the State received 10% in the previous two-years, the State is guaranteed to receive 90% now. Missouri had three regions that qualified for the hold-harmless clause. The Dislocated Worker program has six criteria to meet, and there is no hold-harmless agreement. If results show you'll have a 40% reduction then that is what you'll have. You may recall our having a significant decrease in our Dislocated Worker Program last year.

G. Staff Reminders—Maida Coleman

Our next two meeting dates are July 11th and September 4th. The September meeting will be held in conjunction with the Governor's Conference on Economic Development. We are looking forward to a good turnout for the conference. As always we appreciate your participation. If you have any questions please get in touch with Glenda Terrill or me.

H. Chairman Report

NGA: Gov. Nixon attended the NGA Winter meeting opening session and was very engaged. Jeffrey Immelt, CEO of General Electric, was the Keynote Speaker. Eric Seleznow, Dept. of Labor Deputy Director, also met with the Chairs to discuss issues related to Vice President Biden's review of the public workforce system. The State board chairs inquired about the potential for program consolidation and encouraged such an approach to reduce redundancies and duplications. A subsequent session with the State board chairs was used to draft a position paper for VP Biden's consideration. A copy is behind Tab 5.

Dr. Gary committed this year to visit each of the local WIBs for a “listening tour” and has visited eight regions to date: Kansas City/FEC, Southwest, Southeast, St. Louis City/SLATE, Northeast, St. Louis County, St. Charles, and Northwest. Meetings were usually held at the career centers with the Board Chair and Executive Directors. Visits were intended to learn about similarities and differences among WIBs in various settings and geographic locations. Each site was very gracious and allowed a significant amount of time to meet. After hearing budget numbers for the last few MOWIB meetings, I was impressed with the high level of service delivery and high levels of morale. Staff consistently was upbeat and positive. There were a number of challenges noted, however, and it is remarkable how each region is different. The Next Generation Career Center model was a consistent point of discussion. While each WIB embraced implementation of the model and allocated staff, budget reductions and staff layoffs have made it extremely difficult to maintain the model. DWD and the WIB Executive Directors need to re-visit the NGCC model and adapt it for the new environmental conditions. MOWIB has heard positive numbers on customers seeking services reported over the last couple of years, but the model is very difficult to maintain without sufficient staff. Another challenge is a direct result of dropping the requirement for unemployment reporting at career centers in favor of online reporting. Foot traffic has decreased significantly in the career centers and there are fewer opportunities for engaging this population in programs. The WIBs will need to re-evaluate their engagement strategies. How is the NGCC model impacted with fewer clients? I don’t know if that’s an unintended consequence but it was interesting to see the impact. Also, many state staff positions in the career centers were eliminated or remain unfilled – further stressing the NGCC service delivery.

I. MoWIB Alignment—Keith Gary

As I visited the regions I posed the question of “What can MoWIB do to help the LWIBs.” One suggestion was for MoWIB to advocate for the public workforce system. Much of what the system does is not understood and/or is tainted from misperceptions from earlier years. When MOWIB worked on the Strategic Plan a few years ago, there was a focus on this issue. The Awareness sub-committee was charged with developing strategies and objectives and was the first of the subcommittees to deliver a plan. The plan was never implemented. I suggest we reactivate the sub-committee to review the plan and revise as needed. Upon plan revision, I will meet with Julie Gibson to see how MOWIB’s plan can integrate with DWDs strategies to raise awareness of the public workforce system. Dr. Gary will ask the current Chair if he is still willing to serve on the Awareness Committee, or appoint another Chair if needed.

As a follow up to a discussion from the previous meeting, Dr. Gary wants to task a committee with gathering STEM education and workforce development sections of each NSF grant submitted in the State. This information is currently unused and activities uncoordinated. MOWIB can demonstrate a value proposition by serving as a resource for this type of information and a connector for similar programs. The sub-committee will serve as a clearinghouse for best practices, including those with a STEM focus, and develop a process by which to share information. Dr. Gary has someone in mind to chair this committee and will contact the person soon. As the Accountability portion of the Strategic plan was dropped, we can reassign the Accountability sub-committee to this task. A motion was made by Garland Barton, seconded by Len Toenjes, and passed, to change the name and focus of the Accountability Committee to “Best Practices/STEM Education Workforce Development Programs”.

I would also like to suggest changing the primary task of the Alignment sub-committee. We discussed previously that many items proposed in that sub-committee's plan are above and beyond resources and staffing available to MOWIB. There is an area of need, however, that would be consistent with the Alignment sub-committee's original purpose. The need is in gathering intelligence from industry sectors regarding their skills gaps and needs. DED spent a significant amount of time and effort identifying the target industry sectors for Missouri. Thus, we have a roadmap for the sub-committee's new task. I am asking the Co-Chairs, John Gaal and Len Toenjes, for their sub-committee to convene key representatives of each DED industry cluster for the purpose of understanding that sector's workforce needs. This information needs to be detailed and granular, such that industry requirements for workers can be communicated to DESE and the DHE through MOWIB. While each Department will likely choose to use the information as they please, MOWIB would be in a position to hold the Departments accountable for developing programs to meet the needs of the target clusters. I see this overall task as an important function for MOWIB. Moreover, I know from the NGA State Board Chairs meetings that this is a significant issue across the country. So, unless there is strong disagreement with this approach, I would like to proceed as described.

New Apprenticeship Consortium Initiative

MOWIB members recently received the announcement regarding this initiative. Dr. Gary asked Dr. John Gaal and Dr. Neal Nuttall to comment, as they are most knowledgeable on this topic. Dr. Gaal said this initiative stems from Pres. Obama's State of the Union address. VP Biden has been put in charge of the initiative. Dr. Gaal noted that a commitment to apprenticeship programs is necessary for creating standardized articulation agreements nationally. In the St. Louis area, the Carpenter's District Council has six articulation agreements in place, each one different for each institution. Dr. Nuttall said his college has been involved with similar agreements over the past few years, e.g. MoHealthWINS and NOW Manufacturing. I have asked our Community College Association to provide information for discussion at our next meeting. There should not be different responses from each community college. We also need high school Vocational Tech schools to be involved.

Dr. Gaal suggested that MoWIB should be advocating for Registered Apprenticeship Programs to USDOL. Dr. Gary noted that he can advocate to the National Governors Association State Board Chairs and that Martin Simon, Director of the Workforce Development Program of the NGA Center for Best Practices, should be involved.

J. Old Business/Questions/Comments

Dr. Gary again acknowledged the LWIB Directors and other representatives. The Board appreciates your interest in attending.

K. Closing Remarks

Ms. Coleman reminded everyone to sign your expense accounts and turn in your name badges. She mentioned the Governor's conference earlier and noted it being our flagship conference and

encouraged members to attend. MoWIB usually pays for the conference registration and one night's lodging related to our meeting and the same is expected for the 2014 conference.

Ms. Coleman continued with notification of two member vacancies. Fred Bronstein has left the St. Louis Symphony to take a position with John Hopkins University as Dean of the Peabody Institute, and David Cramp, Presiding Commissioner from St. Francois County, is retiring. We maintain our business majority. If you know of someone, especially from the business sector who would be interested in serving on MoWIB please let us know. We are looking for more diversity.

Mr. Mike Deggendorf thanked Dr. Gary for the time he's putting in to visit the regions and the work being done on behalf of the Board.

L. Adjourn

Dr. Gary adjourned the meeting at 1:58 p.m.

Approved:

