

MINUTES
EXECUTIVE COMMITTEE MEETING
ARKANSAS WORKFORCE INVESTMENT BOARD
March 9, 2004

Chairman Steve Lux called to order a meeting of the Arkansas Workforce Investment Board (AWIB) Executive Committee at 9:00 a.m. on Tuesday, March 9, 2004. The meeting was held at the AWIB office, One Pershing Circle in North Little Rock. Members who were able to participate were Mr. Tom Anderson, Senator Gilbert Baker, Mr. Larry Featherstone, Mr. Howard Fikes, Dr. Steve Franks, Mr. Alan Hughes, Mr. Steve Lux, Mr. Jim Putlak, and Mr. Jim Smith. Ms. Catherine Janosky was unable to attend. Approximately 15 representatives from the public were present as well as members of the AWIB staff. Ms. Lucretia Norris from the Governor's office also attended.

Mr. Lux introduced Ms. Sandra Winston, new executive director of the Arkansas Workforce Investment Board. Governor Mike Huckabee appointed Ms. Winston to this position on February 25, 2004.

Lux stated that Ms. Winston brings a wealth of state agency experience to the AWIB. Prior to accepting the WIB directorship, Ms. Winston served as the executive director of the Transitional Employment Board, a position she held since August 2001. She also has served as director of the Arkansas Health Services Agency and as the governor's liaison to the Health Department and the Department of Human Services.

Ms. Winston's goals include providing meaningful employment opportunities for all Arkansans, while at the same time addressing the needs of Arkansas employers in a competitive global marketplace.

Action Item 1 - Minutes: Chairman Lux directed the attention of the Executive Committee to the minutes of the February 10, 2004, Executive Committee meeting. **The minutes were approved on a motion made by Mr. Tom Anderson, seconded by Mr. Howard Fikes, and carried unanimously.**

Report of Executive Director: Chairman Lux asked Ms. Winston for her executive director's report. Ms. Winston expressed her excitement about being part of the AWIB. She has worked with many of the attendees in the past through various boards and commissions. Ms. Winston also will continue to fill the role of executive director for the Transitional Employment Board (TEB) until April 2004. Because AWIB and TEB carry out similar missions, Ms. Winston hopes that the two boards will merge in the future. She then asked different members of the AWIB staff to present information for the director's report.

Ms. Winston introduced Ms. Sharon Robinette, team leader for Workforce Information Analysis and Reporting, to discuss the Arkansas Consumer Report System (ACRS). A new version of ACRS became fully operational the second week in February. The eligible training provider list, which is included in ACRS, was moved from a server in Texas to one in Arkansas. Ms. Robinette explained that the system includes a list of all training institutions in the state, both public and private, as well

as the courses of study offered by those institutions. Other available information includes cost and performance information related to the educational programs.

Mr. Lux asked whether the training providers still apply through local workforce investment boards to be listed as an eligible training provider. Ms. Robinette responded that the new system is an augmented way to be placed on the list, but still requires local board approval. Mr. Ron White, program operations manager for the Occupational and Career Information Unit, explained that the statewide eligible training provider list is a compilation of the training entities approved by local areas. Mr. White stated that the only way to attend training in another local area is for the participant to choose a demand occupation and a relocation letter also must be submitted. According to Ms. Robinette, DOL did not recommend the creation of statewide provider lists. Ms. Winston asked how other states have handled eligible training provider lists. Ms. Robinette responded that some states have statewide lists. Mr. Lux suggested that this arrangement would make it easier for training institutions to apply. Ms. Winston concluded that AWIB staff members would research the eligible training provider procedures of other states and report this information at a subsequent board meeting.

Ms. Winston referred to Mr. Rob Marek, interim team leader for Business Relations. Mr. Marek discussed National Manufacturing Week, held February 22-26 in Chicago. Five AWIB staff members joined representatives from the Arkansas Department of Economic Development to provide information to trade show attendees about Arkansas, its workforce, and employer incentives. Mr. Marek explained that the trip was an opportunity to raise awareness of Arkansas' potential to support industry through strong collaborations.

Mr. Marek discussed Integrated Service Response for Dislocated Workers, a regional forum held February 25-27 in Dallas. Eight staff members networked with regional and national administrators, Rapid Response coordinators, and peers who shared best practices. Arkansas is on the "cutting edge" in its implementation of the Trade Adjustment Assistance (TAA) automation process.

Mr. Marek reported the approval of a Business Services Technical Assistance and Training (TAT) grant. Ms. Peggy Herbertson, executive director of Pike's Peak Workforce Center in Colorado Springs, Colorado, will conduct a workshop for business services team representatives. The Pike's Peak Workforce Center serves as a mentor for the Arkansas Workforce Center at Russellville through the National Business Learning Partnership. Mr. Lux asked which two local workforce investment areas were chosen to receive training. Mr. Marek responded that Eastern and West Central were selected.

Mr. Marek conveyed that two AWIB staff members presented "Matching Skills with Career Choices" to a group of 4-H Ambassadors. The three-hour presentation was delivered as a train-the-trainer project for the ambassadors, who will replicate the training on June 17 for a group of more than 200 youth.

Mr. Marek announced that the 2004 Incumbent Workforce Training Program (IWTP) application was released March 1. Five training sessions were scheduled across the state to assist in the understanding of the new process. The program now focuses more on emerging, innovative training initiatives. Mr. Marek stated that the application was available online.

Mr. Marek stated that the Department of Labor's Employment Training Administration (ETA) is implementing a High Growth Job Initiative. ETA is determining high growth jobs across the nation through its Business Relations Group. Twelve industries have been identified as high growth. The Business Relations Team met with Labor Market Information personnel and Dr. John Shelnett from the University of Arkansas at Little Rock to determine how to define the state of the workforce in Arkansas. Emphasis will be placed on targeting industries in clusters so that local areas can develop policies based on specific needs.

Mr. Marek discussed Statewide Collaboration Efforts. In October 2003, a statewide conference was held at DeGray Lake to reinforce collaboration efforts between workforce, economic development, educators, and business/industry representatives. Arkansas was divided into five collaboration regions. AWIB offered \$25,000 per region to assist in the development of a collaborative project. The Northeast Arkansas Collaborative Group was the first region to apply. Their project involves development of training modules specific to industry within their region. The Central and Southwest Arkansas Collaborative Groups are ready to begin the required training and have requested assistance with that effort.

Ms. Winston then referred to Jim Case, team leader for Workforce System, to present information regarding employment services in Danville and Clarksville. In Danville, AWIB staff met with Senator Sharon Trusty, Kelly Boyd from the Governor's Office, the mayor, and a wide variety of community/business officials representing the poultry industry. It was mutually agreed that the city of Danville would provide the \$18,000 needed to cover the infrastructure costs for employment services. At the same time, the Department of Human Services offered to provide office space for employment services if the city paid infrastructure costs. Jan Campbell, West Central One-Stop Operator, and Marvin Gerlach, local workforce investment board chair, committed to provide a WIA staff member at least one day each week to help provide these services.

Regarding Clarksville, AWIB staff and West Central representatives met with civic officials and have come to essentially the same funding arrangement. Mr. Case relayed that everyone seemed pleased with the progress made to date. Mr. Case estimated a potential savings of \$55,000 through reduced infrastructure costs. Mr. Lux stated it seemed as though most of the interest has been in the northern part of the state. He asked whether any other sections of the state were interested in participating in similar agreements. Mr. Case stated that there were not any other communities that were interested.

There was much discussion between Mr. Jim Putlak, Mr. Steve Lux, Mr. Steve Franks, and Ms. Sandra Winston concerning what types of services could be provided with the money saved from infrastructure costs. Ms. Winston assured the board that it would receive updates as the staff moves forward with this issue. Ms. Cindy Varner, deputy director, added that the money in question comes from Wagner-Peyser federal funding, and therefore, can only be used to support employer services. She stated that if the money was not used, it would be returned to the federal government.

Mr. Elroy Willoughby, assistant team leader for the Office of Performance and Results, also presented an information item for the director's report, although he was inadvertently overlooked and was not able to provide the information until the end of the meeting during the announcements

portion. Beginning in February 2004, members of his team began traveling to local areas to conduct Workforce Investment Act data validation. The project was initiated in 2004 as part of President George Bush's agenda to improve the management and performance of the federal government. He stated to date, the data validation initiative encompasses the following programs: WIA Title IB, Employment Services (ES), Trade Adjustment Assistance (TAA), Migrant and Seasonal Farmworkers, Senior Community Service Employment Program, and Native American Employment and Training. He conveyed that the data validation initiative covers the accuracy of aggregate reports submitted to the Employment and Training Administration (ETA) on program activity and performance outcomes and accuracy of individual participant data. The deadline for completion of this project is April 1, 2004.

Action Item – Transfer of Funds – WIA 15% Statewide Activities Funds: At the January 2004 full board meeting, the Arkansas Workforce Investment Board approved to commit \$500,000 in additional funding to continue the Incumbent Worker Training Program. Mr. Lux conveyed that in order to support that commitment, a transfer of funds within the WIA 15% statewide activities budget was necessary.

Mr. Lux stated the recommendation that the executive committee of the Arkansas Workforce Investment Board approve a transfer of funds within the WIA 15% Statewide Activities Budget to move \$500,000 from the budgeted line item titled Additional Dislocated Worker Funding for Local Areas to the budgeted line item titled Innovative Incumbent Worker Training Program. Mr. Harold Criswell, Agency Fiscal Manager, stated that he was available to answer any questions. He explained that the money would be moved from one line item to another to provide the \$500,000 funding that the full board approved for the 2004 Incumbent Worker Training Program. Mr. Lux asked whether there would still be adequate funding for the dislocated worker program, to which Mr. Criswell responded yes. Ms. Winston explained that when the budget was reviewed, funds were short for IWTP and over for the dislocated worker program. Senator Baker asked what the total amount for the IWTP program would be and whether this was the amount that the board had already agreed to fund. Mr. Criswell responded affirmatively that the Board had previously approved \$500,000. Dr. Steve Franks asked whether the remaining \$114,000 would stay in place for the dislocated worker program. Ms. Winston and Mr. Criswell explained that the money would stay in place until it is needed.

Senator Gilbert Baker made a motion to accept the recommendation to approve transfer of funds within the WIA 15% Statewide Activities Budget to move \$500,000 from the budgeted line item titled Additional Dislocated Worker Funding for Local Areas to the budgeted line item titled Innovative Incumbent Worker Training Program; Tom Anderson seconded, and the motion carried unanimously.

Action Item 2 - Division of Services for the Blind – Amendment to State Unified Plan: Chairman Lux instructed the members to turn to page 5 of the agenda book to review Division of Services for the Blind, Amendment to the State Unified Plan.

Mr. Lux stated the recommendation that the Arkansas Workforce Investment Board approve the amendment to the Arkansas State Unified Plan as submitted by the Arkansas Department of Human Services, Division of Services for the Blind. Mr. Lyndal Lybarger explained that this was a routine, annual update.

Senator Baker made a motion to accept the recommendation to approve the amendment to the Arkansas State Unified Plan as submitted by the Arkansas Department of Human Services, Division of Services for the Blind; Mr. Tom Anderson seconded, and the motion carried unanimously.

Action Item 3 - Arkansas Rehabilitation Services, Amendment to the State Unified Plan: Chairman Lux advised members to turn to page 6 of the agenda book.

Mr. Lux stated the recommendation that the Arkansas Workforce Investment Board approve the amendment to the Arkansas State Unified Plan as submitted by Arkansas Rehabilitative Services. There were no questions or discussion, although Mr. Roy Albert was present to answer any questions. Dr. Steve Franks requested that the record reflect he abstained from voting due to Arkansas Rehabilitation Services being a division of the Arkansas Department of Workforce Education over which he is director.

Mr. Tom Anderson made a motion, and Mr. Alan Hughes seconded to accept the recommendation to approve the amendment to the Arkansas State Unified Plan as submitted by Arkansas Rehabilitation Services. The motion carried unanimously. Dr. Steve Franks abstained.

Action Item 4 – Revision to the Northwest Arkansas Workforce Investment Board Local Five-Year Plan: Chairman Lux asked members to turn to page 7 of the agenda book. He explained it is recommended that the executive committee approve the attached revision to the Northwest Arkansas Workforce Investment Board local five-year strategic plan to incorporate recommended changes for WIA compliance.

Ms. Rebecca Trammell, regional advisor, explained that as a result of monitoring events, changes to the strategic plan were being made. Mr. Jim Smith referred to page 31 of the submitted change. He wanted clarity on the statement, "Self-sufficiency for a dislocated worker needs to be 110% of the lost wage, or 200% of the poverty level, whichever is the larger." Ms. Trammell explained that it is the local board's decision on how to target people to serve and to determine who is eligible for services when funds are limited. Ms. Janie Wheeler, a representative from the board in Northwest Arkansas, explained that the local board had a broader acceptance for self-sufficiency, and that it was brought out in monitoring that it needed to be addressed. It was explained that the 110% refers to 110% of the replacement wage.

Mr. Tom Anderson made a motion to accept the recommendation to approve the attached revision to the Northwest Arkansas Workforce Investment Board local five-year strategic plan to incorporate recommended changes for WIA compliance; Mr. Jim Putlak seconded, and the motion carried unanimously.

Action Item 5 – Revision to the West Central Arkansas Workforce Investment Board Local Five-Year Plan: Chairman Lux stated the recommendation that the executive committee approve the attached revision to the West Central Arkansas Workforce Investment Board local five-year strategic plan to incorporate recommended changes for WIA compliance.

Ms. Trammell explained that there has been difficulty in meeting youth performance measures. She stated that it was a local board decision to expand services to meet the 30% requirement to serve out-of-school youth.

Senator Gilbert Baker made a motion to accept the recommendation to approve the attached revision to the West Central Arkansas Workforce Investment Board local five-year strategic plan to incorporate recommended changes for WIA compliance; Mr. Tom Anderson seconded, and the motion carried unanimously.

Information Item 6 – Presentation on Occupational Employment Statistics Wage Survey: As part of an ongoing endeavor to provide the board with examples of available labor market information, Mr. Ron White gave a presentation on the Occupational Employment Statistics Wage Survey (OES).

Mr. Alan Hughes asked why businesses with fewer than 250 employees were not sampled once every three years. He stated that we have more businesses in Arkansas that fit that category. Mr. White explained that this is the standard provided by Bureau of Labor Statistics, and the state information is subsequently tied into a national database in this format. Dr. Steve Franks asked whether the state could design a parallel system that would encompass the smaller businesses on a more frequent basis. Mr. White explained that it could not be done using the OES Wage Survey. Ms. Winston asked whether we could develop a system to obtain the information more quickly for our own purposes. Mr. White explained that we would have to develop another survey that businesses would have to complete. He perceived businesses would be apprehensive about completing an additional survey. Mr. Lux asked whether the questionnaire is cumbersome. Mr. White responded that the average time to complete the survey is 30 minutes. Mr. Fikes stated that the concern was to ensure that the data accurately reflects the state. Mr. Featherstone asked how often the data was made available to employers. Mr. White responded the data is available twice a year at www.state.ar.us/esd.

Mr. Lux added a concern that he had regarding labor market information. He questioned why unemployment statistics are derived from two different sources. Mr. White stated that the reason was due to changes in the workforce. This method is used at the national level as well. Ms. Robinette suggested that a briefing be provided at the next board meeting regarding how unemployment statistics are compiled. Mr. Lux agreed, and other committee members were interested in obtaining more information on the topic.

Announcements: Chairman Lux announced that next month's meeting would be a regular quarterly meeting, to be held Tuesday, April 13, at 9:00 a.m., at the Wyndham Riverfront Hotel, North Little Rock.

Adjourn: With no other announcements or questions, motion to adjourn the meeting was made by Mr. Howard Fikes, seconded by Mr. Larry Featherstone, and carried unanimously.



Steve Lux, Chairman



Sandra Winston, Executive Director

*Minutes recorded by Stephanie Carlo
Workforce Investment Board Staff*