

MINUTES
EXECUTIVE COMMITTEE
WORKFORCE INVESTMENT BOARD
June 12, 2001

Chairman Bill Fisher called to order a teleconferenced meeting of the Executive Committee, Arkansas Workforce Investment Board at 9:00 a.m. on Tuesday, June 12. Members who were able to participate included Joe Dillard, Robert Drechsler, Larry Featherstone, Bill Fisher, Steve Franks, Gloria Lynn, Kathy Matlock, Karen McFarren, Helen Moore, Bill Sutton, Joe Warren, Campbell Wilkerson, and approximately 10 public representatives. Members unable to participate included Mary Beth Green, Alan Hughes, and Jodie Mahony.

Minutes: The minutes of the May 8 Executive Committee meeting was approved on motion made by Mayor Joe Dillard, seconded by Karen McFarren, and carried unanimously.

Chairman Fisher announced that the next item on the agenda would be the report of the Program and Performance Evaluation Committee.

Report of Program and Performance Evaluation Committee: Chairman Fisher focused the Executive Committee on the June 7 Program and Performance Evaluation Committee report in their supplemental agenda packet. He said the Committee met to discuss the performance standards for Arkansas and asked Dr. James Hendren, Chair of the Committee, to present the report. Dr. Hendren told the Executive Committee that the Program and Performance Evaluation Committee covered a lot of information and data at their meeting. He said everyone at the meeting expressed a concern about the local areas meeting performance standards. Dr. Hendren said the Committee looked at comments from local area representatives as well as factual and detailed information in their analysis. Dr. Hendren explained that the Committee recognized that the layoffs in Arkansas and economic slow down was greatly affecting the Dislocated Worker performance measures. He added that the other measures could be impacted from these factors, but not as much as the Dislocated Worker measures.

Dr. Hendren explained that information on plant closings as well as the number of jobs created by expansion of plants was carefully examined by the Program and Performance Evaluation Committee. He said the Committee concluded that a review of the performance criteria for Dislocated Worker measures was needed. Therefore, he made a recommendation to the Executive Committee that the Board request that the U.S. Department of Labor review the Dislocated Worker performance criteria for the Entered Employment Rate, the Employment Retention Rate, and the Earnings Replacement Rate. He said the Committee was going to wait for the results of the negotiation before discussing the performance standards further. Mr. Bill Sutton asked if these were statewide levels and if the measures would be adjusted for the local areas. Dr. Hendren confirmed that these were statewide levels and that the Committee would evaluate the number of Dislocated Workers for each area and prorate the reductions according to the economic impact of each area. He also confirmed that these reductions would only affect the fiscal year currently ending, the Committee would wait to see the updated numbers before changing any other measures. **Motion was made by Bill Sutton, seconded by Dr. Kathy Matlock, and carried unanimously for the staff to negotiate with the U.S. Department of Labor the following Dislocated Worker performance measure criteria to the recommended percentages as listed:**

- **Dislocated Worker Entered Employment Rate – 68%**
- **Dislocated Worker Employment Retention Rate – 84%**
- **Dislocated Worker Earnings Replacement Rate – 80% ***

*** Approval by the U.S. Department of Labor for reduction of this measure was increased by four (4) points.**

Dr. Hendren added that the concerns about a lack of services for consumers was also discussed at the Program and Performance Evaluation Committee meeting. He referred the Executive Committee to the last paragraph of the report stating that the staff was going to evaluate whether the Program and Performance Committee should consider other actions on this issue. Dr. Hendren said he would keep the Executive Committee informed on the progress.

Report of Executive Director: Dr. Beene began her report by reviewing some follow-up items from past meetings. She stated that a fact sheet about the “underspending” issue was sent to the Executive Committee as requested and added that a one percent increase in spending was calculated from the March 30 reports. She said the year would be closing in a couple of weeks and the numbers may change. Dr. Beene said the Strategic Planning Committee would meet after the July 10 full board meeting and Robin Pelton was continuing her work on exploration of workforce programs. She told the Executive Committee that a detailed agency budget would be mailed to them for information purposes. Dr. Beene mentioned that the marketing and outreach contract with the *Communications Group* was approved by the Legislature on May 9 and meetings with local area representatives were scheduled for next week. Dr. Beene said she attended the Governor’s Community Day in Arkadelphia and spoke at the Arkansas Association of Rehabilitation and Education of the Blind and Visually Impaired Conference during the past month. She also mentioned that an audit of the agency’s first year of operation was mailed to the Board and presented to the Legislative Committee at a routine hearing on May 10 with no comments. Dr. Beene added that the Career Partnership Cabinet (COPC) meetings were back in full swing after the Session with 7:30 a.m. meetings every month with Ed Rolle as the facilitator.

Dr. Beene explained that a meeting was held with the Local Board Administrators to discuss their expenditure levels as well as hear immediate plans from the *Communications Group*. She stated that the staff has regularly attended local board meetings around the state, including Northwest, West Central, Central, Western, and Eastern this month. Dr. Beene described her recent trip to Washington, D.C. with Rebekah Lee to meet with Senator Blanche Lincoln and staffs of Senator Hutchinson and Representative Asa Hutchinson on the issue of the Fiscal Year 2002 federal budget proposal. She said a meeting was held with local area representatives before going to DC to educate the Senator and staffs of other members on the locally generated reasons for the “underspending” basis for budget reduction proposals. She added that follow-up written communication is being sent as well as nationally-organized efforts being encouraged.

Dr. Beene finished her report by discussing a meeting of Local Board Chairs on June 8. She said the meeting was attended by five area board and youth chairs including Southwest, West Central, Western, Little Rock, and Eastern and discussion items included cost allocation plans, performance measures, and the need for completion of a state-level Memorandum of Understanding (MOU). Dr. Beene added that reports from that meeting indicated the discussion was positive and the Chairs indicated they would like to have more direct contact with the state office and staff as well as the state board. She said that originally the Chairs wanted the staff to go through the Administrators in communication,

but now they have requested a more direct communication network. Chairman Fisher asked the staff to start sending information to the local chairs and copying the administrators. Dr. Beene said the staff would add the local board and youth chairs to the distribution lists at the office.

Chairman Fisher asked Dr. Beene for an update on the situation in Southeast Arkansas. She reminded the Committee that they were sent two memos as well as a copy of the letter sent to Chairman Edward Andrews and Judge Rita Shepherd. She said the latest effort was made on June 1 and was facilitated by Judge Shepherd and the Chief Elected Officials, who were also given a copy of the letter sent to the Chairman and Judge Shepherd. Dr. Beene said it was relayed back to the staff that the Chief Elected Officials seemed confused by the mention that the staff of the local board should have sufficient oversight of the program provider to assure that the local board policies are implemented and effectively accomplished. Dr. Beene said Rebecca Trammell of the state staff attended that meeting and will also attend the full board meeting scheduled for June 13 in Pine Bluff. Dr. Beene said the state office was watching the situation very closely and would allow some time for the local board to solve the problems before intervening. She said she also wanted to see what happens at the full board meeting the next day. Mr. Ed Rolle, Director of the Employment Security Department, added that an audit was being conducted on the area due to a suggestion of inappropriate funds being used at the subgrant level. He said the results of the audit would be ready in early July. Chairman Fisher asked that a recommended timeline for Southeast Arkansas to take corrective action before the state board intervenes be presented to the full Board at its July 10 meeting. He also asked that a discussion about inviting the local board and youth chairs to attend a lunch with state board members after the quarterly board meetings be on the July agenda.

Dr. Beene stated that Paul Murray, Deputy Director, had left the staff of the Board to pursue interests consistent with his current needs. She added that an email from him was forwarded to the Board for their information and the staff would miss him. She said his position was being advertised internally and the closing date was June 12 at 4:30 p.m.

Chairman Fisher stated that the budget for required and allowable state activities as well as the report from the Employment Security Department on local area expended and obligated Title I funds were not ready for this agenda and would be on the July agenda.

Northeast Arkansas' Allocation Transfer Request: Chairman Fisher announced that this was a new item and included in the supplemental agenda. **Motion was made by Joe Warren, seconded by Mayor Joe Dillard, and carried unanimously to approve a transfer of 20% of Dislocated Worker funds to Adult funds for Northeast Arkansas beginning July 1, 2001.**

Revision to the Arkansas State Plan for Workforce Investment Act of 1998: Chairman Fisher stated that this item could be found on page 7 of the agenda booklet and included a proposal submitted by the Department of Workforce Education (DWE) for consideration of a revision to the State Unified Plan. He said a letter from Dr. Steve Franks, Director of DWE, was also included in the agenda booklet for information. Chairman Fisher added that Garland Hankins and Phillip Less, also from DWE, were present to answer any questions. **Motion was made by Karen McFarren, seconded by Bill Sutton, and carried unanimously to approve submitting a revision to the State Unified Plan for the Workforce Investment Act of 1998 to the U.S. Department of Education for an English Literacy and Civics Education (EL/Civics) Program to be administered by the Arkansas Department of Workforce Education.**

Payment of AWIS Balance of \$0.9 Million: Chairman Fisher focused the Executive Committee on the information for payment of the AWIS balance of \$0.9 million which was found in the agenda booklet. He reminded the Committee that the Board approved payment of \$1 million on January 9 for the completion of Phase I of AWIS. He said the Department of Information Systems (DIS) began work on Phase II on December 4, 2000 and as of June 3, 2001 they reported that it was 67% complete. Therefore, Chairman Fisher explained that \$603,000 was recommended as payment for AWIS because it is 67% of the \$0.9 million balance. Mayor Joe Dillard asked if the 67% that is completed has been tested. Dr. Beene stated that she understood it to mean up and running, but she would check. **Motion was made by Bill Sutton, seconded by Bob Drechsler, and carried unanimously to approve the payment of \$603,000 as 67% of the remaining balance for AWIS to the Department of Information Systems after determining that testing is complete.**

AWIS Quarterly Report: Chairman Fisher directed the Executive Committee to the Quarterly Report information found both in their agenda booklet and supplemental agenda materials. He told the Committee that Arkansas' Workforce Investment Act Title I Quarterly Summary Report for the period ending March 31, 2001 was submitted to the U.S. Department of Labor (DOL) on May 15, 2001. He said a copy of that report was included on pages 14-16 of the agenda booklet and a more detailed explanation was included in the supplemental agenda materials. Dr. Beene explained that the document included for the Committee's review is not the regular quarterly report generated by AWIS. She said that by the time AWIS was completed, DOL had mandated revisions to the quarterly report thus changing the format. Therefore, more work needs to be done. She also mentioned that the Employment Security Department (ESD) is the agency responsible for Title I activities and reporting; therefore, ESD would be the agency submitting the reports to DOL.

Dr. Beene described in detail the components of the report for the Committee by explaining the terms and numbers. She added that it has taken a tremendous amount of commitment to follow through with the implementation of the Workforce Investment Act, and this is not unusual for such implementations. Dr. Matlock commended the state staff for the hard work done in implementing the Workforce Investment Act of 1998. Dr. Beene noted that the numbers reported are low perhaps because the reports were dated March 30 and another quarter has passed since then. Mr. Drechsler said that this would almost be expected because of the need for the public information project. Ed Rolle also added that the numbers can be deceptive and his agency will take a closer look at them while they are monitoring the One-Stop Centers. Dr. Beene reminded the Committee that the numbers reflected only those enrolled in Title I services, which are lower than total numbers served in One-Stop Centers. She said the Program and Performance Evaluation Committee was concerned about the low numbers, and as the Board meets more closely with the local board chairs, improvements will likely be made in number enrolled in Title I programs.

Chairman Fisher added that he would like the staff to develop a discussion item for the July agenda which would ask local areas to consider volunteer transferring of local funds to the state board for spending considering the national level of concern for underspending. Bill Sutton agreed this might help the local areas become more active in their spending.

Update on American Customer Satisfaction Survey: Chairman Fisher focused the Committee on page 17 of their agenda booklet, which included an update on the American Customer Satisfaction Survey (ACSI). He said that of the 17 core measures established under WIA for effectiveness assessment, two are related to customer satisfaction. He said the contract required by the University of Michigan, which established the survey, would need to be three years long. However, Arkansas state government does not allow for three-year contracts. He stated that since the Arkansas Employment Security

Department is the designated agency under Titles I and III and the Board-approved WIA Activity Responsibilities Chart assigns the responsibility to collect performance information, ESD assumed responsibility on May 23, 2001 for implementing and operating the Customer Satisfaction program for Title I and Title III.

Report on Youth Information: Chairman Fisher told the Committee that all the local areas were very active in their youth programs right now. He pointed out that there was follow-up information to the report given by Elroy Willoughby, staff, at the May 8 meeting included in their June 12 agenda materials. He briefly touched on each area, noting that the different services ranged from supportive to tutoring and job-shadowing, as just a few. He said a lot was going on in the state for the youth and encouraged the Board to review the information.

Announcements: Chairman Fisher announced that a list of local board meetings was included in their mailings and the list is also on the Board's website, which is updated regularly. He announced that the next meeting would be a regular quarterly meeting on July 10 at the Embassy Suites hotel. He said the next Executive Committee meeting would be held on August 14 and another meeting outside of Little Rock would be held in the fall. He asked Dr. Beene to share some special news with the Board. Dr. Beene announced that she was married on June 9 to Dr. Barry Ballard, President of Ouachita Technical College. She was congratulated by the Committee.

Adjourn: **With no other announcements, motion was made by Mayor Joe Dillard, seconded by Bill Sutton, and carried unanimously to adjourn the meeting at 10:25 a.m.**

Bill Fisher, Chair

Dr. Linda Beene, Executive Director

**Minutes Recorded by Christina Miller
Workforce Investment Board Staff**