

MINUTES
REGULAR QUARTERLY MEETING
ARKANSAS WORKFORCE INVESTMENT BOARD
July 10, 2001

Chairman Bill Fisher called to order a regular quarterly meeting of the Arkansas Workforce Investment Board at 9:00 a.m. on Tuesday, July 10, at the Embassy Suites Hotel, Little Rock. Members present included Marguerite Abowitz, Tom Anderson, Candis Collins, Chuck Cramer, Charles Cunningham, Joe Dillard, David Dowd, Robert Drechsler, Don Finley, Bill Fisher, Steve Franks, Lu Hardin, Jim Hudson, Calvin Johnson, Kathy Matlock, Karen McFarren, Eddie Miller, Helen Moore, Mike Norton, Jim Pickens, Jim Putlak, Carl Bane for Ed Rolle, Frank Scroggins, Jim Smith, Arnessa Staten, Bill Sutton, Joe Warren, Robert White, Barbara Wood, Randy Parker for John Wyvill, and about 25 public representatives. Members unable to attend included Larry Featherstone, Mary Beth Green, James Hendren, Randy Hopper, Alan Hughes, Kurt Knickrehm, Steve Lux, Gloria Lynn, Jodie Mahony, Trevor Myers, and David Weick, and Campbell Wilkerson.

Chairman Fisher welcomed and introduced new members David Dowd of Cross County Bank in Wynne, Jim Hudson of the Division of Services for the Blind, Eddie Miller of the Client Assistance Program (CAP), and Arnessa Staten of Arnessa Staten Enterprises in North Little Rock. Chairman Fisher then introduced the special guests for the meeting, including Mr. Terry West, Director of Ouachita Job Corps Center in Royal, Arkansas and the local Workforce Investment Board Chairs.

Action Item 1 - Minutes: The minutes of the June 12 Executive Committee meeting were approved on motion made by Karen McFarren, seconded by Robert Drechsler, and carried unanimously.

Quarterly Report: Dr. Beene gave a presentation that covered the events of the last quarter. She began her report by announcing the recent personnel changes of the Board's staff. She announced that after Paul Murray's resignation as Deputy Director, Ms. Cindy Varner of the staff assumed that position and will be providing administrative and program leadership while conducting staff facilitation. Dr. Beene also stated that Ms. Christina Miller was hired in the Monitor role vacated by Cindy Varner and will continue with her Board responsibilities as well as monitor the Little Rock and North Central areas. Dr. Beene announced that an Administrative Assistant position is being advertised and will close on July 18. She continued her report by covering follow-up items from past board meetings, including moving the 15% statewide activities budget to the August meeting. Other items she discussed were the Congressional rescission of Workforce Investment Act funds, the negotiation of Dislocated Worker Performance Standards, quarterly meetings with local board chairs, and the cost allocation plans. Dr. Beene discussed different events and meetings attended by staff and board members, an update on the AWIS Tracking and Reporting System, and opportunities of coordination with other state agencies. She mentioned the meetings held with the Governor as well as the recent trip she and Ms. Rebekah Lee, the Governor's Deputy Chief of Staff, made to Washington, D.C. to meet with Arkansas' Congressional Delegation. Dr. Beene explained that Governor Huckabee hosted the Southern Growth Policies Board meeting held in Hot Springs. She said the meeting

was very informative and recommended the book *Bowling Alone* by Dr. Robert Putnam. Dr. Beene said legislative appearances included the audit hearing, with no comments and individual meetings with legislative board members. She announced that the outreach and marketing project is underway and meetings were held between each local area's representatives and the *Communications Group* to discuss the local boards' needs and opinions of the campaign. Dr. Beene discussed local board meetings attended by staff members as well as meetings held with the local board chairs and administrators. Some pictures from the Workforce Collaboration Conference and the One-Stop Conference were displayed and Dr. Beene described the other speaking engagements and events she attended during the past quarter. Next quarter's events included ESD Monitoring visits to the local areas, National Governor's Association and Women Executives in State Government conferences, and the Governor's Community Forums. With no questions, Chairman Fisher thanked Dr. Beene for her report.

Report of Strategic Planning Committee: Chairman Fisher stated that the Strategic Planning Committee met on April 10 after the regular quarterly meeting and the staff of the Board has continued research on workforce and development programs for review by the Committee at its meeting over lunch. Chairman Fisher stated that a report of the Committee's progress was included on page 6 of the agenda book and he called on Jim Smith, Chair of the Strategic Planning Committee, for a report of the Committee's progress. Mr. Smith stated that the staff of the Board has completed interviews with one-fourth of the agencies that provide training and development programs. He said this represented thirty-five interviews or approximately 50% of the total number of interviews to be completed. Mr. Smith said agency directors from the Department of Workforce Education and the Arkansas Association of Two Year Colleges were also interviewed by the staff. The Committee members have reviewed the narratives from the recent program manager interviews and are ready to conduct interviews with the agency directors from the Department of Economic Development, the Department of Workforce Education, and the Job Corps Centers. Mr. Smith stated that the Committee was on target for their projected timeline, which has January, 2002 as the date the research activity will be completed. There were no questions for Mr. Smith and Chairman Fisher expressed his appreciation for the work of the Strategic Planning Committee. Dr. Beene explained that Robin Pelton of the Board staff was conducting the interviews and Rebecca Trammell was supporting her with Committee work and preparation.

Action Item 2 – Fund Transfer for Little Rock Local Workforce Investment Board: Chairman Fisher reminded the Executive Committee that a similar fund transfer was approved for Northeast Arkansas at the June 12 meeting. He stated that according to federal statute, each funding stream transfer by local workforce investment boards must be approved by the State Board. Chairman Fisher explained that the request made by the Little Rock local board is to transfer funds equal to 20% of the Program Year 2000 WIA Title I Dislocated Worker allocation to the Program Year 2000 WIA Title I Adult allocation for the Program Year 2001. Chairman Fisher explained that 20% is the maximum amount of funds that a local board can transfer. **Motion was made by Bill Sutton, seconded by Mike Norton, and carried unanimously to approve the transfer of 20% of Little Rock's PY 2000 WIA Title I dislocated worker allocation to the PY 2000 WIA Title I adult allocation for PY 2001.** (A copy of the fund transfer request from the Little Rock local workforce investment board is carried as Attachment A to the permanent copy of these minutes.)

Action Item 3 – Changes in State and Local Levels of Performance: Chairman Fisher asked the Board to turn to pages 9 and 10 of their agenda book for this item. He explained that Dr. Beene, Cindy Varner, and Ron Stone flew to Dallas on June 19 to meet with the U.S. Department of Labor Regional representatives to negotiate Arkansas' Dislocated Worker performance standards. Chairman Fisher explained that two of the three proposed levels were accepted by the Regional Office, with an increase of four points from the request on the third level. However, Chairman Fisher announced that the Board staff was notified the previous week that personnel in the National Office of the U.S. Department of Labor have declined to approve the levels negotiated with the Regional Office. Chairman Fisher asked Dr. Beene to update the Board on options. Dr. Beene explained that significant work went into the proposal for the reduced levels of performance in three of the Dislocated Worker categories. She stated that the Program and Performance Evaluation Committee met to review performance materials and information and the staff created a proposal, which the Board staff took to Dallas for the negotiations. (A copy of the proposal was circulated to the Board members during the July 10 Board meeting.) Dr. Beene told the Board that Arkansas was the only state to ask for lowered levels of performance, which she believed was because the state observed the slowing economy and anticipated impact of performance measures, they acted quickly to prepare a proposal. Another reason given by the National Office for not accepting the negotiated levels was that there is not a process in place by the U.S. Department of Labor to accept proposals though such process is required by federal law. Another reason given was that the impact of the proposal would not be felt in Program Year 2000. Mr. Ron Stone explained that the National Office stated a workgroup was being formed to develop a negotiation policy, but so far no timeline has been given. Robert Dreschler asked if the efforts for Program Year 2000 were dead and Chairman Fisher explained they were not, but the Board might want to re-focus on Program Year 2001 instead of pursuing Program Year 2000 more. **Motion was made by Helen Moore, seconded by Dr. Calvin Johnson, and carried unanimously for the Board staff to immediately begin focusing on negotiations for Program Year 2001 while preparing a letter to the U.S. Department of Labor expressing the strong disagreement with resolution and disappointment of the last proposal.**

Action Item 4 – Plan for Arkansas State Youth Council: Chairman Fisher explained that discussion about a state youth council had been entertained at the past several Board meetings and Mr. Elroy Willoughby, staff, has focused on youth activities in Arkansas since joining the staff in late March. Chairman Fisher asked the Board to turn to pages 11-21 of the agenda book for the report completed by Mr. Willoughby which gave descriptions of other states' youth councils, the goals, mission and vision statements, and possible members for an Arkansas state youth council. Chairman Fisher asked Mr. Willoughby to report on his findings. Mr. Willoughby explained that the National Governor's Association and the U.S. Department of Labor feel a state youth council is a good idea. He said the National Governor's Association reported that 21 states have established, or are in the process of establishing, a state youth council. Mr. Willoughby stated that he did not believe a state youth council would constitute duplication of another body because the Workforce Investment Act has such a wide focus.

Chuck Cramer asked if the local boards support the idea of a state youth council. Mr. Willoughby said that he has had informal discussions with the local boards and has learned that some of them are experiencing challenges, which might be alleviated by a state youth council

through sharing ideas and offering support. He reminded the Board that this council would only be an advisory group; they would have no authority to make policy, approve local activities or take action.

Dr. Steve Franks, Director of the Department of Workforce Education, stated that the Career Opportunities, or "School to Work," was approaching its last year of funding and some sustainability from the Workforce Investment Act would be needed in order to continue its work. He felt a state youth council would be a good transition. Mr. Willoughby added that a concern heard from the local board chairs is the need for more contact with local school districts, and a state youth council would address that concern.

Robert Drechsler asked about the financial implications of a state youth council. Dr. Beene explained that the operating expenses would come from the office's operating budget, the program expenses would come from the youth activities line in the state activities budget, and from the local areas through the funding stream.

Chuck Cramer asked if this council would create another line of bureaucracy for the local boards to negotiate with and asked for some local area input. Mr. J.R. Marlow, chair of the Western local workforce investment board, stated that he had no issue with a state youth council as long as it remained an advisory entity and the local areas could put in their own language. Mr. Willoughby reminded the Board that the local youth council chairs are recommended as state youth council members and that the council was not perceived as a level of bureaucracy. He said the staff viewed a state youth council as a tool or a clearinghouse to assist the local boards. Dr. Beene added that the staff does not want to create something unless it is really needed and a thorough investigation on potential duplication was conducted with no duplication seen. Sharon Williams and Stephanie Lopez, both local Administrators, felt that this would be another meeting their youth council chairs would have to attend in addition to the quarterly meetings with the Arkansas Workforce Association (AWA).

Bill Sutton stated that maybe the Board should hold off on creating a state youth council until it can be studied further. Karen McFarren stated that Mr. Willoughby had done a lot of hard work, and she had reservations about postponing the council.

Motion was made by Judge Frank Scroggins, seconded by Helen Moore, and carried unanimously to table the decision on a state youth council for the January, 2002 regular quarterly meeting. This motion was made with the understanding that Mr. Willoughby would continue to monitor the ten local youth councils and get feedback from the local areas while comparing youth performance measures of the local areas.

Action Item 5 – Remedy for Increasing Service and Related Expenditure of WIA Title I Funds: Chairman Fisher stated that at the June 12 Executive Committee meeting he asked the staff to develop a policy and timeline as a remedy for increasing services and related expenditure of WIA Title I funds for local workforce investment boards. He focused the Board on pages 22 and 23 of the agenda book for the policy and timeline recommended by the staff to help assure timely spending of local area funds. Chairman Fisher reminded the Board that the local workforce investment boards receive funding for a two-year time and if the money is not spent at the end of

those two years, it is returned to the state. He said that as of now, only one year remains to expend those funds and two areas, North Central and Southeast, had significant funds remaining to be spent as of the March report. Dr. Franks asked about the life of the JTPA money and Bryan Hicks, Employment Security Department, stated that the JTPA rollover money had a three-year life resulting in one more year to spend. Dr. Franks asked if the Board would require two plans, one for the JTPA funds and one for the PY 2001 funds. Chairman Fisher stated that only one plan explaining how both types of funds would be spent is all that is necessary. Dr. Franks added that he thought 60 days was too long for local areas to submit a corrective action plan and thought 30 days would give local areas three months of implementation before the end of the calendar year. Chairman Fisher agreed and added that another suggestion is that the local areas knowing they will not expend all of their funds will voluntarily transfer the funds to the state for further distribution to local areas that need additional funds. Dr. Franks made the suggestion that the local boards be required to submit a corrective action plan to the state by August 31, giving them 30 days instead of the proposed 60. He stated that this would give the local areas 90 days to implement the plan if it approved by the state. **Motion was made by Dr. Steve Franks, seconded by Jim Pickens, and carried unanimously to adopt the proposed policy and timeline with the dates changed to August 31 for submission of the Corrective Action Plan, September 18 for approval of plans, and the staff presenting key dates for monitoring the local board's progress.** (A copy of the proposed policy and timeline for increasing service and related expenditure of WIA Title I funds is carried as Attachment B to the permanent copy of these minutes.)

Action Item 6 – State Board Attendance Policy: Chairman Fisher stated that it was brought to the attention of the staff that a policy for excused absences should be approved by the Board for more efficient records and documentation of members' absences. He explained that page 24 of the agenda book included background information about the current absence policy and the proposed excused absence policy. He explained that the new policy would require Board members to notify the staff at least three days in advance of a meeting if they will be absent and the reason for the absence. The absence will be recorded as "excused" and will not need to be forwarded to the Governor's Office for action. Concerns about accountability were mentioned by some board members. Dr. Beene explained that there is a difference between the local laws and the state law because the state laws require the attendance to be reported to the Governor's Office and it is auditable. Dr. Matlock agreed that the board members should carry the responsibility to notify the staff if they will be absent and Robert Drechsler stated that due to the demands and short notice of the business world, one day of notice would be more reasonable than three days. **Motion was made by Robert Drechsler, seconded by Joe Warren, and carried with Joe Dillard, Chuck Cramer, and Carl Bayne for Ed Rolle opposing to adopt the excused attendance policy by changing three days notice to one day notice.** (A copy of the State Board Attendance Policy is carried as Attachment C to the permanent copy of these minutes.)

Joe Warren asked about the Arkansas Workforce Association as mentioned during discussion of the state youth council. J.R. Marlow, Chair of the Western Local Workforce Investment Board, answered that the Arkansas Workforce Association was designed to help bridge the gap between the state and local boards. He said the Association began with the chairs of the local boards and has since grown to the youth council chairs and One-Stop Operators and Administrators. He

explained that the Association has met twice already and plans to meet every quarter, three weeks prior to the regular quarterly meetings of the state Board. He explained that it is a way to coordinate the voices of ten local areas into one voice to the State Board. He said that if someone wants to be notified of the meetings, to ask Stephanie Lopez and she will add them to the distribution list. Chairman Fisher stated that this leads to the question of who's going to be the lead in workforce training and development from an organizational standpoint. Stephanie Lopez interjected that the Association was intended to make sure the Chairs' voice is heard and to share ideas among other local board chairs. Chairman Fisher explained to the Board that he and Dr. Beene have routinely called meetings of local representatives and scheduled a local board training session in June, 2000, which was canceled due to lack of respondents. Dr. Beene said she wanted to make sure the effort to communicate from the state staff was represented because the staff has routinely attended local meetings and also called meetings of the local representatives. Jim Smith expressed the concern of a potential conflict of interest and said he didn't see how these two efforts couldn't be coordinated. J.R. Marlow added that anyone can come to the meetings; the Association was never intended to be in conflict with the State Board. Sharon Williams added that the Association serves as a common meeting arena for the local chairs.

Ratification Items by Consent: Chairman Fisher directed the Board to pages 25-29 of the agenda packet to review the ten ratification items. He said the Executive Committee took action on ten items last quarter, including the Marketing and Outreach Contract, Title I Inventory Policy, Policy for Local Boards to meet Four Times a Year, State Agency Operating Budget, WIA Title I Allocations to Local Boards for PY 2001, Cost Allocation and Resource Sharing Guideline, Authority to Negotiate Dislocated Worker Performance Measures, Northeast Arkansas' Allocation Transfer, Revision to the State Unified Plan, and Payment of AWIS Balance of \$0.9 million. **The ten items were ratified on motion made by Dr. Kathy Matlock, seconded by Tom Anderson, and carried unanimously.**

Information from Employment Security Department on Local Area Obligated and Expended WIA Title I Funds: Chairman Fisher focused the Board on a report concerning obligated as well as expended funds of local workforce investment boards. He said the report was requested at the May 8 Executive Committee meeting and the Employment Security Department offered to present the report to the Board. Chairman Fisher guided the Board to pages 30-33 of the agenda book, which carried the report and mentioned that Bryan Hicks of the Employment Security Department was present to answer any questions about the report. Dr. Beene added that the report provided numbers as of April 30 and the local board administrators may have updated numbers to present to the Board. A request was made to provide the June 30 numbers to the Board.

Presentation on Job Corps Centers: Chairman Fisher stated that one of the workforce development and training programs in Arkansas is the Job Corps Centers. He explained that there are three Centers in Arkansas including Cass, Little Rock, and Royal. Chairman Fisher welcomed Mr. Terry West, Director of the Ouachita Job Corps Center in Royal, Arkansas to give a presentation on the Job Corps Centers. Mr. West explained that Job Corps Centers is a federally funded program and measured on performance set by Congress. He said he believes the Job Corps Centers are the best-kept secrets in Arkansas and the nation, existing since 1964.

He stated that the Job Corps Centers are the largest youth service in the country with 118 Centers in the nation and 1.9 million youth served to date. He said that youth come from all over to receive services from a Center, but they have to be eligible and suitable for the program. He explained that the national goal for the Centers is to serve 80% of qualified students in the area and Royal is at 65% to date. Surveys of the participating students are conducted every three months to assure satisfaction. Students participating can receive a diploma or GED and 82% of the students who participate in the program either leave with a job or enroll in higher education. The students receive a \$1.46 return for every \$1.00 spent. The Job Corp Centers are business driven with an Industry Advisory Council. He explained that the Centers are administered by the U.S. Department of Labor and \$15 million is budgeted between the three centers in Arkansas. When asked about the tracking system, Mr. West explained that each student who participates in the program is assigned a staff member to follow-up with phone calls to the student after six months and one year. Helen Moore said she had attended a meeting at one of the Job Corps Centers and was very impressed. Chairman Fisher thanked Mr. West for his presentation.

Presentation on Economic Development Planning Session: Chairman Fisher explained that there is a connection between the Workforce Investment Board and the Economic Development Plan required by the Workforce Investment Act. He said the Board is grateful for the immediate work Mr. Jim Pickens, Director of the Department of Economic Development, has taken to develop such a plan. Chairman Fisher said that as a Board member Mr. Pickens should be recognized for his accomplishments and asked him to present some more information on the Arkansas Economic Plan as well as the Opportunity Arkansas Sessions to be held on July 12. Mr. Pickens thanked Chairman Fisher for the opportunity to speak and said he wanted to start out his report by thanking Dr. Beene and Sammy McGuire for putting together the most comprehensive training package for Northeast Arkansas he has seen. He said that he hopes to be able to announce 1700 jobs in Jonesboro soon as a result of that package. Mr. Pickens explained that the Economic Plan for Arkansas is an evolving strategy and needs to be dynamic with local people partnering in a non-biased, non-partisan way. He said jobs come to Arkansas because of the low wages and there are more prospects now than before. He stated that no matter what city or town he visits in Arkansas, the issues remain the same but the faces change.

Mr. Pickens explained that he would like to partner with the Department of Higher Education to gear toward local leadership. He stated that 80% of the jobs nationwide do not require a college degree and Arkansas is missing that 80%. Mr. Pickens continued his report by discussing the Opportunity Arkansas events scheduled for July 12. This would be a series of five meetings held in Arkansas on the same day with the Governor speaking to all five through satellite connection and then visiting each site during the day. He explained that a state economist would be present at each site to review the nation, state, and local economies. Mr. Pickens ended his report by encouraging partnership among Arkansans.

Bill Sutton asked what Mr. Pickens thought were the workforce training needs not being met or that he would like to see met better. Mr. Pickens said Arkansas is missing the mark in education needs by still trying to pump people through college when it is not always needed. He said he and Lu Hardin are going to encourage two-year colleges to ask what type of person is needed for college. Bill Sutton agreed and added that he is finding that training programs for less than two years is even more important than for two or four years. Don Finley complimented Mr. West

and Mr. Pickens for their passion and asked Mr. Pickens what he could do for industry today and how to engage business and industry. Mr. Pickens explained that business and industry issues will be covered at the Opportunity Arkansas Sessions on Thursday. Candis Collins, representing labor, expressed that she was concerned about promoting Arkansas as a “Right to Work” state. Mr. Pickens said that any job that comes to Arkansas benefits Arkansas.

Mr. Mike Leach, Good Faith Fund, asked about the comprehensive training package Mr. Pickens mentioned. Mr. Pickens explained that a training package is created to address the specific needs of the company creating the jobs; it is customized to the company’s needs. Mr. Pickens stated that Dr. Beene helped fund that customized training need through the local workforce investment funds. Dr. Beene added that the partnership and work was conducted at state-level and also vertically with local level involvement when the Northeast Arkansas Board transferred the funds for potential training for industry. Mr. Pickens concluded by saying the purpose of economic development is jobs and the method is through partnerships. He encouraged everyone to attend the Opportunity Arkansas sessions and thanked the Board for the opportunity to speak.

Announcements: Chairman Fisher brought attention to the “Quest” magazine located at each member’s seat containing the centerfold article about One-Stop Centers. He announced that the Arkansas State Chamber of Commerce and Associated Industries of Arkansas (AIA) recently received a Bronze Quill award from the Arkansas Chapter of the International Business Communicators for a recent news release about the workforce investment boards.

Mr. Grover Evans of the Little Rock local board announced that the “Ticket to Work” conference about serving people with disabilities would be held in Dallas. Eddie Miller of the State Board announced he would be attending the conference held in Las Vegas as well as Dallas. Jim Hudson and Randy Parker also said representatives from their agencies would attend those meetings. Chairman Fisher asked that a report of those meetings be presented to the full Board at the October meeting.

Chairman Fisher announced that the list of local board meetings was included in the agenda materials as well as a list of all upcoming state board meeting dates and locations. He announced that the next Executive Committee meeting would be August 14 and the next regular quarterly meeting would be October 9 at the Embassy Suites Hotel. He asked the Board to sign their TR-1s.

Adjournment: **The meeting was adjourned at 11:50 a.m. on motion made by Helen Moore, seconded by Steve Lux, and carried unanimously.**

Bill Fisher, Chair

Dr. Linda Beene, Executive Director

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