

MINUTES  
EXECUTIVE COMMITTEE  
WORKFORCE INVESTMENT BOARD  
September 18, 2001

Chairman Bill Fisher called to order a meeting of the Executive Committee, Arkansas Workforce Investment Board at 9:00 a.m. on Tuesday, September 18 through teleconference originating at the Board office in Little Rock. Members who were able to participate included Gilbert Baker, Joe Dillard, Robert Drechsler, Larry Featherstone, Bill Fisher, Garland Hankins for Steve Franks, Mary Beth Green, Alan Hughes, Kathy Matlock, Karen McFarren, Helen Moore, Bill Sutton, Joe Warren, Campbell Wilkerson, and approximately ten public representatives. Gloria Lynn was unable to participate.

Chairman Fisher welcomed Senator Gilbert Baker to the Executive Committee and mentioned that Ed Rolle and Bryan Hicks from the Employment Security Department were participating. Chairman Fisher also welcomed Jim Smith, Chair of the Strategic Planning Committee.

Minutes: **The minutes of the August 14 Executive Committee meeting was approved on motion made by Bill Sutton, seconded by Karen McFarren, and carried unanimously.** Campbell Wilkerson asked if the request to follow-up with Pulaski Technical College concerning the Eligible Training Provider List was completed. Dr. Beene said that Robert Mantione of the Employment Security Department would be joining the teleconference and could answer that question, but she had specifically requested the follow-up..

Report of Executive Director: Dr. Beene began her report by discussing the National Governors' Association meeting from which she had just returned. She said the meeting was valuable and informative, but no news on the rescission. She mentioned that Governor John Engler of Michigan assumed the role of Chair for the National Governors' Association and has stated that workforce issues will be at the top of his agenda. Governor Paul Patton of Kentucky was named Vice-Chair.

Dr. Beene continued her report by reviewing some follow-up items from past board meetings. She said an article featuring John Parke, Chair of the Little Rock Workforce Investment Board, was emailed to the Board. The revised local board maintenance policy was distributed to the local boards for action, and as mentioned earlier, an Eligible Training Provider list update will be provided when Robert Mantione joins the teleconference.

Dr. Beene explained that a letter was received from Ray Uhalde of the U.S. Department of Labor stating that no action will be taken to renegotiate performance standards until a workgroup completes a process for the renegotiation. Dr. Beene stated that after hard work, Ron Stone of the staff was named as a member of the workgroup and participated in the first meeting held in Washington, D.C. on September 5-6. She said the staff would keep the Board informed on the progress of that workgroup. At some point later this fall, she expects Chair James Hendren to refocus his committee on 2001 performance measures.

Dr. Beene continued her report by mentioning that the Annual Report would be due in Washington, D.C. on December 1. She said a request has already been made to various partners and local representatives for narrative information to include in the report. Dr. Beene announced that Ed Rolle reports the AWIS system was on track to provide the data needed for the Annual Report.

Dr. Beene said several meetings were held in Southeast Arkansas since the August Executive Committee meeting. She said a meeting was held with Representative Calvin Johnson, Workforce Investment Board member, and other Legislators from that area as well as a meeting held with Judge Rita Shepherd and the Southeast County Judges. Dr. Beene said Baird, Kurtz and Dobson (BKD), an accounting firm, conducted financial monitoring of the Southeast Local Workforce Investment Board administrator and program provider and a report of that monitoring activity was received by the Employment Security Department. Bryan Hicks, Employment Security Department, informed the Board that the process would be ongoing and an exit interview was scheduled with the administrators of the local board that afternoon. Chairman Fisher asked if Ed Rolle had any comments at this time. Ed Rolle said his agency has a general sense of the problems but thought it was premature to say before the meeting with the local board. He also said that at the request of the Chief Elected Officials from Southeast Arkansas, a contract will be made with BKD to conduct a management review of the local board; and that information would be made available to the State Board. Dr. Beene explained that Southeast Arkansas Mayors delegated their authority for fiscal responsibilities to the Judges. Mayor Joe Dillard stated that he was almost certain Mayors cannot delegate away their responsibility. Dr. Beene stated that this was her opinion but is clarifying the legal opinion. Campbell Wilkerson asked why the Mayors decided to delegate their responsibility and Dr. Beene stated that based on her understanding, the Mayors were told that the Judges should have the role of implementation.

Dr. Beene concluded her report by saying regular meetings have been held with the Local Board Administrators and Program Providers. She said Chairman Fisher, Christina Miller and she attended the *Nestle, USA* groundbreaking ceremony in Jonesboro. Dr. Beene explained that the General Accounting Office was conducting a series of interviews and site visits concerning youth programs in the transition from JTPA to WIA. She said Elroy Willoughby of the staff was still completing the notes from the survey but generally the interviewer seemed pleased with the results of Arkansas and said the concerns heard from Arkansas were the same concerns heard from other states. Dr. Beene also added that the new logo was ready and would be disseminated to the local boards in the next couple of days. She said the media days were being finalized with the local boards and those dates would be distributed to the State Board. Dr. Beene announced that the second One-Stop Conference was scheduled for March 19-20, 2002 and would focus on the business and industry use of the Centers. Chairman Fisher asked that a tentative agenda for the conference be included in the November agenda. Dr. Beene asked that the business members of the Board submit ideas and suggestions to the staff.

Report of Strategic Planning Committee: Chairman Fisher stated that the Strategic Planning Committee met on August 23 to further discuss the research of workforce development and training programs in Arkansas. He said a written report was included on pages 9 and 10 of the agenda book; and Jim Smith, Chair of the Committee, would give the report of that meeting. Mr. Smith reported that the Strategic Planning Committee met with Clevon Young of the Human Development Corporation and Tim Stevenson of the E.A.S.T. Initiative. Chairman Smith said Clevon Young made a good presentation about the migrant and seasonal farmworkers service centers. He said that six out of the ten local areas work with this program. Chairman Smith stated that the E.A.S.T. Initiative was a performance-based learning environment which focused on team and project-based activities. He said the goal of the program was to assist students in developing competencies for the 21<sup>st</sup> Century. Chairman Smith said Robin Pelton of the staff presented a report of the status of the Committee. He said she has completed 55 interviews and will be finished with all interviews by mid-October. He stated that she has created a grid which brings together the specific elements of information for each program that the Committee will analyze later. Chairman Smith said the Committee was on target to make a report and recommendation after the first of the year. He also thanked the staff for their support. Chairman Fisher thanked Mr. Smith for his report and asked about the possibility of having

these programs partner with the One-Stop Centers. Mr. Smith said that was good issue and would be looked into further. (A copy of the Strategic Planning Committee report of August 23 is carried as Attachment A to the permanent copy of these minutes.)

Corrective Action Plans: Chairman Fisher reminded the Committee that at the July 10 regular quarterly meeting, a policy and timeline was approved for increasing services and related expenditures of WIA Title I funds. He said that notification was sent on August 1 to the seven local areas affected by the policy and six of the seven areas submitted documents by August 31. A letter was received from Eastern Arkansas on September 13 and faxed to the Committee on Monday. Chairman Fisher asked the staff to review the status of the plans. Rebecca Trammell of the staff explained that five areas submitted plans for review by the Employment Security Department. Each plan included a narrative and fiscal information. She said only the narrative of each plan was included in the agenda book and all five plans were recommended for approval. **Motion was made by Bill Sutton, seconded by Mayor Joe Dillard, and carried unanimously to accept the Corrective Action Plans as submitted by Central, City of Little Rock, North Central, Southwest, and West Central.** Vice-Chair Joe Warren asked what types of follow-up would be implemented for these plans to assure that they are on target. Dr. Beene stated that the Board staff would work close with the Employment Security Department staff to monitor the local areas beginning October 1. Chairman Fisher asked that a status report be included on the November and December agendas.

Chairman Fisher focused the Committee on Eastern Arkansas' letter from Sharon Williams. He stated the letter was clearly not a plan but a letter of explanation. He asked what the Board's desire was on this plan and also for the staff's recommendation. Dr. Beene stated that the overall guidelines as approved by the Board required that 100% of the funds be obligated by December 31 and based on the staff's calculation, this was not met in the letter. Dr. Beene said Sharon Williams may have some explanation why it will not be met, but the staff did not know why. Helen Moore made a motion to approve Eastern's plan if they can show that they will obligate 100% of their PY 2000 youth funds by December 31, 2001 as required in the approved policy. The motion died for lack of a second. Bob Drechsler stated that he could not second the motion because it is a restatement of what was already requested. He also asked what types of corrective action was available for the Board if the plan is not submitted. Chairman Fisher stated that the Board made these policies without deciding what action can be taken if the policy is not followed. Bryan Hicks said the Board was legally allowed to pull any unobligated funds up to 80% from any local area which has less than 80% of their funds obligated as of June 30, 2001. He said those pulled funds could then be given to another area that meets the 80% obligation of their funds in the same funding stream. The pulled money must be used in the same funding stream. He explained that the funds not pulled would remain at the local area for use until June 30, 2002. Campbell Wilkerson asked if this was the only option for the Board. Bryan Hicks answered that the money not spent by 2002 can come back to the state to re-allocate but if it is not spent at the state level by June 30, 2003, the money reverts back to the Department of Labor and is lost. If the unspent funds stay at the state level, the State Board can spend it under the 15% set-aside funds at the state-level, or choose to return the money to another qualifying local area under the same funding stream that it was pulled. Bill Sutton asked if there was a reason Sharon Williams did not submit a plan. Cindy Varner, Deputy Director, explained that when a plan was not received from Eastern Arkansas, a call was placed to Sharon Williams. During that call Ms. Williams explained that she felt there were discrepancies in the numbers reported. Ms. Varner asked Ms. Williams to submit the numbers Ms. Williams felt were correct. The letter faxed to the Executive Committee is what was submitted. After explanation was made Ms. Varner, Ms. Williams agreed to submit a plan. However, no plan was submitted, only the letter. Ms. Varner explained that the Board staff did not know there was a discrepancy until the plan was not received on the due date because the numbers supplied by

Bryan Hicks were correct. **Motion was made by Bob Drechsler, seconded by Helen Moore, and approved unanimously to contact Eastern Arkansas and require that a plan be submitted to the staff by September 28 or funds not obligated will be pulled from the Eastern Arkansas Local Board.**

Chairman Fisher focused the Committee on the Corrective Action Plan for Southeast Arkansas. He stated that an ongoing financial monitoring was in process and another meeting was scheduled for the afternoon with the staff of that Board. He pointed out that on the bottom of page 12 of the agenda book, the staff did not recommend approval of the 90-day extension requested by the Southeast Local Workforce Investment Board. Campbell Wilkerson asked if the money could be pulled now from this area and if so what could be done with it. Bryan Hicks said he could not recall what the regulations were and would have to look at the possibilities. **Motion was made by Bob Drechsler, seconded by Alan Hughes, and carried unanimously that the extension requested by the Southeast Local Workforce Investment Board be declined and that Ed Rolle and Dr. Beene meet to discuss options and report those options to the Board at the October meeting.** Dr. Matlock made the suggestion of a task force to move in so services are not disrupted.

National Assessment of Adult Literacy: Chairman Fisher stated that at the August 14 Executive Committee meeting, Dr. Mark Kutner, Project Director for the National Assessment of Adult Literacy, made a presentation to the Board. He said several questions were asked and discussion was entertained about the advantages and disadvantages of the project. Some questions were left unanswered and Dr. Kutner sent the answers to the staff, which was included in the agenda book. Chairman Fisher also stated that Garland Hankins of the Department of Workforce Education was participating for Dr. Steve Franks and could answer any further questions. Chairman Fisher said the cost to the Board would be \$100,000 each year for three years, a total of \$300,000. This amount was approximately 40% of the entire cost of the program, \$725,000. Garland Hankins said the initial plan is for the Department of Workforce Education, the Transitional Employment Board, and the Workforce Investment Board to each contribute one-third of the cost for the project. Chairman Fisher reminded the Committee that the Board approved the allocation of the first \$100,000 in the 15% set-aside budget.

Chairman Fisher asked Garland Hankins to explain why this project would be beneficial to Arkansas. Mr. Hankins stated that this type of assessment has never been done before. Real research of skill levels in Arkansas is needed to address the needs of Arkansas. He said it would be a great benefit to Arkansas as a whole and would help in the structuring of programs. Campbell Wilkerson asked what would be done with the information once it is collected. Mr. Hankins said the information would be shared with many agencies and used for an integration of services. He said that now an equalizing of funds exists, but after this information is gathered, there could be a refocus of funding to the programs that have the most needs. It was determined by separate information not supplied for the agenda but contributed by Mr. Hankins that 12 areas of Arkansas would be sampled with a total of about 1,123 persons assessed. Bill Sutton asked if this assessment would give a better answer than polling the agencies. Dr. Matlock and Garland Hankins both answered yes. Dr. Matlock added that Kentucky is known for recognizing the need of literacy in their state thanks to this assessment. She said Arkansas needs to develop a benchmark before it can start serving the needs of the people. Dr. Beene added that the structure of programs in the state law could be changed based on the data collected from this assessment.

Campbell Wilkerson asked what would happen if the Transitional Board decides not to contribute to the funding of this assessment. Mr. Hankins responded a decision would have to be made about how

to proceed. He said some other state agencies could be approached to participate. Dr. Beene stated that the effort right now was to find a starting point for this assessment and there is a November 1 deadline to commit to the project. **Motion was made by Helen Moore, seconded by Dr. Kathy Matlock, and approved unanimously that the Workforce Investment Board contribute \$100,000 per year for three years to the National Assessment of Adult Literacy with a minimum of 1,123 persons assessed in Arkansas if other portions of the cost are assessed by other state agencies. If the program does not go forward, the money allocated for the assessment will be re-allocated by the Budget Committee.**

Revised End-of-Year Financial Budget: Chairman Fisher stated that at the August 14 Executive Committee meeting, an end-of-year financial report as supplied by the Employment Security Department was approved. The report was since revised and pages 40 and 41 of the agenda book included the new report. He added that pages 42 and 43 carry the differences in the reports and there was no change to the Dislocated Worker report. He also said that the revised reports do not relieve any local area from the requirement of submitting a corrective action plan. There were no questions about the report.

Approved Statewide Activities Budget: Chairman Fisher said that the 15% set-aside budget was approved at the August 14 meeting with an addition of \$25,000 in line 26. The addition was included in the budget found on pages 45 and 46. There were no questions about the budget.

Turnover Rate of Local Workforce Investment Board Membership: Chairman Fisher stated that at the August 14 Executive Committee meeting, a revised local board maintenance policy was approved. He said a question was raised about the turnover rate for the local boards. He complimented the staff on getting the information found on page 48 to the Board and said he was concerned about the numbers for Little Rock, a 41% turnover for business members and a 65% turnover for education and other categorical members. He asked if there were reasons for these numbers. Dr. Beene explained that there are no specific reasons except the fact that Little Rock may have more changes generally in work assignments and location changes for business members. Vice-Chair Warren stated that it seemed several areas had less than 51% business members on the board. Dr. Beene stated that part of the local board maintenance process the staff was currently working on would help determine if there is a majority of business members on each board. She also added that the local boards will need to be re-certified every two years, which would be January, 2002. Chairman Fisher asked the staff to have information on business member representation and participation of each local board at the October Board meeting. Dr. Beene said the staff would try to get it but they do not have all the information requested from the local boards. Campbell Wilkerson said he has great concern about the 51% business/industry ratio and wanted to know what can be done if the information requested is not supplied to the state board. Karen McFarren added that she went to one of North Central's board meetings that claimed to have a quorum even though it did not look possible. She said the Board needed to know the participation as well as if they have 51% business representation. Dr. Matlock agreed that attendance appears to be a serious problem. She said time is money to the business members and suggested that local boards occasionally use teleconferencing or compressed video for meetings. Bryan Hicks stated that the State Board could interrupt funds to local boards that do not comply with State Board requirements. Campbell Wilkerson said the State Board should interrupt the funds of those areas that do not comply; the State Board needs to use resources at its disposal. **Motion was made by Karen McFarren, seconded by Campbell Wilkerson, and carried unanimously that the staff notify the local areas that the State Board will hold funds from any local area that does not supply requested information to the State Board.**

Report on Eligible Training Provider List: Chairman Fisher thanked Mr. Robert Mantione of the Employment Security Department for participating in the teleconference and asked him for an update on the Eligible Training Provider List. Mr. Mantione thanked the Committee for the opportunity to speak and said he was the Division Chief for Labor Market Information at the Employment Security Department. He said an automated process was being developed for the Eligible Training Provider list and the target date is September 24. He said that with the Executive Committee's previous action, the present system has gone to an on-demand process instead of quarterly. He said an email notification with a user name and identification to use the program would be sent to all providers and local areas. Chairman Fisher asked where the Eligible Training Provider lists could be accessed and Mr. Mantione gave two website addresses. One website was through the Employment Security homepage Labor Market Information connection and the second site was [www.crs.org](http://www.crs.org). Mr. Mantione said that he contacted Pulaski Technical College directly and the Eligible Training Process was explained. He said the application has been submitted and the approval of the program was in process. He also added that a number of programs outside the state are on the list and can be added. Mr. Mantione said a miscommunication about the process seems to exist. Chairman Fisher asked Dr. Beene to communicate the Eligible Training Provider process to the local areas. He thanked Mr. Mantione for the update.

Announcements: Chairman Fisher announced that a copy of two articles was included in the agenda mailing, one from the *New York Times* on the Workforce Centers and one from *Arkansas Business* on the *Nestle, USA* ceremony. He said the next meeting would be a regular quarterly meeting at the Embassy Suites Hotel on October 9. The next Executive Committee meeting would be at the Jonesboro One-Stop Center on November 13.

Adjourn: **With no other announcements, motion was made by Kathy Matlock, seconded by Bill Sutton, and carried unanimously to adjourn the meeting at 11:00 a.m.**

Bill Fisher, Chair

Dr. Linda Beene, Executive Director

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