

Board Meeting
May 9, 2017
10:00am – 1:00pm
Pennsylvania School Boards Association

Meeting Minutes

ATTENDANCE:

Chairman Mark Butler, Secretary Kathy Manderino, Secretary Russell Redding, Deputy Secretary Eileen Cipriani, Representative Ryan Mackenzie, Idayat Adewunmi, Lynette Brown-Sow, Julene Champion, David Chalson, David Gruno, James Harper, Jr., Wendie DiMatteo-Holsinger, Ron Kratofil, James Kunz, Henry Nicholas, Dionne Wallace-Oakley, JoAnne Ryan, Brian Schaller, Frank Sirianni, Dr. John Sygielski, John Thornton, Matt Yarnell, Carrie Amann representing the Governor's Policy Office, Brian Holler representing Secretary Ted Dallas, Carol Kilko representing Secretary Dennis Davin, Daniel Bauder representing Patrick Eiding, Sam Koch representing Pedro Rivera, and Richard Schoch representing Michael Pipe.

Guests: Janet Anderson, Keith Bailey, Linda Blake, Pat Bokovitz, Mandy Book, Lee Burkett, Brandy Burnham, Terri Consevage, Roseann Cordelli, Steve D'Ettoire, David DeNotaris, Johnathan Derr, Nancy Dischinat, Gregg Dogan, John Flanagan, Dan Fogarty, Bob Garraty, Ami Gatts, Sam Giannetti, Cathy Girard, Stephen Herzenberg, Christine Houck, Patti Lenahan, McCrae Martino, Jesse McCree, Marge McKeivitt, Susan Miller-French, Connie Moonen, Sue Mukherjee, Erica Mulberger, Ruben Pachay, Eric Ramsay, Jennifer Rapach, Gwen Ross, Cathy Rychalsky, Lynne Ruby, Joseph Sebelin, Lila Singleton, Susie Snelick, Frank Thompson, Virginia Turano, Katherine Vastine, and Tim Yurcisin.

Staff Present: Stephanie Larkin, Joel Miller, Michael Leister, and Pamela Cohen.

Welcome and Chairman's Remarks

Chairman Butler called the meeting to order at 10:08am. He welcomed the board members and thanked them for their attendance. Chairman Butler noted that a quorum was established. Stephanie Larkin, Director of the PA Workforce Development Board, reviewed the proxies provided from absent members. She announced a proxy from Vice Chairman Brown to the Chairman, Terry Dittes to the Chairman, Brian Funkhouser to the Chairman, and Abe Harpster to the Chairman.

Chairman Butler announced the arrival of three new business members to the board, each of whom introduced themselves. Julene Champion, Vice President of Talent at Geisinger Health System; Dionne Wallace-Oakley, Senior Vice President of Human Resources at Erie Insurance; and Dave Gruno, Chief Executive Officer at Shipley Energy. Chairman Butler thanked the new board members.

MOTION: Henry Nicholas moved to approved the consent agenda and approve the March 7, 2017 PA WDB minutes. Dr. Sygielski seconded the motion. The motion passed unanimously.

Social Service Integration Recommendation

Chairman Butler called on Stephanie Larkin to provide an update on the Social Service Integration Recommendation.

Ms. Larkin reviewed the letter she received from the Governor in response to the Social Service Integration recommendation, provided in the meeting packet. The letter agrees with some of the work that was going on, and gives considerations for other work for that committee. She added that the group will proceed by working with local workforce development boards to create a common intake form, and that some input has been received on that template.

Mr. Chalson stated that since other organizational consolidations were going on, the timing of this recommendation was not right for a second round of consolidations. He stated that the group will continue to work on how Labor & Industry and social services can better work together to accomplish the same goals.

Digital Strategies/Employer Engagement Ad Hoc

Chairman Butler called on John Thornton to provide an update on the Digital Strategies/Employer Engagement Ad Hoc Committee.

Mr. Thornton informed of a recent teleconference between the two workgroups to review the four outcomes of the focus group sessions held in Wilkes-Barre and Philadelphia. The first outcome, improving job seeker engagement, relates to updating job seeker information and keeping resumes up to date. A potential new tool, SARA, was introduced to help automate two-way communications so that job seekers can interact with the system and case managers can more easily track their activities in the throughout the process.

Streamlining the job application process, second outcome, stems from feedback that job applications that are uploaded to JobGateway® do not necessarily connect to employer application processes, requiring the job applicant to submit their information more than once. One way to begin standardizing this process is through the National Labor Exchange.

The third area of feedback was providing training for employers on how to use JobGateway®. The workgroups discussed creating online videos and tutorials that could be shared with employers on how to use the system more effectively.

Lastly is the need to increase awareness of the state workforce system through marketing. People do not understand the full capabilities of the system, so promoting what it can do beyond the regular job posting sites is important for its success. The workgroups will continue to discuss and research into these four areas.

Chairman's Report

Chairman Butler stated that the commonwealth is in the process of fully implementing the Workforce Innovation and Opportunity Act (WIOA). He then asked Ms. Larkin to explain what the law requires as it relates to the PA CareerLink® certification.

Ms. Larkin directed the group to the PA CareerLink® presentation provided in the meeting packet. There are requirements that WIOA places on this board, including the review and approval of the certification criteria that local boards will use for their PA CareerLink® Centers. This must be done every two years. The certification sets minimum levels of quality and consistency in services across the state.

To be eligible to receive their infrastructure funding, the local boards have to certify their PA CareerLink® Centers once every three years. That refers to their comprehensive sites, their affiliate sites, and their specialized centers. Comprehensive sites are defined as the physical locations that contain all the partner services, the traditional brick and mortar centers. Each local area must have at least one of those physical locations. But they can also have affiliate centers that could be one or more partners. Affiliate centers provide program services and activities and they are connected to a comprehensive center with the local area. The third type of PA CareerLink® is a specialized center, which relates to a specific population or a specific industry in the local area. They are also connected to a comprehensive center and they refer folks between partners and centers.

In addition to the Federal law, the commonwealth has issued Workforce System Policy 121-05 in draft form. This policy also discusses the certification and continuous improvement and considers the criteria draft being discussed. In certification, local boards must evaluate effectiveness, continuous improvement, and physical and programmatic accessibility.

Ms. Larkin directed everyone to additional definitions from the draft policy. These definitions are referenced in subsequent appendices.

Ms. Larkin shared that the draft criteria do not exceed what is in Federal law with one exception. The commonwealth added a criterion for staff development and program cross-training with the belief that it was imperative to have the systemic approach to staff development occurring in the local centers. That was a result of hearing from local areas that cross-training staff is vital to ensuring smooth and seamless service delivery.

Chairman Butler asked for clarification of the review process. Ms. Larkin indicated that the local board is responsible for evaluation the PA CareerLink® Centers within its local area. It is the responsibility of the State Board to recommend the criteria by which they do that.

John Thornton asked about who sets the performance measures. Ms. Larkin replied that the local boards can use the common measures as one of their performance criteria, but that they can also choose to have additional performance criteria that may allow them to better tell their story in their local area. The state is not setting a metric or a specific set of performance criteria.

Chairman Butler inquired about procurement of an operator and whether the lowest bid had to be accepted. Ms. Larkin informed that it would be dependent upon the situation, the procurement rules of the state, and whether the local board has procurement rules beyond that.

Matt Yarnell said that he would like to see language to include the front-line staff who actually deliver the services in the cross-training so there is worker voice in the centers.

Representative Ryan Mackenzie asked about the most previous round of PA CareerLink® certification pass rates. Ms. Larkin replied that if a center does not or is unable to certify, the center loses their infrastructure funding. She added that there is a corrective action policy in place when any local area is in need of assistance.

Secretary Manderino requested clarification between certification and meeting performance standards. Brandy Burnham, Director of the Bureau of Workforce Development Administration, explained that the local boards are certifying the PA CareerLink® one-stops, where Federal law requires that this Board puts forward the minimum federal criteria to ensure consistency among state, local, and business partners. The commonwealth also negotiates local standards that they can choose to put in place with all the local boards in a process separate and apart from certification. This process should be viewed as a way to create an expectancy for service delivery.

Wendie DiMatteo-Holsinger asked if all of our one-stop centers are meeting certification. Ms. Burnham confirmed that at this time, all of the local boards have PA CareerLink® centers that meet certification. She added that new policy will be distributed in the coming months regarding common identifier which is a federal tag line, America's Job Center. With that, and with WIOA, there was a shift from how these PA CareerLink® centers are defined, specifically by Federal law. All of the local boards are in compliance with WIA and WIOA. Ms. Burnham reiterated that all local boards are meeting the set standards, and that none are in corrective action.

Henry Nicholas said that healthcare is probably the commonwealth's largest employer. Since the last meeting, the AFSCME National Union of Hospital and Health Care Employees has created an apprenticeship for healthcare workers. It is the first of its kind in the United States. With the help of the Governor, AFSCME have created something that will eventually grow roots all over.

MOTION: Henry Nicholas moved to approve the PA CareerLink® Certification Criteria. James Kunz seconded the motion. The motion passed unanimously.

Chairman Butler then asked Ms. Larkin to provide an update on the state funding mechanism for PA CareerLink® infrastructure.

The law requires that the State Board give guidance to the Governor in relation to a state funding mechanism. Local areas are required to have funding agreements between all partners in their system on how they will fund not only infrastructure, but other shared costs in the system.

The guidance we are asked to give relates to the equitable and efficient cost allocation. It gives local area a reasonable cost allocation methodology where infrastructure costs are charged to each partner. The ultimate goal in the local area is to have agreement amongst all partners on how they fund their system.

Section 678.500 of the law covers one-stop operating costs, and talks about how the local areas have to negotiate a Memorandum of Understanding (MOU) between the Board, and have agreement of the chief elected officials and their partners in the service delivery area about the services that will be provided, how they are going to fund infrastructure costs, and how they are going to fund shared services, and operating costs. Local areas are going to have to talk about the duration of the MOU and

assure they will periodically review and modify it, if necessary. MOU's must be in place no later than June 30, 2017.

Infrastructure costs are defined as non-personnel costs necessary for general operations, including facility rental, utilities and maintenance, any equipment within that center, technology and common identifier which is a requirement under the WIOA Act. Infrastructure costs are laid out in an Infrastructure Funding Agreement, also known as a local funding mechanism. Because of the complexity of local infrastructure funding, the federal government has given the local areas until December 31, 2017, to reach an agreement.

In the event that a local area is unable to reach an agreement, they need to notify the Governor's Office. The Governor then has the ability to administer what is called the state funding mechanism, which sets caps on what level of funding certain partner programs can provide which ultimately could result in reduced funding for a local area. A complete listing of the one-stop partners and details of the implementation process will be provided to all Board members as follow up to this discussion.

Secretary Manderino asked the Board members to look for more information pertaining to the state funding mechanism and, upon receipt, to consider providing feedback on critical items so that an informed decision can be made by the body in August. Dr. Sygielski added that he would like to see a fact sheet that answers the most common questions.

Next Generation Sector Partnerships

Chairman Butler introduced Emily Lesh of the independent consulting firm, Lesh Advisors, who works closely with state and local business, policy, and program leaders to facilitate and guide the development of industry-driven partnerships and career pathways. Carol Kilko added that the Department of Community and Economic Development (DCED) and the Department of Labor & Industry has worked in collaboration with Lesh Advisors. Chairman Butler asked Ms. Lesh to share more information around the Next Generation Sector Partnerships (NGSP).

Ms. Lesh thanked everyone for the opportunity to speak today, and added that prior to doing this work, she was staff to the Colorado Workforce Development Board. This discussion is to focus on the role of the Board as well as what roles individual members can also play in scaling up NGSP.

Next Generation Sector Partnerships are regional partnerships that are made up of businesses from the same industry, together with partners from workforce, education, and economic development that are really addressing the issues of shared competitiveness in their region. The key features of NGSPs:

- They have an industry-driven agenda, meaning the agenda is identified by the businesses in the room that are invested in the partnership;
- They are community supported and those community partners come together to provide resources and critical support to drive forward the partnership's priorities, and;
- They are sustainable over time.

There are several benefits to both the businesses and to the public partners. Businesses are brought together to network with one another, often for the first time. Public partners are brought to the same table and hear firsthand, at the same time as businesses, what it is that businesses need and begin drawing connections between programs. This is where real career pathway system development can

really happen. When the focus is no longer on only one program, we are able to begin linking programs together.

Ms. Lesh recalled that several members of the Board attended the regional summits that happened across the commonwealth. She asked those who did attend to share what they learned about this new model and the value they feel it brings. Dr. Sygielski said it was difficult for those at the outer table not to interject by offering services. Mr. Chalson observed that while there are many valuable services available, they are not always centered on business needs.

Secretary Manderino asked Ms. Lesh to address the role of labor unions in supporting this partnership. Ms. Lesh informed that one of the many roles labor often plays is partnering with business to understand their workforce needs and aligning training programs, as well as developing apprenticeship programs that align directly with industry's need to plug individuals into training opportunities. There are also times where labor is more directly employing individuals, supporting career opportunities. Jim Kunz expressed his desire to see union labor explicitly defined in this partnership. JoAnne Ryan added that, from a business leaders' perspective, this model is refreshing in that it recognizes that business has needs that are not being met.

Chairman Butler added, from a business perspective, that collaboration is difficult in many industries because of the competitive nature of hiring for entry-level positions. Deputy Secretary Eileen Cipriani stated that an advantage of bringing businesses to the table from a workforce development point of view is the access to and use of labor market data to make decisions about funding and training. Secretary Manderino questioned the role of those partners who sit at the outer circle. Ms. Lesh explained that subcommittees are often formed shortly after the initial roundtable meeting. After business has identified their priorities, the work of the public partners can begin. They find programs and resources to assist businesses in their goals. They go on to collaborate among programs and agencies using firsthand input for decision making.

Secretary Redding stated his concern over the model and that the private-sector side may not be fully inclusive of all business entities. Mr. Chalson shared his view, as an employer, that the NGSP model is worth trying. Mr. Kunz asked Ms. Lesh whether partnerships in other states have experienced siphoning of talent as a result of the model. Mr. Yarnell raised a question of whether wage issues have been addressed in other states' health care partnerships.

Ms. Lesh said that she has seen State Boards assist by informing policy decisions, being an immediate clearinghouse for best practices and sharing what is happening across the state, effecting systems change, and establishing criteria for high-performing partnerships. Also, being a resource in and helping to connect community businesses as well as public partners with resources that exist.

Public Comment

Chairman Butler opened the floor for public comment. No public comment was offered.

Adjournment

Chairman Butler thanked the board for their attendance. The meeting adjourned at 12:50pm.