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Council on Workforce Investment

Friday, June 12, 2009

**Sheraton Madison Hotel
706 John Nolen Drive
Inspiration Room
(608) 251-2300**

MEETING SCHEDULE

Coffee will be available for the full Council Meeting.

10:00 a.m. to 12:00 p.m. Full Council Meeting

All full Council meeting materials are available on the CWI web-page at <http://www.wi-cwi.org>

Enclosed Meeting Packet Contents

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This is a public meeting; the meeting location is accessible to people with disabilities. If you have reasonable accommodation requests, such as the need for an interpreter or materials in an alternative format, please contact Kristy Budde at (608) 266-9199 or kristy.budde@dwd.wisconsin.gov, three days prior to the scheduled meeting.

Driving Directions and Map to Sheraton Madison Hotel

From East

Exit from I-94 West onto I-90 East. Follow I-90 East to Highway 12/18 West. Continue west on Highway 12/18 for 4.5 miles to Exit 263 (John Nolen Drive). The hotel is immediately on the right as you exit.

From North

Take Interstate 90 East or Interstate 94 East and exit onto Highway 12/18 West. Continue West on Highway 12/18 for 4.5 miles to Exit 263 (John Nolen Drive). The hotel is immediately on the right as you exit.

From West

Take Highway 12/18 and take Exit 263 (John Nolen Drive). The hotel is immediately on the right as you exit.

From South

Exit from I-90 onto Highway 12/18 West. Continue west on Highway 12/18 for 4.5 miles to Exit 263 (John Nolen Drive). The hotel is immediately on the right as you exit.



COUNCIL ON WORKFORCE INVESTMENT

**Friday, June 12, 2009
10:00 a.m. to 12:00 p.m.**

**Sheraton Madison Hotel
706 John Nolen Drive
Madison, WI 53713**

FULL COUNCIL MEETING AGENDA

- I. Call to Order and Minutes of March 27, 2009 Meeting - **Action**
- II. Executive Committee Report:
 - a. Dislocated Worker Report (Attachment)
 - b. Medicaid Infrastructure Grant Subcommittee Report (Attachment)
 - c. Regional-Sector Initiative and RISE Development and Oversight (Attachment)
 - d. Adoption of common language/priorities - **Action**
- III. American Recovery and Reinvestment Act (ARRA) Update
- IV. Update on the Governors Workforce Initiatives and CWI Recommendations
- V. Executive Director's Report
 - Workforce Investment Act and ARRA State and local Plans (Attachment)
- VI. Adjourn

COUNCIL ON WORKFORCE INVESTMENT

MEETING MINUTES

(Draft for CWI Approval)

March 27, 2009

Milwaukee

Members Present: Tim Sullivan (Chair), Joel Rogers (Co-Chair), Ron Danowski (Executive Director), Lyle Balistreri, Coleen Bates, Reggie Bich, Robert Borremans, Thomas Brien, Elizabeth Burmaster, Thomas Burse Sharon Canter, William Chaudoir, Kathleen Cullen for Dan Clancy, Jewel Currie, Roberta Gassman, Barbara Fleisner, Susan Hatch, John Heyer, Tina Koehn, Joe Leibham, Don Madelung, Kent Olson, Rick Raemisch, Rande Daykin (for Lee Rasch), Mark Reihl, Andrew Schuster (for John Scocos), Julia Taylor, Mark Thomas (for Karen Timberlake), Dean Welch, Josh Zepnick.

Members Absent: Daniel Andrist, Spencer Coggs, Kathleen Drengler, Jim Haney, Gayle Kugler, James Hill, Richard Leinenkugel, Phil Neuenfeldt, Don Rouse, Christopher Ruud, Joan Wilk.

CWI Staff Present: Gary Denis, Pamela O'Brien, Amy Phillips

Others Present: Sally Cutler, North Central Workforce Development Board; Michelle St. Clair, Francisco Sanchez, Waukesha-Ozaukee-Washington Workforce Development Board; John Cooney, Independent Contractor; Dick Best, West Central Workforce Development Board; Pat Schramm, Southcentral Workforce Development Board; Carolyn Peckham, Smooth Transition, LLC; JoAnna Richard, Linda Preysz, Karen Morgan, Department of Workforce Development; Randy Sommerfeld, Vocational Rehabilitation; Jayson Chung, Wisconsin Technical College State Board.

Key Issues/Discussion

Council meeting materials are available on the CWI web page at <http://www.wi-cwi.org>

Item I. Call to Order and Minutes of December 2, 2008

Chair Tim Sullivan called the meeting to order at 10:00 a.m., and the December 2, 2008 minutes were unanimously approved. The Chair's introductory remarks included positive news:

- The National Governor's Association's Sector Strategies Workgroup are providing tremendous coordination among state agencies and buy-in from all sectors;
- The State received approval on four of the five Workforce Investment Act (WIA) waivers in order to roll-out funds with more flexibility;
- The Governor accepted the CWI's December recommendations, and, announced implementation on March 5, 2009 of \$5.89 million in strategic workforce initiatives.

The Chair stated that the CWI expects accountability for these dollars with regular reports to include tracking of all funds based on CWI expectations, and specific examples of how waivers and sector strategies have been deployed in the workforce development areas.

Item II. Recovery and Reinvestment Act

http://www.wi-cwi.org/powerpoint/recovery_reinvestment_act_032709.ppt

Secretary Gassman welcomed Reggie Bicha, Secretary of the Department of Children and Families, to the CWI. After presenting the above power point on the American Recovery and Reinvestment Act (ARRA), the Secretary entertained discussion. State Representative Zepnick announced that he, Co-Chair Rogers and others met with Congressman Obey that morning regarding the State's activities with ARRA, and publicly thanked Wisconsin's Congressional delegation for their effectiveness in helping out the State and country. Mr. Olson reinforced the necessity of staying flexible with no roadblocks from the State in order to maximize service delivery innovation at the local level. Ms. Bates also wanted to have the State augment and better connect with the research-base that is currently a strong part of the state's innovative effort for new industries.

Item III. Executive Committee Report

- A. Dislocated Worker Subcommittee Report: Ms. Richard highlighted items of the current dislocated worker activities from the report provided in the meeting packet.
- B. Medicaid Infrastructure Subcommittee Report: State Representative Josh Zepnick summarized the report provided in the meeting packet. He and the Chair asked for any volunteers to serve on the re-constituted subcommittee anticipating their first meeting in May. Representative Zepnick indicated that the subcommittee is being staffed by the Department of Health Services, and CWI staff person, Pamela O'Brien, serves as the liaison.
- C. Chair Sullivan thanked Dr. Rogers and the Center on Wisconsin Strategy staff for being instrumental in the Sector Strategies initiatives. He stated that the State will take over supporting this initiative, and the Joyce Foundation may provide additional funding for the RISE activities. The CWI Executive Committee will provide the oversight for these initiatives. Secretary Gassman thanked Linda Preysz and the Technical College partners for their work on RISE.

Item IV. Apprenticeship Update

http://www.wi-cwi.org/powerpoint/apprenticeship_strategic_advantage_032709.ppt

Ms. Karen Morgan presented the above power point, and answered questions during a robust CWI discussion. Mr. Burse stressed the need for an expanded program particularly in Milwaukee given the African-American unemployment rate and the anticipated construction projects over the next four years. He wants to see the program increase mentoring, connect with Big Step, and actively provide products for employers and prospective participants for increased involvement. Mr. Burse also stated that people disenfranchised need to be actively recruited and provided supports to increase retention rates in the programs. Mr. Currie reinforced the need to be proactive as people do not know about these programs. He suggested a two-fold effort for recruitment: (a) 9th grade through high school, and (b) over 28 years of age and above who are out of work. State Representative Zepnick endorsed that concept as well as the programs broadening their participant base including persons with disabilities. Also stressing the importance of getting apprentice information out to people, Mr. Balistreri encouraged the expansion of apprentices, diversity within the trades, and more state-wide programs emulating the successes of Big Step and the Wisconsin Regional Training Partnership. Ms. Morgan stated that 29 is the average age in their apprenticeship programs, and within the industrial sector programs, 30% are minority. Ms. Taylor expressed concern about the low level of participation particularly with youth apprenticeships, and wanted to know if

ARRA funds could be targeted to increase apprenticeships. Dr. Rogers also noted the comparatively small number of participants, less than 1.3% of the total state workforce, and noted several impediments that could be overcome to increase the participation rate. Dr. Rogers pointed out that labor organization's past exclusionary attitude has dramatically changed to inclusion thanks to union leadership from the likes of Mr. Balistreri. The Chair noted that the CWI had a consensus that apprenticeship activities needed to increase to the scale of the potential workforce pool, and stated that a future discussion on this needed to be scheduled.

Item V. Executive Director's Report

Mr. Ron Danowski highlighted the timelines for the State's WIA planning activities that included the CWI recommendations, Governor's initiatives and a more rigorous effort with ARRA funds. He reported the input that was received from the required public review and comment period. Given that an ARRA stand-alone plan needed to be submitted to the U.S. Department of Labor by June 30, 2009, he will be asking for further input from the CWI particularly on performance and reporting issues. He provided updates on the federally-approved State waivers being implemented, revised local plans, and the summer youth program. Mr. Danowski stated that the state will be asking for two additional waivers to ease employer participation in customized training and on-the-job training. He also noted the coordination as a member of the Wisconsin Development Finance Board.

Input from the CWI included:

- Developing state priorities for WIA reauthorization given that the new administration intends to fast-track this legislation;
- Making certain the additional funds are reaching the people who really need assistance with new efforts to address the disenfranchised populations;
- Giving clear signals from the Governor and other leaders to people that the workforce "system" is real and serious about providing appropriate training and job placement;
- Minimizing state requirements so that WDBs can have maximum flexibility to best meet the needs of their participants; and
- Maximizing coordination.

The meeting adjourned at Noon.

Agenda Item II.a.

Co-Chairs Jim Haney and Phil Neuenfeldt

Dislocated Worker Report Summary
June 12, 2009 Council on Workforce Investment

The CWI's Dislocated Worker Subcommittee is scheduled to meet on June 17, 2009, and a detailed report to the CWI will be provided. In summary, since January 2009, there have been a total of 128 mass lay-off events of business closures (with more than 25 or more employees) affecting 9,409 workers. There have been a total of 13 Trade Adjustment Act petitions certified affecting 1,009 workers. Since the last March 27, 2009 CWI meeting, dislocation notices have been received from a wide-range of sectors with the southeast area of the state hardest hit, along with other communities including Pleasant Prairie, Watertown, Madison, Mosinee and Verona. These entailed twelve businesses affecting 939 workers.

Agenda Item II.b.

Chair, State Representative Josh Zepnick

**Medicaid Infrastructure Grant Subcommittee
Status Report**

June 12, 2009 Council on Workforce Investment

The Chair of the Council appointed an expanded membership of the Medicaid Infrastructure Grant Subcommittee in May, and provided the new charge as adopted at the March 27, 2009 Council meeting. The first meeting of the reconstituted Subcommittee will be held in July. The Subcommittee will be staffed by Molly Michels, Department of Health Services, and the CWI Liaison will be Pamela O'Brien, Department of Workforce Development.

The departments have been coordinating multi-pronged approaches to implement the Managed Care and Employment Task Force Report's recommendations. That report makes 84 recommendations ranging from state policy changes to employment service "best-practices" to suggestions for multi agency collaborations. Development of a statewide disability/employment training center to be housed within the public university system is a centerpiece of the report, with the target audience for training including state agencies, service providers and persons with disabilities. The report is designed to optimize community-based, integrated and competitive employment for persons with disabilities by leveraging the resources of the Medicaid funded long-term care system in combination with resources available from the workforce and vocational rehabilitation systems. Policy and sustainable infrastructure shifts will strengthen employment and retention outcomes for people with disabilities, while protecting and enhancing workers' healthcare and other benefits. Approximately one-half of the \$9.7 million grant funding for this calendar year is earmarked for these efforts. The Task Force Final report can be found at <http://dhs.wisconsin.gov/wipathways/>.

In addition to advising on the implementation of the Task Force report the Subcommittee will be asked for input on grant proposals for 2010, with the state request for funding due by the end of August. A major national effort for 2010 will be a media campaign directed toward employers linking them to state programs serving people with disabilities interested in jobs in their communities. All states holding Medicaid Infrastructure grants, 42 in all, are being asked to contribute to a \$4 million budget for this campaign. The Subcommittee will have an opportunity to provide input to the media campaign as Wisconsin, holding the nation's largest such grant, is expected to contribute significantly to this effort. Information about this national project, albeit directed toward grantees, can be found at <http://wethinkbeyondthelabel.net/statesponsors/> .

The Subcommittee will also advise the Department of Health Services on the implementation of the State's Medicaid Infrastructure Grant. The mission of the grant is to enhance Wisconsin's employment and training delivery system that:

- maximizes employment for people with disabilities;
- increases the state's labor force through the inclusion of people with disabilities; and
- protects and enhances workers' healthcare, other benefits and needed supports.

Agenda Item II. c.

Integration of the NGA Core Team and RISE into the CWI Executive Committee

Background

In July of 2008, Wisconsin participated in the National Governor's Association Policy Academy on Regional Sector Strategies. As a part of the strategy to implement a regional sector strategy approach in Wisconsin, a Core Team was formed. The Core Team consists of representatives of business, education, labor, state government and the Workforce Development Boards. The Core Team serves as the executive leadership team for the initiative. Earlier this year, the Core Team was expanded to include members of the CWI Executive Committee who were not at the time on the Core Team. The policy Academy portion of the project is scheduled to end on June 30, 2009.

In 2006, DWD and the Wisconsin Technical College System received funding from the Joyce Foundation to implement the Regional Industry Skills Education (RISE) project. Our successful efforts under the project have been rewarded through a second round of funding from the Joyce Foundation to continue to pursue our RISE effort. A part of the funding awarded was to help integrate the RISE and Sector Strategies efforts in a systematic approach under a single leadership group.

A logical group to take on the leadership role would be the CWI Executive Committee.

The CWI Executive Committee consists of the following members:

- Tim Sullivan, CEO, Bucyrus International, Inc.
- Joel Rogers, Professor, University of Wisconsin - Madison
- Daniel Clancy, President, Wisconsin Technical College System
- Roberta Gassman, Secretary Department of Workforce Development
- Richard Leinenkugel, Secretary Department of Commerce
- Phil Neuenfeldt, Secretary-Treasurer Wisconsin State AFL-CIO.
- Dean Welch, VP of Operations, IT Convergence
- Lee Rasch, Ph.D., President, Western Wisconsin Technical College
- Christopher Ruud, Executive Vice President, Ruud Lighting
- Tina Koehn, Vice President of Administration, UMOS Inc.

All of the CWI Executive Committee members are a part of the Sector Strategies Core Team.

Other members of the Sector Strategies Core Team include:

- Bob Meyer, President Wisconsin Indianhead Technical College
- Nina Carlson, Policy Advisor, Office of the Governor
- Cheryl Welch, Executive Director, Fox Valley Workforce Development Board
- Elizabethth Burmaster, State Superintendent of Instruction, DPI *
- Karin Wells, Wisconsin Association of Independent Colleges and Universities
- Ken Fredrick, Budget and Policy Analyst, UW- Madison
- Kim Kindishi, UW Extension*
- Michael Lanser, President, Lakeshore Technical College
- Kathryn Dunn, Community Investment Officer, Helen Bader Foundation, Inc.*

* Indicates that this member is also a member of the CWI

One of the unique features of Wisconsin's Sector Strategies approach is the high level representation from a diverse group of leaders of the Core Team. The Joyce Foundation recognized this in awarding additional funding to Wisconsin to continue and improve our RISE efforts by designating part of the funding awarded to help integrate the RISE and Sector Strategies efforts in a systematic approach under a single leadership group.

The CWI by-laws Article 2.2 (3) allow for the Council Chair to appoint members to standing and ad hoc committees to assist the Council in carrying out its responsibilities.

To assist in carrying out the objectives of the Joyce Foundation grant and to provide ongoing leadership to the Sector Strategies and RISE efforts, the Executive Committee of the CWI will be expanded to incorporate members of the CWI who are on the NGA Core Team who are not currently on the Executive Committee. These would include the State Superintendent of Schools, the representative of the philanthropy community and the representative of the UW-Extension. The Wisconsin Association of independent Colleges and Universities may be added as an outside member of the Executive Committee at a later date.

The Executive Committee will be responsible for overseeing the implementation of the Sector Strategies Initiative and ensuring the integration of the RISE effort into the Sector Strategy projects and overall activities. The Executive Committee will meet quarterly and review reports on the Sector Strategies Initiative and RISE efforts and make recommendations for action to DWD as needed.

Agenda Item II. d.

**WISCONSIN SECTOR STRATEGIES INITIATIVE
GUIDELINES FOR INTERNAL PROGRAM & POLICY REVIEW**

The purpose of Wisconsin's Sector Strategies Initiative is to further Governor Doyle's agenda for growing the Wisconsin economy and strengthening opportunity and skills for working Wisconsinites. The initiative brings together leaders from industry, labor, education, workforce development, economic development, and philanthropy to build an education and training system *responsive to and driven by the needs of workers and employers*.

The Sector Strategies Initiative seeks to coordinate and build on our existing foundation, in part, through growing system accountability. Our goal is to improve the effectiveness of Wisconsin's economic and workforce development system by focusing multiple governmental and non-governmental organizations on common goals and aligning resources across programs with different funding sources and constituencies. The "Guidelines for Internal Program and Policy Review" presented here are intended to serve as a first step towards greater coordination.

Partner organizations are encouraged to rely upon these "Guidelines" in developing or reviewing internal policies and program requirements pertaining to employment and training resources. Partner organizations include the members of the NGA Core Team, as well as other state agencies having employment or training resources, including: (a) the Wisconsin Department of Veterans Affairs; (b) the Wisconsin Department of Children and Families; (c) the Wisconsin Department of Health Services; and (c) the Wisconsin Department of Corrections.

The Core Team of the Wisconsin Sector Strategies Initiative respectfully requests the support of the Council on Workforce Investment on these "Guidelines for Internal Program and Policy Review" as outlined below.

- Provides special consideration for or places special emphasis on: (1) formal industry partnerships or entities participating in formal industry partnerships, and (2) investments within targeted regional industry sectors. Consideration should be given to who is eligible for or what projects are eligible for training, job search and placement resources to ensure some incorporation of the Sector Strategies Initiative goals.
- Defines "targeted regional industry sector".
"Targeted Regional Industry Sector" means a targeted sector as identified by the Department (applicable to your agency) in consultation with other state agencies and regional economic development entities (insert your respective constituency group).
- Defines "Industry Partnership".
"Industry Partnership" means a partnership that combines industry leadership with support from multiple partners: workforce development organizations, educational institutions, training providers, industry and trade associations, organized labor, economic development, community-based organizations, local government agencies, and philanthropy to identify and address common workforce needs in targeted industry sectors, promoting the economic competitiveness of key industries.
- Makes program eligibility criteria more flexible or considers other ways to ensure inclusion of targeted regional industry sectors in existing programs.
- Establishes relationships between industry partnerships and training and job service providers including: Correctional Institutions, W-2 agencies, community-based organizations, philanthropy, etc. to ensure that resources are utilized, at least in part, to meet the needs of both employers and employees in targeted regional industry sectors.

Agenda Item V.

Executive Director's Report, Ron Danowski

Status Report Workforce Activities Related to American Recovery and Reinvestment Act June 12, 2009 Council on Workforce Investment

Workforce Investment Act State Plans to the U.S. Department of Labor

- A. Governor Doyle submitted Wisconsin's Workforce Investment Act State Plan Modification for program year 2009 - 2010 on April 15, 2009. This submission was warranted due to the major modifications that had occurred to improve the workforce system and upgrade the skills of our citizens. The Plan Modification incorporates many of the *Invest in People* strategies contained in the Governor's plan for growing Wisconsin's economy, *GROW Wisconsin - the Next Steps*. Last fall, the Governor charged Wisconsin's Council on Workforce Investment (CWI) with developing recommendations that could improve the State's workforce system. Earlier this year, the Governor accepted the recommendations, and incorporated these into the Plan Modification. These and other efforts, combined with the recently launched Wisconsin Sector Strategy Initiative, represented a substantial shift in policy that necessitated a major modification to the Workforce Investment Act Plan (WIA).
- B. The Wisconsin American Recovery and Reinvestment Act Addendum (ARRA), currently in draft form for the required public review and comment period, is an amplification of the WIA State Plan Modification. It addresses required federal elements, and must be submitted by June 30, 2009. Highlights in the ARRA Addendum include:
- Vision and priorities: Describes how ARRA will be used to support *GROW Wisconsin*, the CWI recommendations and the Sector Strategies Initiative. Builds on RISE and cites training in targeted industries as a key to ARRA implementation.
 - Strategies to serve youth: References the Covenant and usage of the career pathways model. Describes summer jobs for youth, the role of PK-16 councils in the sector strategy initiative, and the focus on disenfranchised youth. Requires 25% expenditures on adult basic education and high school diploma equivalent programs.
 - Increased training and access to training: Addresses increasing training with the state policies of 70% requirement for ARRA funds and the 35% requirement for regular WIA formula funds. Expands the use of the technical colleges as providers of training via short-term contracts, and ties RISE and Sector Initiatives to increase training. Summarizes the Governor's WIA discretionary funding projects.
 - Reemployment Services: Provides a summary of the overall initiative with linkages to the Job Centers and outreach activities outside of the Job Center. Provides a goal of 10,000 claimants per month via over 80 additional service sites and 50 new project positions. Cites requirements to register on Job Center of Wisconsin (JCW), and describes the plans to implement career readiness certifications.
 - Employment Service Delivery: Cites Governor Doyle's Executive order 278 and the requirement to post ARRA jobs on JCW.
 - Veteran Priority: Cites requirements to implement qualified veteran and spouses priority of service.

- Performance measures: Proposes levels for U.S. Department of Labor (DOL) required performance measures. The proposal addresses the changes needed as a result of the approved waiver for common measures. The proposal is the State's initial offer in negotiations with DOL. Due to the poor economy, the state is proposing to lower the performance level on all of the common measures.
- Waivers: Extends the five existing waivers and seeks approval of three additional waivers, the top two reflecting CWI recommendations:
 - Waiver on the reimbursement requirements for on-the-job training cost limitation of 50%. This will provide incentives for small and medium size businesses to participate in the program.
 - Waiver of the 50% employer match requirement for customized training. This and the above waiver will increase flexibility for training options, improve employer/job seeker matches, and provide contextual training for participants who have not been successful in educational settings.
 - Youth measurement that would allow the state to use work readiness as the only performance measure for youth who participate only in work experience during the summer program (applicable to March 31, 2010).

ARRA Local Plan Guidelines

The Workforce Development Boards (WDB) also addressed local ARRA-specific activities in response to the state guidelines that mirror the draft State ARRA Addendum. June 1, 2009 was the deadline for their local ARRA plan submittal that augments their April 30, 2009 local plans. Staff are reviewing those plans, and the Local Program Liaisons are scheduling follow-up on-site visits in July and August. A full summary of WDB activities related to the state plan highlighted topics (above) will be provided to the Executive Committee with a report to the CWI at the September 11, 2009 meeting.