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**MEETING MINUTES
NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL
JUNE 14, 2007**

Meeting Date, Time, & Place: June 14, 2007, 9:30 a.m., North Dakota Association of Counties, 1661 Capital Way, Bismarck, ND 58503.

Members Present: Candice Dietz, Carol Olson, Cathy Kruse, Charles Axtman, Dave Kemnitz, Dave Gottberg, Dr. David Gipp, Jackie Velk, Jim Dahlen, Jim Walker, Larry Anderson (on behalf of Maren Daley), Lee Lampert, Rosella Grant, Shane Goettle, T. J. Russell, Valerie Fischer (on behalf of David Massey), Gene Kouba (on behalf of Lyle Schuchard), and Jim Hirsch.

Members Absent: Alvin "Butch" Brandt, Bruce Walker, Leo Cummings, Dave Massey, Eddie Dunn, Jerry Splonskowski, Dr. Joseph McCann, Maren Daley, Paul Steffes, and Lyle Schuchard, Wayne Kutzer, Cheryl Kulas,.

Guests Present: Harley Engelman, Jerry Houn, Debbie Painte, Cornelius Grant, and Peggy Weiss.

Opening Remarks & Introductions: T. J. Russell provided a welcome and members and guests introduced themselves.

Administrative Announcements: None.

Approval of Agenda: T. J. Russell announced changes in the agenda and asked for a motion to approve the June 14, 2007 agenda.

Motion: Rosella Grant moved to approve the June 14, 2007 agenda. Carol Olson seconded the motion. Motion carried.

Approval of Minutes: T. J. Russell asked for a motion to approve the April 19, 2007 minutes.

Motion: Charles Axtman moved to approve the April 19, 2007 minutes. Jim Dahlen seconded the motion. Motion carried.

Chairs Report

2005-2007 Budget Update:

Jim Hirsch referred to the budget handout. As of April 30, 2007, 92% of the Biennium has lapsed. Personnel costs are expended at 96% and operating costs are at 87%. The operating fees and services show over budget due to the traveling costs from the retreat in August 2006, and payments to Greg Newton for the Talent Initiative meetings. Some of these expenses will be reimbursed through the regional ETA grant and other expenses reimbursed from Governor's Set Aside Funds.

Youth Development Council Report

Since the Youth Development Council is without a chair, Jim Hirsch reported that the Council met on Tuesday, June 12, 2007. Also, with the transition from the Governor's Office to the Chancellor of the North Dakota University System, Bill Goetz has also not been able to attend the meetings. Harley Engelman filled in as Vice Chair in Leo Cummings absence.

Main topics of the Council meeting were the Talent Initiative, legislation and what can be done to retain youth in North Dakota. Larry Anderson also gave an update on the youth sections of the State Strategic plan. Valerie Fischer gave a report on the Youth Risk Behavior Survey, which was greatly appreciated and provides an opportunity for future meetings.

Planning Committee Report

There was no Planning Committee report as there was no meeting since the last Workforce Development Council meeting.

Workforce Summit Steering Committee Report

This report was combined with Shane Goettle's legislative update later in the meeting.

AmeriCorps*State Project Updates

Jerry Houn reported the 2006-2007 grant year ends September 30, 2007. \$500,000 and 122 slots were awarded to six projects across North Dakota. The projects have enrolled 114 members to date and have been reimbursed 54% of what was awarded. The projects are now working with local colleges and universities to make the member service year into an internship for qualified students. Several members have received college credit for AmeriCorps service.

For the 2007-2008 grant year, the State Commission will award \$500,000 and 129 slots to seven projects. Three of the seven projects are new projects and one of the current projects has been approved to expand an additional seven slots, and continue to request expansion. The seven projects will be located throughout North Dakota in Cooperstown, Fargo, Grand Forks, Jamestown, Wahpeton and Bismarck.

A question was asked on what a slot is. Jerry reported a slot is a number of hours that a member will volunteer, based on what the project determines is needed for that position. A minimum slot is 300 hours and a maximum slot is 1,700 hours.

Jim Hirsch reported that future efforts of the State Commission on National and Community Service is expanding the AmeriCorps membership by having one of the current projects get funding through the national pool (competitive) of funds. Jerry will also be working with communities and local schools on how to expand the Learn and Serve in the state.

Jerry reported how North Dakota receives funding. Currently, North Dakota gets funds from a formula pool, which is capped at \$500,000. Another way to receive funding is through National Direct Funds, which is when a project has multiple offices in other states. The third way is by competitive funding. This is when a project is in one state, but feels the project could compete in other states for funding. Jim Hirsch encouraged Council members to look for opportunities for AmeriCorps or Learn and Serve and to call Jim or Jerry for more information.

Agency Reports

Job Service North Dakota:

WIA Financial Report & WIA Report on Performance & Participation:

Larry Anderson from Job Service North Dakota gave an overview of the WIA local area and statewide allocations. The local area allocation percentages as of March 31, 2007, reflect expenditures at 58% and 81% committed. The statewide allocation is 24% expended and 52% committed. The budget reflects a 64% committal as of March 31, 2007. As of March 31, 2007, the adult level achieved in negotiated performance measures is 103.5%, dislocated workers is at 100%, older youth is 75.1%, younger youth is 85.7%, and customer satisfaction is 103%. Enrollments from July 2006 – March 2007 in adults are 675, dislocated workers are 228, and youth are 588.

Each year, the Department of Public Instruction, Career and Technical Education, and Job Service North Dakota are held accountable for performance standards which are used to award incentive grants. The incentive grant is for \$750,000. North Dakota did not receive the incentive grant this year because the performance standards were not met.

Larry also mentioned the concern with the diplomacy rate. Currently it is at 57.5%, but May is not included in the figure. Typically, the numbers increase during this period, but

the concern is that it won't reach the 100% requirement for the incentive grant. He also mentioned that with the migration of the operating system, data integrity is a concern. Some data may not transfer correctly; therefore the numbers represented in the report may not be complimentary to the diplomacy rate.

Larry shared a new report with the Council as a result of a request from the previous quarter's Workforce Development Council meeting. The report is PY06 Youth Training Enrollments as related to the Talent Initiative. The report outlines the enrollments in high-demand areas of industry through April 2007. Energy saw 17 enrollments, Manufacturing had 6, Truck Driving had 2, Technology had 2, Medical had 58, for a total of 85 enrollments. Total allocated dollars were \$959,746, with \$790,125 obligated through April 2007.

Program Performance Reports

Department of Public Instruction Report – Title II:

Valerie Fischer was present to give the report for Dave Massey. She handed out a Title II Program Summary comparative report that outlines the number of individuals served in 2005-06 and 2006-07 for adult education. She also had two other reports that gave the same information in more detailed format, including ethnicity and gender. The grades listed on the report indicate the testing level at the time each individual came to the Department to test for GED's.

Jim Hirsch added comments about negotiated performance levels and how the benchmarks North Dakota has set are higher than the rest of the country, in the 90 percentiles. Trying to get achievement above the benchmark will be difficult.

Discussion included legal dropout age, which is 16, anything younger than 16 could involve juvenile and social services. Also, the numbers on the reports do not include the reservations.

Career & Technical Education Report – Carl Perkins:

Wayne Kutzer was not present to give the report.

Job Service North Dakota

Larry Anderson reported he will be meeting with the Department of Labor in Dallas regarding North Dakota participating in a pilot program to study dropout rates of Native Americans. The program could bring additional funding to North Dakota and ties into the WIRED grant regions and function. He also reported on the use of the incentive grant funds, which were used to acquire assistive technology for the One Stop and Career Centers. Harley Engelman added the technology helps to keep JSND in compliance with ADA regulations.

Bureau of Apprenticeship and Training

Barry Dutton of the US Department of Labor Employment and Training Administration Bureau of Apprenticeship and Training (BAT) introduced himself and what the BAT is about. Currently, BAT has 64 active apprenticeship programs and over 600 apprentices. He explained that apprenticeship is the oldest form of training and many apprentices' wages start at \$16 per hour and finish with \$27 per hour. The Bureau's goals and targets are similar to the Governor's and Workforce Development's Talent Initiative. Many people are unaware of what BAT does or they believe it is a Government regulating entity, but he stated BAT only provides technical assistance to help apprenticeship programs succeed. Barry directed the Council members to the website: www.doleta.gov for more information on the program and invited anyone to call him for more information. Jim Hirsch mentioned the apprenticeship programs are the key to retaining workers in North Dakota. There are many myths about apprenticeships and Barry encourages all to find out more about the program. Job Service North Dakota works closely with BAT and can also give information about the programs. Barry also referenced a handout he has that will be given to Peggy Weiss to distribute to Council members.

Talent Initiative Update

Jim presented a power point and handouts outlining the Talent Initiative and its progress. A key component to the Talent Initiative is unique human resource challenges including a low population base, low unemployment rate, high labor force participation rate, aging workforce, youth flight, and an expanding economy. Other factors are a lack of awareness about career opportunities that exist in North Dakota and delivery system challenges. The delivery system challenges need to be transformed into more useful methods of ensuring a talented workforce in North Dakota. Jim explained the Talent Initiative's foundation, pillars, goals and accountability areas; as well as the 2007-2007 timeline, which ends with a Workforce Congress in early 2008.

Jim gave the details of HB 1018, which formalized the role of the Workforce Development Division:

- Develop a comprehensive, consolidated biennial statewide strategic plan for workforce development, workforce training and talent attraction;
- Develop and implement a system of performance and accountability measures for the state's system for workforce development, workforce training and talent attraction;
- Develop and implement a statewide intelligence coordination strategy.

In addition to the formalized role of the Workforce Development Division, other programs and initiatives developed from HB 1018 including: Higher Education Internship & Work Experience Opportunities, Career promotion Specialist, workforce Enhancement Grants, Workforce Training Quadrants, Web Site Spidering, Longitudinal Data Warehouse Study, Office of Faith-Based & Community Initiatives, Workforce System Initiative with a Workforce Congress, Community Labor Availability Studies,

Workforce 2020, North Dakota New Jobs Training, Emerging Technology Modules, Area Career & Technology Centers, Internship Tax Credit, and Workforce Recruitment Tax Credit for Hard-to-Fill Employment Positions.

Talent Initiative Products include: Workforce Intelligence Coordination System, Single Statewide Strategic Plan, Career Promotion, Internship Expansion, Workforce System Partner Expansion, Resource Maps/Alignment Audits, Talent Pipeline Maps and Strategy, State of the Workforce Report, Governor's Workforce Summit 2007, and a Workforce Congress.

The responsible partners for implementing the talent strategy include businesses, education, economic development, workforce agencies, policymakers, tribal leadership, community organizations, private sector, trade associations, private non-profits, and career service and internship directors.

Discussion on Jim's presentation included questions on the Job Spidering project with Job Service North Dakota. The Web Site Spidering project will be a single site state portal that collects all job openings in the state of North Dakota that are posted on individual websites, including those posted with Job Service.

Other questions included where the Workforce Congress meetings will be held and who will be involved. Jim stated the locations are not yet determined. The Department of Commerce and Workforce Development will submit lists of recommended participants to the Legislative Council, but the Legislative Council will take care of the invitations.

Some concerns were raised about the education system as a whole getting involved in the Talent Initiative. It is important for the education system to know that the skill sets produced versus the skill sets required are not matching up. There is a need for demand driven training and movement away from mandatory associate and bachelor degrees. Jim Hirsch mentioned that the Workforce Enhancement Grants are available to allow for testing these concepts and Commissioner Goettle is working on identifying the criteria needed for training concepts.

Other discussion included how to get young people back to North Dakota when employers can't match the pay of other states. Comments were made on how we need to do a better job on selling North Dakota to get people to want to move here. Jim mentioned the discussion here was good, but needs to continue at the Workforce Summit in October.

Legislative Update

Shane Goettle began by referencing a slide from Jim's power point presentation regarding the foundation, pillars, goals and accountability areas. He stated workforce development is the single-most economic challenge in North Dakota today and the Business Congress focus has successfully been changed twice to adjust to focusing on workforce development.

Shane reported recent legislation has approved three FTE's in the Workforce Development Division. He also stated Jim Hirsch's time will be shifted to working full time for Workforce Development, rather than 50% in the State Commission and 50% with Workforce Development. One FTE will be working with State Commission issues and Jerry Houn. Another FTE will be helping with and coordinating the Talent Initiative and Workforce Intelligence areas. The other FTE will be utilized in the Intern and Career Specialist programs. Shane doesn't believe we currently have enough resources on the Career Specialist program. It is important to get a message to the schools on what is available in North Dakota as far as high-wage, high-demand careers.

Shane stated the Summit has three purposes:

1. To launch dialogue with private sector businesses and legislators about the North Dakota workforce;
2. Education: what is available and what is needed;
3. Change the perception that we do have workforce issues.

The Workforce Congress process will consist of the Workforce Summit in October, regional focus groups in January and February, and a Workforce Congress in early spring 2008. At the Workforce Congress, all of the focus group participants, along with the Interim Economic Development Committee will be invited to a meeting to hear the details of the proposals rolled out at the focus groups. This meeting will be summed up and translated into the legislative process.

The Summit Steering Sponsorship sub-committee is actively seeking sponsorships. A list has been created of former sponsors and potential sponsors. The Program sub-committee, chaired by Maren Daley is in the process of developing the program and will be sharing the information as soon as it is available. The Summit will be at the Radisson Inn in Bismarck on October 11-12, 2007. The Summit publicity needs to be positive and must not present the picture that our businesses can't meet the workforce challenges in the state. We are a responsive state and are actively engaged in the workforce issues. Jim Hirsch added he is working with Dr. Richard Judy on developing a State of the North Dakota Workforce Report for the opening keynote. Dr. Judy has presented in other areas of the state and is familiar with the issues here. Other speakers are in negotiations. There will be approximately six tracks with numerous break-out sessions that will be kept relatively small due to the size of the meeting rooms. Some of the sessions will be repeated so everyone can take advantage of them. The Council was encouraged to bring ideas for sessions to Jim or Maren. One suggestion was to bring businesses with best practices and share with attendees. An industry panel is also being considered as a continuation of the previous Summit, to include the next steps to convey what industry is currently doing and recommending what the state can do to help them. An evening function is still be considered in conjunction with the Young Professionals Network social. Dr. David Gipp recommended some speakers and presenters: Jim Laducer and others Native American business people who can demonstrate entrepreneurial success in North Dakota.

The theme of the Summit is: “North Dakota Talent Initiative: Thinking Globally – Succeeding Regionally.”

Actions and Recommendations

Council Planning & Discussion

Jim Hirsch explained there will be a registration fee for the Workforce Summit and encouraged the Council members to reserve their hotel rooms early. The Council members will be reimbursed for their registration and room fees.

The question was asked on whether a September meeting should be held due to the proximity of the Workforce Summit. The State Commission will need to meet because of the lack of a meeting for the past two quarters.

Motion: Carol Olson moved to not have a meeting in September, but use the Summit as the quarterly meeting. Cathy Kruse seconded the motion. Motion carried.

Jim reminded the members of the importance of attending the meetings and establishing a quorum to conduct business. He also reminded the members that they can designate a proxy or replacement to attend the meetings. The use of IVN and conference calls is also encouraged.

The meeting was adjourned.

Action Plans:

- **Annual report from Wayne Kutzer for Program Performance Reports.**
- **Peggy Weiss will send copies of Barry Dutton’s handout to Council members.**
- **Anyone with suggestions on program content for the Workforce Summit should send them to Jim Hirsch or Maren Daley.**
- **Anyone with suggestions on sponsors should send them to Jim Hirsch or Shane Goettle.**