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NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL

MINUTES November 20, 2008

MEETING DATE, TIME, & PLACE: November 20, 2008 at 9:00 a.m., Job Service North Dakota, Bismarck, North Dakota.

MEMBERS PRESENT: Charles Axtman, Beth Zander (for Maren Daley), Kelly Schatz-Jennings (for David Farnsworth), Debbie Painte (for David Gipp), Shane Goettle, Marsha Krotseng (for Bill Goetz), Rosella Grant (via teleconference), Jerry Jurena, David Kemnitz, Cathy Kruse, Wayne Kutzer, Lee Lampert, David Massey, Carol Cartledge (for Carol Olson), T.J. Russell, Jackie Velk, Bruce Walker, Jim Walker

MEMBERS ABSENT: Butch Brandt, Leo Cummings, James Dahlen, Candice Dietz, Joseph McCann, Jim Melland, Paul Steffes

EX-OFFICIO MEMBERS PRESENT: Jim Hirsch and Cheryl Kulas

GUESTS PRESENT: Dennis Fracassi, Barry Striegel, Karen Paetz

STAFF PRESENT: Larry Anderson, Jerry Houn, and Cheryl Leach

CALL TO ORDER:

Opening Remarks & Introductions: T.J. Russell called the meeting to order at 9:00 a.m. T.J. welcomed everyone and asked for introductions. Jim Hirsch introduced Cheryl Leach, Executive Assistant for the Workforce Development Division.

Marsha Krotseng introduced Karen Paetz, Director of College Access Challenge Grant Program. Karen reported that this grant is very new. The grant was issued to 50 states and seven territories. This grant looks at the under represented, low income, nontraditional students, and provides those students access and information linking them with post-secondary education. This is a very aggressive grant. There are three goals recognized: 1) establish a statewide college access network of stakeholders; 2) look at statewide progress toward increasing awareness regarding post-secondary education; 3) and look at creating a strategic plan. Karen mentioned that she will be putting a steering committee together soon as well as collecting data.

Administrative Announcements: Travel vouchers are available for members and to see Cheryl Leach after the meeting.

APPROVAL OF AGENDA:

T.J. Russell motioned to approve the November 20, 2008 agenda.

MOTION: Dave Massey moved to approve the November 20, 2008 agenda as presented. Jackie Velk seconded the motion. Motion carried.

APPROVAL OF MINUTES:

T.J. Russell motioned to approve the June 12, 2008 minutes.

MOTION: Bruce Walker moved to approve the June 12, 2008 minutes as presented. Wayne Kutzer seconded the motion. Motion carried.

CHAIRS REPORT:

2007-2009 Budget Updates: Jim Hirsch reviewed the 2007-09 budget and stated that the budget was on target with the expenditures and doesn't foresee any problems. We are at 55% expended, 63% of the biennium has elapsed.

Jim reviewed the 2009-2011 Biennium budget that has been submitted and will be part of the Department of Commerce budget request for the next biennium. This is strictly the federal funds. We tried to hold the budget; we made some adjustments on some of the operating expense items and other areas where there is an increase in the salary line item, including the state salary increases that are built in. Bruce Walker asked if we are getting less money from the federal government. Jim responded that the dollars have been continually declining for the State; we tried not to exceed the budget. Jim mentioned that there were areas that could have savings without causing any problems.

T.J. Russell motioned to approve the 2007-09 and 2009-2011 budget update.

MOTION: Bruce Walker moved to approve the 2007-2009 and 2009-2011 budget update as presented. Wayne Kutzer seconded the motion. Motion carried.

Medora Joint Retreat Update: Jim Hirsch briefly reviewed the retreat minutes. Jim mentioned that Commission and Council priorities were accomplished. The priorities were built into the legislative position that was drafted for the Council and The Action Items were identified. The theme from the Retreat is parallel of what came out of the Workforce Congress Focus Group meetings. Emphasize was placed on Career Promotion, the need for Workforce Intelligence to make decisions, and the need for greater investment in career and technical education offerings across the state.

It was asked if Greg Newton is an ongoing engagement. Jim Hirsch responded that we do not have an ongoing engagement with Mr. Newton. We utilized his services for a number of the sessions and also the Governor's Summit. There is an opportunity to get him back in October for the 2009 Governor's Summit.

It was asked if there was any thing that resulted from the Retreat that we are going to see legislatively. Specifically, there will be some things that will relate directly back to the Retreat. We did not draft any bills from the Department of Commerce that would address that, however the Higher Ed Interim Committee will specifically address the priorities, and the Workforce Committee will address some of those priorities.

T.J. Russell asked how attached is our Workforce Development strategy is to the Department of Commerce. Shane Goettle commented that the launching of Operation Intern relates to the connections between schools and work promoting careers in the state of North Dakota. The Webfair is designed to catch students as they head home from college, getting those students to look at the 45 business that signed up for this pilot. We also launched Career Awareness Program using Webcams and business leaders. Business leaders are engaging in conversations with students in relation with their career and the skills needed for that career. This is a pilot that will run through the end of April reaching 900 students statewide through technology. This information is on Commerce Website and is available to anyone. Contact Kayla Effertz and Larry Anderson if there is a school that is interested in participating. Shane requested the help of the members in getting this information out in any newsletters that their organizations are involved with.

Governor's Workforce Summit 2009: Jim Hirsch reviewed the 2009 Governor's Summit Schedule. The Summit is scheduled for October 08-09, 2009 in Fargo, ND at the Ramada Plaza Suites. There will be a Summit Organizational Steering Committee meeting November 21, 2008 for the Summit. The steering committee will be putting together details for the Summit. Items discussed will be keynotes, program, theme, sponsorships, and the budget. Jim noted to be sure to put this date

on the calendar; additional information will be sent out at a later date as the steering committee develops the plans.

Sunset Policy Extension: Jim commented that when the process for developing the policies was set up, it was required that we establish sunset dates on the policies. The sunset date requires reviewing each of the policies on a specific date and determining whether they remain appropriate or if changes need to be applied. All sunset dates are three years and will change to reflect 2011. The only policies that need revisions are as follows (bolded):

- ~ 1-01-03 (1) Conflict of Interest
- ~ 1-02-03 (1) Attendance
- ~ 1-03-03 (1) Member Expenses & Honorariums
- ~ **1-04-03 (1) Council Member Out-of State Travel**
- ~ 2-01-03 (1) Self Sufficiency
- ~ **2-02-03 (1) Training Provider Performance Levels**
- ~ 2-03-03 (1) Hard to Serve Special Participant Populations
- ~ **2-04-03 (1) Removal from Eligible Trainer Provider List**
- ~ 2-05-03 (1) Transfer Policy
- ~ 2-06-03 (1) Waiver Request
- ~ **2-07-03 (1) Youth Eligibility**
- ~ **2-08-03 (1) Selection of Service Provider**
- ~ 2-09-04 (1) Displaced Homemaker
- ~ 2-10-04 (1) Individuals with Multiple Barriers
- ~ 2-11-06 (0) Veterans Priority of Service
- ~ 2-12-06 (0) North Dakota One-Stop Career Certification

Dave Massey asked if we follow Policy 1-02-03 (1) Attendance; and send letters to members who don't attend meetings. Jim mentioned that it hasn't been followed, but the intent is that we will start to provide that information to the executive committee and at each meeting from now on and that there will be a summary report of membership and their attendance for the last 18 months. Jim commented that we need to start calling attention to the members on the Councils and Commissions who consistently miss meetings. There have been issues with obtaining a quorum with the Youth Development Council; this was right behind having to cancel a Youth Council meeting in April. We need to start addressing the attendance situation. Dave Massey commented that the policy is fine; however, we need to find other members who can attend these meetings if the current members can not. It is not fair to those individuals that travel long distances and find out the meeting is canceled because someone didn't show up. Jim mentioned that a lot of time is put into contacting members confirming their attendance for a quorum; however, members still don't show even after a quorum is established. If a member has an alternate, that member is still considered absent. This attendance policy is for just the quarterly and committee meetings, not out-of-state conferences. T.J. Russell suggested an attendance log as part of the minutes. Jim mentioned that we

currently do have an attendance record and we can start attaching that as part of the minutes for future meetings.

1-04-03 (1) Council Member Out-of State Travel – Jim reported that there are earmarked dollars for out-of-state travel specifically to support council members. This language we are presenting would take out the reference to the dollar amounts that had been put into the budget for both the Workforce Council and Youth Development Council. The attempt is the same, but would be based on funding availability.

2-02-03 (1) Training Provider Performance Levels – Susan Gunsch reviewed the changes. Susan mentioned that The Eligible Training Provider was mandated by law that we have a list of providers that could provide training for the classroom and there is an initial eligibility for providers that are outside of the University System. The wage of placement for initial eligibility was \$6.50 hr. The occupations were reviewed that required two years of college or less, as well as the average wages for those. The bottom 10% quartile is \$9.32 hr. and the subsequent application is in the 25% percentile for those same occupations which is \$10.94 hr. We update the criteria for someone on our eligible training provider list and have it more current with today's wages. There was an update to the verbiage that we established in the initial eligibility criteria for those providers. We also added North Dakota along with 36 other states in the country that have a waiver for subsequent eligibility.

It was asked if the three year sunset date will create a problem with wages changing in that three year time frame with wages moving forward. Beth Zander mentioned that a clause could be put into the policy that indicates an update on an annual basis. We could administratively make a note to review this policy annually. Leave the sunset for three years, but review the policy annually. Kelly Schatz-Jennings asked if the wording could be phrased to reflect recent wage data determined by LMI on an annual basis. Jim Hirsch commented that we could do that, but we have to have something that we could give to the training providers that sets the benchmark. We need something that is consistent for staff to use for the period of time that it is in effect. We would need to get some information from LMI on how often the updates are available and when they would be established. This policy could be updated every year we negotiate the performance standards for each program. Jim Hirsch commented that we can do it either way. The council gets a report on the dollar amounts that are in there now. If we use other language we may not get that report unless you ask for it.

David Kemnitz asked for clarification of the impact of changes in the last paragraph that states \$10.96/hr or \$2,850/quarter. The change from \$7.25/hr. or \$1,800/quarter. What does that mean? Susan Gunsch commented that this reflects less than one full quarter to allow for situation where individuals are placed later in quarter. This is not a full six months of wages. It is the six month after someone completes a training program. This amount was based on the six

months that we are required to record on for the WIA program for the dislocated worker and using less than one-half the full quarter. The \$10.96 is the WIA performance for six months divided by 1040/hrs. \$2,850 is less than one-half/quarter which is about 500 hours. Jim mentioned that if the Council is interested in how affective the program been on the long-term basis, there are other reports that could be provided that could supplement this federal reporting requirement. There is the common accountability reporting which covers all the programs and that gives a clear picture of those individuals who completed training, how many are employed, what is their earnings 12 months after they have completed, and what wage gains did they realize as a result of the training.

T.J. Russell motioned to approve changes to Policy 2-02-03 (1) Training Provider Performance Levels.

MOTION: Dave Massey moved to accept the changes to Policy 2-02-03 (1) Training Provider Performance Levels. The policy will remain as a sunset for three years, but will be reviewed on an annual basis to reflect the annual change in wages. Jackie Velk seconded the motion. Motion carried.

2-04-03 (1) Removal from Eligible Trainer Provider List – Jim mentioned the change duplicates what is on the other policy, however there is a waiver to collect data from the eligible training providers. ND has been approved for waiver of the time limit on a period of initial eligibility to training providers to address substantial collection barriers. This waiver relieves the burden subsequent eligibility requirements from training providers, helping to insure continued program participation by training providers.

2-07-03 (1) Youth Eligibility – Jim mentioned that language was added that allows us to use the 5% window for youth eligibility for those youth who do not meet the low income criteria, but have significant barriers that are identified in legislation.

2-08-03 (1) Selection of Service Provider – Jim reported that this policy clarifies that the One Stop Career Center Operator will follow the ND State Procurement Process. All services costing in excess of \$25,000 will have a request for proposal development. There was a change to part (c) Partnering and Collaboration Projects. The service providers will not competitively be selective when projects are developed through local collaboration of partnering with mandatory WIA partners or with Government entities.

We apparently did not have a motion to extend and approve the policies as presented and changed. This will be a housekeeping motion for the next meeting of the Council.

COMMITTEE REPORTS

Youth Development Council Report: Jerry Houn reported that the Youth Council briefly reviewed the State Commission Report, the Agency Report, The Youth Entrepreneurship Education Project and the Talent Initiative. Several of the Youth Council members had to leave early for other obligations; therefore the meeting did not have any planning or legislative action.

Planning Committee Report: Jim Walker reported that there hasn't been a formal meeting for quite sometime, however, he has been attending the Workforce Intelligence Council meetings and they are working on guidelines for the five year strategic plan.

Jim Hirsch mentioned that he was on a conference call with USDOL providing input on the planning process, and we will probably receive guidance about the time the plan is due, therefore we can not wait for USDOL to provide guidance because there input might change as new administration comes in and new appointments are made with the Department of Labor. We take the work that has been done with the state strategic plan for all of Workforce Development and Workforce Training and Talent Attraction and start to look at how we might use that as a base and begin to integrate and address additional specific Workforce Investment Act and other mandatory program involvement as a starting point and move forward with the planning process. One thing USDOL is interested in is getting more participation from the business sector. There needs to be sufficient time to go through the planning process. For those representing business, we will need input on what direction to proceed with the planning process. This will be due July 1, 2009. It may be required to have that submitted sometime before that so USDOL had time to review and approve it.

Dave Kemnitz commented that he would like to recognize Jim Walker for his work and diligence on behalf of everyone. Dave mentioned that Jim Walker doesn't have to do this, he is retired. We appreciate his efforts and all he does for us.

Governor Set Aside Transition Assistance Program (TAP) - Jim reported that the Workforce Development Council is instrumental in getting funding from the Governor's Set Aside for transitional assistance programs being delivered to those guard and reserves who are returning from active duty. The funding was obtained and the program was set up, but with the lack of attendance a letter was sent thanking us for our assistance and advising us attendance was low and decided to shut down the program. Those funds were recaptured by Job Service North Dakota.

Meeting Dates: Jim Hirsch handed out a schedule of future Council meeting dates for 2009-2010. We normally would have a January meeting, but with the start of the legislative session and possible conflicts with scheduled meetings, we will be having two regular meetings in 2009; one meeting in April and one in June.

We normally would have meetings in October, however, The Governor's Summit is scheduled for October 08-09; as a result the next scheduled quarterly meeting will be January 2010. Jim commented to put these dates on the calendar and if there are too many conflicts we will make adjustments as necessary. We will begin immediately to identify locations for these dates.

STATE COMMISSION ON NATIONAL & COMMUNITY SERVICE UPDATE

AmeriCorps*State Project Update: Jerry Houn reported that they recently finished with the 2007-08 grant year and awarded 127 slots with a total of \$498,302 awarded. Out of the 127 slots, 113 are filled, and 95 of them complete. Jerry noted that The Baptist Home is the first project that came to us. Jerry mentioned that through the AmeriCorps program a living allowance can be offered to the members. There is a match requirement for this. The process can also award the Education Award Only Program. We did award eight slots for the Baptist Home since it was under \$8,700. Three slots were filled, but only one completed their time before expressing they could not take the time to provide the services; which 300 hours worth of service is just for \$1,000 education award. Jerry commented that there was a problem with Jamestown Public Schools. Midway through the stream they applied for funding again, but the State Commission chose not to fund them. They were awarded 20 slots and only enrolled 13 with only seven completing.

Cooperstown was awarded 27 slots, in which 26 were filled and 23 completed. Jerry noted that Cooperstown is enrolling nothing but high school kids. The YMCA has expanded midstream, they were able to fill all their slots, but two of the members weren't able to complete. Youthworks was awarded 16 slots, filling 15 with 14 complete.

For the year 2008-09, \$499,763 was awarded. 109 slots were awarded, with one full-time slot, 1700 hours was awarded to Cooperstown. That individual on successful completion will be eligible for \$4,725 education award. We have 32 minimum time slots to be awarded. They are eligible for approximately \$1,000 education award. They are all offering living allowances. These individuals get a monthly living allowance. Jerry mentioned that they are working a new project with Maddock (Kids on the Block).

Jerry reported that he is getting ready to present Grant Writing Workshops for the AmeriCorps Program in Dickinson, Minot, Bismarck, Jamestown, Fargo and Grand Forks. Jerry indicated that there are over 150 organizations that are Faith-Based that are on the e-mail list and over 260 that are on the non-profit list as well as 300 on the school district list. An email was sent out asking if he should do grant writing for just the AmeriCorps Grants in one of the six towns listed, and if so, which one would they attend. Since the mailing, there have been 80 responses that would like to attend. Jerry mentioned that roughly 10% of those respondents are expected to apply.

AGENCY REPORTS

Job Service North Dakota (WIA Financial Reports & WIA Performance and Participation: Beth Zander reported on the Workforce Investment Act Program Financial Report for the 2008 year. Beth noted that this is one quarters worth of obligations and expenditures; percents expended and committed, and portions of what are committed are dollars that are obligated to participate in the Workforce Investment Act, or funding for school or various youth programs. The report also shows the budgeted dollars for staff that are committed. Beth stated that there is nothing in particular that stood out. Beth noted that Rapid Response is showing an increase in layoffs. Rapid Response is money that primarily goes out to field staff dealing with employers who are laying off and helping those job seekers. We are starting to see some increased activity and expect to push more of this money out.

Beth briefly reported on The Performance Measures Summary reporting that they did make all the performance requirements. Beth noted that on the Literacy and Numeracy Gains actual achievement levels for the PY 2007 was 11.1% and they negotiated 30%. Beth passed out a report entitled Classroom Training Enrollments for the members review. This report illustrates fall semester enrollments in classroom training in post-secondary education.

Department of Public Instruction Report - Title II: Dave Massey reported on the Adult Education Program. He stated that the department funds 18 programs throughout the state in addition to several satellite programs. The programs range from full-time five days a week to part-time two nights a week. Full-time provides services during the day and part-time provide services in the evening for a couple of nights; two or three hours per week. This is the report for 2007-08 and the total number served is 1694. That is a little less than last year which reported 1776. These numbers are consistently declining. This is not unusual for this program. If you look at the history of this program, when the economy is good the numbers in this program are down and when the economy is not good the numbers go up. The year 2008-09 performance data shows 589 total number of adults served. Dave mentioned that additional funds are being requested from the legislature for the coming year.

Jim Hirsch asked if the enrollment in the English as a Second Language (ESL) is dropping. Dave Massey commented that the enrollments for ESL have increased. Dave reported that there has been a large influx of refugees in the Fargo area, specifically the whole eastern part of the state. Last year 202 refugees came into the state. This year, there are 400 plus refugees. This particular group of people has put a burden on the Adult Education Programs, because of the need to obtain the English language.

Career & Technical Education: No Report

**2008 -2010
MEETING DATES
NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL
NORTH DAKOTA YOUTH DEVELOPMENT COUNCIL
NORTH DAKOTA STATE COMMISSION ON NATIONAL & COMMUNITY SERVICE
FAITH-BASED & COMMUNITY INITIATIVE ADVISORY COMMITTEE**

DATE	NDYDC	STATE COMMISSION	FAITH-BASED COMMISSION	NDWDC
*APRIL 09	21	22	22	23
*JUNE 09	9	10	10	11
OCTOBER SUMMIT	8-9	8-9	8-9	8-9
*JANUARY 2010	12	13	13	14

***Proposed dates**

Jobs for Americas Graduates (JAG): Jim Hirsch handed out a fact sheet on North Dakota Jobs for Americas Graduates (JAG). Jim reported that this is an update on one pilot program established in Williston, serving students in grades 9-12. It is a four year program and is sponsored by the Governor's office and the Department of Commerce. We secured \$100,000 funding from the Governor's office for a two-year project and \$50,000 from the JAG National one-time grant to create seed money to establish pilots for America's Graduate Program.

The JAG has been around for a number of years and is in 38 states and has been very successful. We have one pilot. The students go through a JAG curriculum that requires 1 ½ hour of contact per day with a JAG specialist. Credit is given through an elective for that time. It also allows the students to form a relationship to bond with their peers and with the JAG specialist, with the idea that the JAG specialist provides specialized support in mentoring to help the student remain in school and make connections with career opportunities at the end of school, or post-secondary opportunities. Another key element is the creation of a career association. This is a student managed organization that promotes civic and social awareness, leadership and teamwork skills, and self-confidence. There is also the possibility for student conferences if we get more than one pilot. Currently we are serving 25 enrolled in Wahpeton Public School. We are currently looking at bringing in one additional pilot with Turtle Mountain Community College. Jim mentioned that there is additional information on the Website at www.jag.org.

NEW BUSINESS

YOUTH ENTREPRENEURSHIP EDUCATION PROJECT: Barry Streigel, Director of the Youth Entrepreneurship Education introduced his program and mentioned that North Dakota Project started at the Center for Innovation at UND. Barry stated that kids need to understand general economics and personal economics, and more importantly entrepreneurship and entrepreneurial thinking. Kids only learn entrepreneurial thinking or flexible thinking from flexible teachers who work in flexible school districts or in a flexible home school environment. Barry commented that if we are to prepare these kids we need to prepare the teachers who prepare these kids. We need to raise people for the 21st Century, who understand our heritage and why heritage is important to our state. We need to create a workforce for self-sufficient citizens. People who are ownership oriented, citizens who are active in their communities, on their school boards, and know how to work together. Self-sufficient enough to know when to ask for help. Barry commented that we need more doers. We need people to take the risk and are resilient enough and learn resilience at an early age.

Barry stated that the purpose of the youth Entrepreneurship Education Project is to expand opportunities for North Dakota's K-8 youth to experience entrepreneurship while learning the skills and attitudes associated with academic, economic, and social success: opportunity recognition, intelligent risk-taking, resilience, creativity and collaboration. It is important to instill in youth a sense of ownership through direct experiences in managing personal economics, running a business, community development, and civic leadership. Barry mentioned that many kids ask "what is the point of school?" Barry stated that his response is that the purpose of school is to create the next bunch of "we the people". He stated the importance of understanding economics. Barry commented that kids are not getting this kind of teaching anymore. We need school to help teach technological skills and help prepare people who understand heritage and how culture and heritage make us who we are; we have to promote it, understand it, and propel it. Some things that kids need to know besides opportunity and recognition is, "is it a good idea? Not every idea is a good opportunity. Students need management; resource, people, time, personal and interpersonal relationships.

What is entrepreneurial thinking? Thinking like an entrepreneur means three things 1) seeing an opportunity that people overlook; 2) being able to have the courage to gather the resources you need; and 3) the ability of resilience to take an intelligent risk to make it happen. Making a business happen also needs training or understanding of failure. Students need to learn failure, everyone experiences failure and everyone can learn from failure; we hardly learn from success, we learn from failure. Barry's stated that this program is a way to integrate school and business ownership. Positive attitudes toward school enhance economy and focus of control.

Barry noted that he hosts a program called Mini-Society Summer Camps in Grand Forks, Belcourt, New Town, and Dickinson. It involves kids in ownership of themselves; they can own their town and businesses. Kids begin to understand with a Mini-Society that this is their town and their state. They begin to think like entrepreneurs. There are over 100 total participants ranging in age from 9-13 and each camp directly costs approximately \$5,000 for one week. Jim Hirsch commented that that this project fits in with the talent initiative. This is getting the career promotion out and down to the elementary level. We couldn't identify any federal or state resources to assist with moving this initiative forward. Federal dollars under the Workforce Investment Act are to serve youth 14 years of age and over, therefore, the elementary grades can't use those dollars. We could not identify any specific resources other than what Barry is already using. Jim stated that there is no state legislation to address this issue. Jim asked if the Council can play a role and help support the initiative to secure additional resources.

Barry commented that he has been given \$50,000 and is to use that to leverage another \$74,000. He also has a pool of funds to provide micro-loans to elementary students who go through the mini-society who do the summer camp.

Jim asked the Council if they can play a role in helping to support some of the initiatives to secure additional resources that we can open up to the Council. Some examples that have been done in the past were Resolutions of Support. Some have been helpful in getting attention of the State Legislature and the Governor's office.

TALENT INITIATIVE UPDATE

Single State Biennial Plan: Larry Anderson reported on the progress of the legislative initiative of 2007. The requirement of the Department of Commerce was to facilitate the development and creation of the Single Biennial Strategic Plan for Workforce Development, Workforce Training and Talent Attraction. This is a collaborative responsibility of all the major state departments and agencies that administer education and training programs in the state of North Dakota; including the ND University System, Department of Public Instruction, Job Service North Dakota, Career and Technical Education, and the Department of Human Services. Larry reported that The Department of Commerce retained a service to help facilitate the development of the Single Biennial Strategic Plan. That consulting group was the Corporation for Skilled Workforce. John Metcalf has been assisting the department heads with the Biennial Strategic Plan. It is in its fourth innovation.

Larry reported that the ND Talent Initiative is organized around talent attraction, talent expansion, and talent retention. The human resource challenges we have in the state are; 1) outmigration of young people; 2) aging population; 3) very low unemployment in North Dakota; and 4) very high labor force participation as compared to the rest of the nation as a whole. With these factors and circumstances happening, we have unparallel leads for workers in our state. We

need to expand labor participation for special populations or groups under-represented, i.e., youth, minorities, veterans, disabled population, and older workers in the state. Other initiatives to expand labor force participation for groups include a statewide initiative called Transition for Prisons to Communities which attempts to insure that ex-felons successfully transfer from prison into communities and gain successful employment.

All of the state departments have contributed their programs and services in order to help the ND Talent Initiative expand, attract, and retain talent in our state. The Retreat in Medora was a continuation of strategic planning around Workforce Development in the State, and the ND talent Initiative is the organizing document for talent development and workforce development in North Dakota.

Workforce Intelligence Council: Larry Anderson stated the foundation for the talent initiative and the strategic planning around Workforce Development in North Dakota is also the legislative requirement that we establish a Workforce Intelligence Council. Again, the services of The Corporation for a Skilled Workforce was retained by the Department of Commerce to assist in establishing that Council. Gary Yakama assisted us in forming and organizing the Workforce Intelligence Council.

Larry reported that the foundation for the Workforce Development Strategies uses qualitative and quantitative workforce intelligence as the basis for making decisions about how to apply resources and how to address human resource challenges in the state. One approach we are using in the state to insure we are making sound decisions based upon good quality qualitative and quantitative data information. All major agencies and departments have a wealth of information that they house in their respective department or agencies. This information is gathered from the various sources around the state into a dynamic system; transforming that information into an intelligence to make sound decisions on how to influence resource challenges throughout the state.

At this point we have established a 24 member Council that meets quarterly and a Steering Committee that meets monthly. The charge is to develop a talent pipeline stream for the targeted industry in our state which includes advanced manufacturing, value added agriculture, technology, tourism, and energy. One of the charges of the Workforce Intelligence Council is to support the statewide workforce development strategies to develop the capabilities of the ND Longitudinal Warehouse Study. This is an interim study that is ongoing by the Legislative Council. We are to identify the root causes for the occupational shortages we have in the state and design strategies working collaboratively in the workforce system to address those root causes. We will incorporate current events into the workforce development system. Larry mentioned that one gap currently is that our workforce development is based upon projection levels and doesn't always take into account real nature of our state, i.e., the healthcare industry and the explosion in the price of oil.

Finally, The ND Workforce Report. We hired Richard Judy, who produced a State of the Workforce Report for the State of North Dakota. The charge in going forward is for the Workforce Council to have this information to produce that kind of report for our state.

WORKFORCE TRAINING & ORIENTATION REPORTS

Workforce 2020: Beth Zander reported on the Workforce 2020 Job Training Program. This program contains 170 requests, 133 contracts have been written with 61 different employers; 1655 employees have been trained to date. We are seeing wage increases with the average starting salaries were at \$21.21, the average to date is \$26.03 and the employers report three, six, and 12 months after training has ended. There is a continued focus on rural projects, we have over 53,000 obligated to rural projects. The average cost of training for this biennium is \$468.91, last biennium \$478. We are 58% obligated and we are seeing some slow down starting in September.

David Kemnitz commented that he is very interested in the report and asked what kind of wage increase do these individuals receive from the training and did it help the workforce in their expertise, and did it also help to improve the economy by increasing the wage base of the individuals in that workplace and community. That element is not included in the report. Another item is the cost of the training, how do we justify the high cost in several of the training sessions listed. What criteria is used to justify those high costs per trainee. Beth commented that they try to manage the cost of the training overall. Jim Hirsch stated that the intent of 2020 was to be flexible and there were never any benchmarks or levels that were set. Most new technologies are very expensive and only available from one source so you either pay the price or you don't have access to the technology. These are things that have to be weighed in regards to the success of the business. Beth commented that she will check if they can't build those elements into the report.

Workforce Training Quadrants: Marsha Krotseng reported that they compile accountability measures on the Workforce Training Quadrants each year and these are for the fiscal year starting July 1, 2007 through June 2008. One thing that is reviewed is the number in percent of businesses that receive training. Out of four of the quadrants across the state, there was 1345 business that received training. This represents 11,990 employees. This is an unduplicated number. Marsha mentioned that 53% overall of the business requested repeat training. We do a survey of satisfaction to find out how satisfied employers are with the training they received, and a survey on how satisfied the employees were. The companies are also surveyed on how satisfied they are with the responsiveness of the workforce training quadrants. Those were very high, from 98-99½ percent. Marsha noted that the Workforce Training Quadrants work on referrals.

Marsha explained that the Workforce Training Quadrant is set out in statute and four of the community colleges have a region. The Southwest Region is Bismarck State College, the Northwest Region is Williston State College, Northeast region is Lake Region, and the Southeast region is North Dakota State College of Science. The workforce training directors can prepare information showing who the point of contact is, and the workforce training lead person is at each of those quadrants. Marsha mentioned she will send Cheryl the website for more information.

EVALUATION & RATING FOR GOVERNOR SET ASIDE:

Jim reported on the evaluation rating for Governor Set Aside. Jim stated that the Council has a roll in looking at the Governor Set Aside funding proposals and making recommendations to the Governor's office. We have not developed a formal process for the Council to look at the proposals and provide a formal recommendation based on an overall evaluation that we would act on before it is forwarded to the Governor's office. Before this works, we would have to agree that if we receive those types of applications that are in between meeting dates, we would have to act on them electronically or establish a separate committee to act on them. We can do an up from evaluation based on criteria. The second piece is we need to be sure the proposal also complies with contracting requirement and procurement requirements and other issues that Job Service North Dakota has to adhere to. There is a two step process: 1) initial review to determine if it meets procurement eligibility, and 2) rating and ranking it so a formal recommendation can be made to the Governor's office. Jim mentioned that before a process can be accomplished we need to know if there is enough support to move ahead with this. Up to this point it has been very informal. There are three to four applicants a year. The request varies from \$5000-\$100,000. Jim commented that guidelines would help in that we could look at priority that meets goals of the strategic plan and talent initiative. We could then formalize the initial input from Job Service before the recommendation is sent to the Governor's office. T.J. Russell mentioned that the use of a similar format could be applicable that is used by AmeriCorps. Dave Massey suggested that there be a small group to review applicants. Jim mentioned that we don't want to get as formal with the peer review process, but the AmeriCorps has a grants committee take a look at the applicants and makes the final recommendation. This part of the process would be workable. The consensus from the committee is that Jim would put something together and send it out to everyone for review.

2009 AGENCY WORKFORCE/EDUCATION BUDGETS

Career & Technical Education: Wayne Kutzer reported on the 2009-2011 budget. The agencies budget is about 20 million dollars for the biennium.

1) Cost to continue newly established virtual area centers – \$1,000,000. They provided funds for one year and because of the biennium an extra year of

funding was needed. The Roughrider Area Career and Technology Center services everything from eight schools in the area including Hazen, Beach, Dickinson, and Killdeer. North Central Area Career and Technology Center services Rugby, Bottineau, Mohall, Sherwood, Langsford. The Missouri River Area Career and Technology Center is centered around the Bismarck area. The Roughrider Career Technology Center out west enrolled 180 students this first year and 120 are new to Career Technology Education. When they decided what programs to offer they had to offer five different career technology programs to qualify as an area center. Stark County Development did a regional survey for the top needs. They have been very effective, but we need the dollars to help continue.

2) Increase funding to the Career Tech Ed statewide - \$3,000,000. We are trying to increase funding for CTE programs. A one percent increase in reimbursement rates to schools. The current base rate is 25% reimbursement to that school for instructor's salary; in 1993 it was 35%. We would like to increase the reimbursement rate to schools thereby encouraging Career Technology Programs and to start and expand current programs. We will also have end of program exams in all technical areas.

3) Career Planning/Development -1.6 million. These dollars are for career resource coordinators. There are four in the state right and based at four two-year campuses.

4) Adult Farm Management - \$250,000. We have 14 Adult Farm Management Programs in the state. Balance reimbursement between secondary and post-secondary based programs. The workforce training system was the funding agency for them.

5) Workforce Training System -\$305,000. Cost to continue at current levels and maintain levels of service. It provides infrastructure to get the training done.

6) Two new Virtual Career Technology Centers – 1.2 million. There has been a steady demand. Make grants available for two new virtual area centers.

Department of Public Instruction: Dave Massey reported on the DPI budget. Dave stated that there agency has the same problems as other agencies. There is no report or final numbers at this time due to the budget not being in yet. DPI has an extension because of the education commissions recommendations are not final at this point. Dave commented that he has general dollar amounts for optional items that DPI is recommending in the budget. They are one of the largest state budgets. The majority of the money goes back to the school districts. In addition to foundation aid that they do provide assistance with transportation costs, special education, and other federal programs that are built into the budget. Dave mentioned that under the optional items, (student assessment) are asking for student assessment. They have asked for student

assessment for a number of years and have never received anything from the state legislature and will be asking for the student assessment again. They also have a request for career advisor, it is a collaborative effort on the part of Career Tech, DPI, and the University System. Each budget has career advisor line items. DPI is also asking for funds for data collection, English Language (ELL) assessment, and Regional Education Associations (REA). In addition, we anticipate the Education Improvement Commission recommendation will also put money into CTE budget and also DPI budget. Dave mentioned that there is a big push for Pre-K. Pre-K is based on research and this is a recommendation from the Education Commission and will fall into the budget. There is also a recommendation for teacher mentoring. There are additional funds for tutoring, career advising, and professional development. The Education Commission is asking for 110 million additional funds through their administration. Part of the 110 million is additional funds for the school districts, foundation aid, or transportation and other costs that will incur. This fall in cooperation with the partners (CTE, University System), wrote a federal grant for development of Longitudinal Data Warehouse and that is in the amount of seven million dollars.

University System: Marsha Krotseng reported that she attended the Midwestern Region Higher Education meeting in Minneapolis. She noted that there is a lot of envy of North Dakota. North Dakota's budget situation is very different than other states where they are making tremendous cuts in education and higher education systems across all their governments. Marsha commented that in building the budget this year, Chancellor Goetz and the State Board of Higher Education really care about what people in the state have been saying. They have listened to the interim committees, businesses, and Workforce Congress. One of the major areas requesting funding is to maintain affordability of higher education. This is in several different forms; affordability through being able to increase financial aid for students. This is an area that the Governor has a great deal of interest. Also, we want to hold the lines on tuition; the two-year colleges would like to see that tuition not increase.

The Chancellor has proposed a special new start-up fund for new academic and technical programs. This is one area that can help with new programs. Comprehensive career planning is one major initiatives. One thing they can do with this is to take the electronic guidance programs that K-12 students currently have access, and be able to provide that access to students in the colleges and universities. She mentioned that they have items that are one-time funds. These funds are requested for the coming biennium. One of the programs being requested for the biennium is for science, technology, engineering, and mathematics programs. That is a competitive program. Four million dollars was set a side for that program, and the colleges and universities were asked to send their proposals on how they might help science, technology, engineering, and mathematics programs across the state.

Commerce: Shane Goettle reported on a number of initiatives that Commerce is working with in trying to deal with workforce attraction as well as career promotion. First, we have been working with Experience North Dakota events outside the state. Job Service has been a strong partner in this effort. There are 24-25 individuals that are currently working in North Dakota as a result of these events. We have a lot of job seekers using the website ND Jobs.com; through this site there are people from outside the state that are searching for jobs and are now wage earners here. We are participating in October with several communities in larger career expo where we are not the lead sponsor, but joining other career expos in states like Michigan. This generated good results with three new enrollments in the Williston States College Petroleum Safety Program.

Shane commented on the virtual Webfair having 45 businesses participating in the Webfair. This will run for two weeks. Sandy McMerty, Marketing Communications Coordinator reported that there was an article in the Fargo Forum that ran along with a social buzz through Commerce websites and other social media sites, however the web hits jumped from 1500 hits in one day to over 5000 and we contribute about 1500 hits to WebfairND.com and about 320 of those were directly out of the Fargo Forum advertising. Since the launch three weeks ago, the total traffic is about 2300 hits.

Shane Goettle reported on the Department of Commerce budget. There are a number of items that will emerge in the Department of Commerce budget related to Workforce. Shane reported that there was two million dollars set aside. There have been two large grants funded to Bismarck State College and Williston State College providing them with supplemental funding to start a new program. We expect to move the full two million with additional proposals; a smaller one from Bismarck College, and also proposals from Wahpeton and Devils Lake. This is a one-time funding, and wasn't part of the base budget, but the Governor is considering this again as a one-time funding.

Shane reported that the Operation Intern program is in the base budget for \$600,000 and the interim Workforce Committee has proposed doubling that to 1.2 million. The Governor seems favorably disposed towards doubling the dollar amount, but also requires as to whether the program might be also be deployed for apprenticeships. This is not proposed by the Workforce Committee, it is just a discussion with the Governor's office. Shane commented, as far as the out-of-state marketing efforts, we have been able to pull off the experience North Dakota events, depending on the venue and hotel charges. This has been running between \$20-30,000 and the state covers approximately one-third and the remaining is raised privately by the participants and communities participating. Shane mentioned that Commerce is seeking additional funding so we can do more target marketing in places such as Michigan. Another initiative that the Workforce Interim Committee proposed is one million dollars for out-of-state marketing in working in conjunction with the University System. The roll that the Department of Commerce would have is to help design the advertising

campaign, the marketing tactics that would reach out and grab the attention of the high school students from across the country and region and attract them into training programs or college programs for the high need targeted industries. Shane mentioned that as the business leaders interface with the students, a recording is being made and a data bank is being established with these interviews in which students will be able to view careers of their choice.

Department of Corrections: Dennis Fracassi, Department of Corrections Project Director-Roughrider Industries reported that approximately 100 inmates are being discharged from the penitentiary a month. The Department of Corrections primary goal is public safety in trying to reduce recidivism. We are one of eight states that are involved with Transition from Prisons to Community Initiative. We are collaborating with Commerce, Workforce Development, Job Service, Higher Education (BSC and Wahpeton State School of Science), Department of Human Services, and many other stakeholders. What the Department of Corrections is trying to accomplish is that furniture is made at Roughrider Industries; it is not a real product, they are by-products of what we are trying to accomplish. We are trying teach job skills to inmates, so when they are released they have skills for employment which in turn will keep them out of prison. As of October 1st, the Department of Corrections is in their second year of reorganization, and has merged the industry program with the education department.

The Department of Corrections is 100% self-supporting (salaries, equipment, capitol improvements, operating costs) are funded through the sales of products and services the Department of Corrections provides. As a result, there hasn't been a lot of time spent trying to make the inmate our product. In merging with the education department, we are trying to accomplish assessing the inmates skills as they enter the prison. When the needs are determined, lesson plans are developed to address the basic foundation skills. If the inmate has no high school diploma (21-23% do not have high school diploma), we require they work on their GED. Once they are into the system the most sought after activity that an inmate will want is to work in industries. This helps them to stay busy and makes time for them go fast; it also gives them the opportunity to pay off fines, restitution, penalties, and child support. Their behavior has to be satisfactory and they must abide by all the compliances. There are approximately 1450 inmates in the system at this time.

This year the Department of Corrections asked for two-million dollars through the education department, to be used to work with BSC and Wahpeton to bring vocational education into the industry program. Dennis stated that it costs \$28,000 per year to house an inmate, and we are required to be successful with three inmates a month in getting them out of prison and keeping them out of prison who would not otherwise have the opportunity to learn these skills. The Department of Corrections is asking for a total of 15 million total.

Jim Hirsch commented there is a draft resolution of support for the Department of Corrections Transition from Prisons Communities Initiative. This resolution supports that the Council has gone on record showing support of the plan and the Department of Correction and Roughrider Industries has developed to expand their efforts to prepare prisoners for successful re-entry into society and meaningful career employment, and therefore the North Dakota Workforce Development Council supports the Department of Corrections and Roughrider Industries plan to seek funding from the 2009 Legislative Assembly to expand their services and provision of training in high demand occupations to facilitate successful transition of prisoners into society.

MOTION: Bruce Walker motioned to approve as written the Resolution of Support - Regarding Support for the Department of Corrections Transition from Prison to Communities Initiative. Wayne Kutzer seconded the motion. Motion carried.

ACTIONS AND RECOMMENDATIONS

Legislative Position: Jim Hirsch reported on the Legislative Position. This is draft nine of the Legislative Position that was sent out for comment. There was no feedback regarding the Position.

MOTION: Dave Massey motioned to adopt the Workforce Legislative Position recommendations as written and approve to share with various committees in helping to provide clarification. Lee Lampert seconded the motion. Motion carried.

OTHER: David Kemnitz reported on a situation he was confronted with. It is in regards to the 23 workers that were jailed. There are 500 workers from India working in the Katrina cleanup as pipefitter welders. They were recruited through a system in the United States. These individuals had to pay \$18,000-20,000 each upfront to be a guest worker in the United States and were promised family visitations and a U.S. citizenship if they qualified. Out of these 500 individuals, 23 are in North Dakota. David commented that when they arrived in Georgia and Alabama for the Katrina cleanups they arrived at "Man Camps". In these camps there were 24 people to a sleeping room with two bathrooms. Extremely poor food caused dysentery hospitalization and other sickness for these individuals. Being from India, they protest in a manner which work stops, non-violent group demonstrations, and they protested in a very public form in mass to voice their concerns. The company that hired them brought in armed forces to these Man Camps and house arrested four workers, put them in isolated rooms and let everyone know they were going to be deported. In the middle of the night 20 escaped from the camp and went into town and spoke with the media bringing them back to the Man Camps. The response to this action was even more strict enforcement of security guards. The protest grew to over 200. The churches were full of these people trying to talk to America about human tracking and the

conditions they were exposed to. Fifty of these workers walked to Washington, DC from Alabama and went to the Department of Justice and asked for the investigation of this company, righting the wrong and lack of follow-up on the promises made to them. The Department of Justice and Investigation would not give these workers protection under the law so they could be in America. They were denied protection, so these workers went underground and found jobs. This is how they found out about the jobs in Casselton, North Dakota at the ethanol plant as pipefitters and welders. They worked for one of our local contractors for several months. In the end when the job was almost finished, the Immigration and Custom Enforcement came in and arrested all 23 at the end of their work cycle. David commented that these people made a mistake and the American justice system shouldn't punish them for that mistake. We don't need to keep them in jail and is requesting the awareness of this injustice to the committee.

PUBLIC INPUT: NONE

ADJOURNMENT: The meeting was adjourned at 2:45 p.m.

Action Items:

1. The director is to send out the FindJobsnd.com report which lists the job vacancies by occupation which are posted and spidered into the web site.