

STATE OF NEVADA
GOVERNOR'S WORKFORCE DEVELOPMENT BOARD

Thursday, April 20, 2017 – 2:00 p.m.

**Department of Employment, Training and Rehabilitation
500 E. Third Street – SAO Auditorium
Carson City, NV 89713**

Alternate Location: Some members of the board may be attending the meeting and other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following location:

**Department of Employment, Training and Rehabilitation
2800 E. St. Louis Avenue – #C
Las Vegas, NV 89104**

MINUTES OF MEETING

Present: Dr. Luther Mack Jr. (Chair), Stewart “Mac” Bybee, Jo Cato, Ryan Cordia, Jolene Dalluhn, Councilman Oscar Delgado, Larry Fagerhaug, Steve Fisher, Shelley Hendren, Commissioner Marilyn Kirkpatrick, Todd Koch, Manny Lamarre, Kristine Nelson, Hannah Pence, Patrick Sheets, Ann Silver, Bill Stanley, Don Soderberg, Dr. Alan Walker, Kris Wells, Arron West, Vick Wowo

Absent: Debbie Banko, Dana Bennett, Dave Ellis, Senator Aaron Ford, Assemblyman Jason Frierson, Larry Harvey, Chad Hirschi, Cory Hunt, Horacio Lopez, Jim New, Bill Welch

Also present: Christopher Sewell (DETR), Renee Olson (EDS/DETR), Jennifer McEntee (CFO/DETR), Jennifer Bender (FM/DETR), Lisa Torres (JOIN), Victor Sherbondy (RISE Academy), Dawn Adams (RISE), Rob Benner (Northern Builders Trades), Grant Nielson (DETR/ESD Program Chief), Karlene Johnson (WISS/DETR), John Thurman (Nevadaworks), Milt Stewart, (Nevadaworks), Beth Wicks (Nevadaworks), Christopher Robinson (DETR/R&A), Jaime Cruz (Workforce Connections) DeAndrea Ceccarell (CSA), Heather Bugg (FM/DETR), Tiffany Greenameyer (Governor’s Finance Office)

1. OPENING REMARKS

Dr. Luther Mack Jr. Chair, called the meeting to order, welcomed participants and new members and made announcements. **Chair Mack** thanked Kristine Nelson for her service to this board and welcomed her as a Board member and her new position as Director of the office of Career Readiness, Adult Learning and Education with the Nevada department of Education. Chairman also welcomed new Board members Ann Silver the CEO for the Chamber of Commerce for the Reno/Spark area and Chad Hirsch of Hirschi Masonry and the President of the Nevada Subcontractors Association Board of Director

2. ROLL CALL - CONFIRMATION OF A QUORUM

Per direction from Chair Mack, **Christopher Sewell** took roll call and confirmed the presence of a quorum.

3. VERIFICATION OF PUBLIC NOTICE POSTING

Christopher Sewell affirmed that the agenda and notice of the Governor’s Workforce Development Board meeting on April 20, 2017, was posted pursuant to Nevada's Open Meeting Law, NRS 241.020.

4. FIRST PUBLIC COMMENT(S) NOTICE

Chair Mack read the notice into the record as follows: “Members of the public are invited to comment at this time; however, no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. At my discretion, in the interest of time, public comments will be limited to three minutes per person.”

Chair Mack invited comments from Carson City, Las Vegas or via telephone. **Don Soderberg** said that Workforce Connection is putting on a popup career fair. **Jaime Cruz** referred to the event flyer and stated that there is additional information at the one-stop career center website. The event originated from Board member requests to bring resources uniquely and specifically to the neighborhood. If successful, the plan is to duplicate the event for other areas. **Bill Stanley** thanked John Thurman for the opportunity to attend a meeting in Northern Nevada.

5. ***APPROVAL OF MINUTES**

Chair Mack called for a motion to approve the January 19, 2017 draft minutes of the Board.

It was moved by Don Soderberg and seconded by Marilyn Kirkpatrick to approve the January 19, 2017 draft minutes as submitted. Todd Koch and Kristine Nelson abstained. Motion carried.

6. **INFORMATIONAL/DISSUSION – DIRECTOR’S UPDATES**

Don Soderberg, Director DETR – Introduced Mr. **Rene Cantu** from Jobs for America’s Graduates (JAG), who provided a presentation. JAG currently has 54 programs in 41 high schools serving over 3,000 students in 12 Nevada counties in less than three years. JAG serves rural communities that would otherwise go without critical student reports and results in an increase in minority graduation rates. The graduation rate for 2015 was 83 percent with 52 percent of students from the bottom quartile and 78 percent postsecondary placement. A total of 2,544 youth were enrolled for 2016, up 57 percent from 2015 when 1,619 students were served. An additional 539 are in a 12 month follow-up. The demographics of student participants is representative of the state with 38.41 percent Hispanic, 31.42 percent white, 12.43 percent African American, 11.73 percent multicultural, 2.09 percent Native American and 1.4 percent Asian. In terms of economic standing, currently 8.24 percent are in the top quartile, 35.06 percent mid-range, 48.88 percent bottom quartile and 7.82 percent gave no response to the question.

As a small town example McDermitt, Nevada, has the greatest concentration of Northern Paiute speakers with an estimated 30 percent of the Tribe’s children able to speak the language. The JAG student profile for this area reflects 58 percent Native American, 47 percent of mothers and 42 percent of fathers have no diploma, 84 percent receive free or reduced lunches, 63 percent are on TANF or public assistance, 63 percent of mothers do not work, 63 percent are basic skills deficient, and there is a 100 percent graduation rate for the class of 2016 (35 students total).

In West Wendover, access to a diploma (which many students’ parents do not possess) will provide students access to greater economic opportunity. In Wendover, the JAG graduation rate was 89 percent, ten points higher than the average rate. In Hawthorne, Nevada, students are geographically isolated and the unemployment rate is high. In Hawthorne, the JAG graduation rate was 100 percent in 2015 and 80 percent in 2016 with eight months of follow-up remaining. For Nevada overall, the graduation rate is 71 percent. For those participating in JAG, the number is 83 percent.

The Go Deep Project is a national demonstration initiative where JAG National selected JAG Nevada as a site for the experiment, which brings together state, federal, county and school districts. The North Las Vegas program includes ten programs in four high schools. For students participating, on average, 46 percent are in the bottom quartile with an average GPA of 1.98 and 14 or more absences.

Mr. Stanley noted that the average number of barriers cited per student was six and asked for clarification on the identification of barriers. **Mr. Cantu** said there are over 30 barriers, including academic barriers, such as GPA, credit deficiency and passing proficiencies. Socioeconomic barriers include free and reduced lunch, family variables (single parent, homelessness), educational status of parent, employment status of parents and others.

Marilyn Kirkpatrick stated it was important to note that the Go Deep Project begins with ninth graders and follows them each year through high school. This is critical, as dropout rates rise at tenth grade. The program is also helping to stabilize neighborhoods, giving people a reason to stay within the neighborhood. Participants in the program are becoming leaders of communities. **Mr. Cantu** added that students come into the program disconnected. JAG includes a leadership development component, which encourages community leadership.

Ryan Cordia asked whether this was a social, emotional and mentoring support system or whether it includes job skills. **Mr. Cantu** replied that it includes three components. The classroom component addresses the workplace and includes a core curriculum, including writing resumes, cover letters, interviews, public speaking and other skills, including how to get a job, keep a job and leave a job. Social and emotional skills are addressed in 9th, 10th and 11th grade. The second component is leadership development and motivation, including a membership club and local chapter. The third leg is carried out by the JAG specialist, who serves as an advocate and mentor, developing an individual plan for each student. Because JAG is embedded in the schools, there are 120 contact hours per year minimum with every student. Next year will include a requirement for all students to apply to a community college. TSM Foundation is paying for the application fees. In terms of return on investment for the program, high school dropouts earn under \$500 a week, high school graduates earn \$678, Some college education earns \$738 a week, an associate's degree earns \$798 a week and a bachelor's degree earns \$1,137. Unemployment rates for dropouts average 8 percent versus 5.4 percent with a high school diploma, 3.8 percent with an associate's degree and 2.8 percent with a bachelor's degree. Graduation reduces incarceration rates by 68 percent. The annual cost for an incarcerated inmate is \$20,656 versus \$1,848 per JAG student. High school graduation reduces poverty. Social emotional learning (including work readiness and soft skills) results in 11 percent academic gains in grade point. In terms of enrollment, the JAG program grew from 208 to 806 students between 2013/14 and 2014/15 to 1,619 in 2015/16 and 2,544 in 2016/17.

Mr. Cantu addressed outcomes. For 2015-16, there is a 74 percent graduation rate, which increases to 80 percent after nine months of follow-up. **Ms. Kirkpatrick** asked about graduation rates in comparison to a time when proficiency testing was required. **Mr. Cantu** said that if there had not been such significant growth in new programs, the graduation rates would not be as high. No longer having proficiency requirements also results in higher graduation rates. Tutoring is offered as part of the JAG class, which should help with proficiency requirements in the future.

Mr. Cantu addressed job placement post-graduation. For 2015/16, the percentage of job placement was 35 percent, which increases to 58 percent after 3.5 month follow-up. Of the jobs secured, 48 percent were full time at the end of the senior year, with the percentage increasing to 70 after 3.5 months of follow-up. In terms of positive outcomes (getting a raise, going to college), 76 percent of students have experienced some positive outcome. In regards to the fiscal snapshot, the cost per student was \$2,542 in 2014/15, \$1,946 in 2015/16 and \$1,848 in 2016/17.

Program accomplishments include:

- New board
- New 501(c)(3)
- New leadership
- Unified staff and organizational continuity
- Full accreditation in 2016
- Creation of strategic plan
- JAG special license approved by the Nevada Department of Education.
- Go Deep National Demonstration Initiative funded and launched
- North Las Vegas was the demonstration site highlighted at the JAG National Thought Leader Event in September, 2016
- JAG National meeting to take place in Las Vegas in the first quarter of 2017

Mr. Soderberg said that having a governor from another state develop an idea and then have it implemented in Las Vegas in an area of most need is a great story. Clark County, the school districts and AT&T have stepped up to the plate. Governor Sandoval used some discretionary WIOA funds to help the program.

7. **INFORMATIONAL/DISSUSION – GOVERNOR'S OFFICE OF WORKFORCE INNOVATION (OWINN)**

Manny Lamarre, Director of OWINN, provided an overview for Board members. The GWDB is a function of the federal policy, Workforce Innovation and Opportunity Act (WIOA). With the reauthorization of WIOA, the Boards have leverage to develop innovative programs. To enhance the Board, a presentation regarding effective boards would be helpful. The National Governors Association (NGA) provides categories of high functioning workforce boards:

Set and communicate the vision for the workforce system

- Set a vision that is inspirational, aspirational and concise
- The vision is for the overall workforce system, not just the board or WIOA
- Set priority actions to realize that vision by focusing on two or three key issues and aligning resources in support of those priorities

Model and manage strategic partnerships to achieve the vision

- Recognize that change takes time. Partnerships are based on mutual understanding and meaningful day-to-day interactions for mutual benefit
- Have a clear decision making process among partners that recognizes the authority and autonomy of each partner

Use data and other tools to hold the system accountable to the vision

- Set measurable goals and strategic priorities related to the state's vision that would demonstrate progress of achievable goals
- Utilize both partner feedback and other data sources in a consistent way to document and evaluate progress, align systems and direct resources

The Governor's strategic policies include:

- Vibrant and sustainable economy
- Safe and livable communities
- Educated and healthy citizenry
- Efficient and responsive state government
- Education and workforce development
 - Prepare all students for college and career success
 - Ensure a highly skilled and diverse workforce
 - Increase the number of Nevadans with postsecondary credential or college degree

Composition of state boards:

- The Governor or designee
- One member from each chamber of the Nevada State Legislature
- Two or more chief elected officials
- Representatives of the business industry (at least 51 percent)
- Representatives of the workforce (at least 20 percent)
- Any other representatives the Governor may deem necessary

Mr. Lamarre reviewed WIOA objectives:

- Address evolving workforce and economic needs and limitations, training, funding and service delivery design
- Flexibility to collaborate across systems for state and local areas
- Stronger alignment of the workforce, education and economic development

Key takeaways include:

- Stronger collaboration between core programs and their agencies in developing single, unified state plan to improve service delivery and access to the workforce system for job seekers and employers
- Greater prospect of alignment – job training and employment services and unemployment insurance system; juvenile justice, foster care, education resources and efforts to engage hard to serve youth and young adults

Duties and obligations under WIOA include:

- Develop, implement and modify the state plan
- The review of statewide policies, programs and recommendations on actions to be taken by the State to align statewide workforce development programs in a manner that supports a comprehensive and streamlined statewide workforce development system, including review and commentary on the State Plan for programs and activities of one-stop partners that are not core programs
- Develop and provide recommendations for the continuous improvement of the workforce development system
- Review and approval local plans
- Identify and disseminate information on best practices

- Review and develop statewide policies affecting the coordinated provision of services through the State's one-stop delivery system
- Develop strategies for implementing and funding technological improvements to facilitate access to and improve the quality of services and activities provided through the State's one-stop delivery system
- Develop strategies for aligning technology and data systems across one-stop partner programs to enhance service delivery and improve efficiencies in reporting on performance accountability measures
- Review and develop allocation formulas for the distribution of funds to local areas for employment and training activities for young adults and youth workforce investment activities to local areas
- Prepare annual reports
- Develop the statewide workforce and labor market information system
- Develop other policies that will encourage and promote improvements to the workforce development system in the State

Mr. Lamarre said that the packet distributed to members provides an explanation of the funding structure and services. He identified specific goals/items of concentration:

- Include full secondary institution funding
- Begin ROI analysis
- Cost per participant – what trainings will be in demand for industry sectors
- Aggregation of funding dollars
- Workforce dollars investment by the private sector and/or special grants and comparison to other states' programs
- Identify year-to-year discretionary funding

Ms. Kirkpatrick referred to the \$170 million budget and asked how much goes to Nevada and who determines breakdown of the funding. **Kristine Nelson** said that the numbers noted are 2015 figures before the infusion of state funds for career and technical education in the legislative session. She will work with Mr. Lamarre to update the numbers. Adult basic education funding comes from the U.S. Department of Education. The Adult High School Diploma program is state money allocated in the 2015 session. Career and Technical Education is a mixture of both. The State portion significantly increased in the 2015 session with an additional infusion of approximately \$12 million. On the career and technical educational side, Nevada is looking at a total of approximately \$22 million just for CTE. How it is distributed is mandated by statute and the State Board of Education.

Mr. Cordia asked about any preliminary output data regarding funding. **Mr. Lamarre** said this information is not yet available. He noted that Board members can request specific types of information and reporting and staff will work to answer those requests. **Ms. Nelson** asked whether this is the beginning in the New Skills for Youth Initiative of the asset inventory. **Mr. Lamarre** confirmed that it is. The New Skills for Youth is derived from a grant from JPMorgan Chase and CCSSO as a massive cooperative effort. **Arron West** said that he is excited to see this level of resource going into the program. As the State moves closer to functional full employment within the State, he would like to explore opportunities to shift the focus from reactive to proactive in terms of student success. **Patrick Sheets** said that having the depth and breadth of understanding the relationship to funding allocations versus performance will make the State more eligible for future funding. **Shelley Hendren** said that to Mr. West's point, there is much emphasis throughout WIOA for lifting students and youth. This change is already being addressed, due to the federal legislation. She asked Mr. Lamarre whether the funding from Department of Education for programs with a mix from general fund and federal is due to a match requirement. **Ms. Nelson** said there is no match on the career and technical education side, but definitely for adult basic education. **Mr. Lamarre** provided a survey to Board members to gather their input.

8. ***FOR POSSIBLE ACTION – STATE COMPLIANCE POLICIES (SCP) – RATIFICATION OF THE FOLLOWING SIX (6) STATE COMPLIANCE POLICIES:**

Grant Nielson, ESD Program Chief provided an overview of state compliance policies approved by the GWDB Executive Committee at its 3/17/17 meeting. He stated that the Department of Labor requires enactment of these policies to be aligned with the Department of Labor regulations and the WIOA Act. Most of the policies are cut and pasted from the federal language, with slight exceptions, additions and clarifications.

Mr. Nielson stated that Policy 1.4 was originally approved by the Board at the July 21st meeting, but required updates based on the release of Training Employment and Guidance Letters (TEGL) 15-16 ad 16-16. Changes were made based on the TEGLs. Discrepancies were noted between the approved State Plan and language in this policy. The policy was updated to be consistent with the State Plan language. He identified the changes in the materials provided. The question addressed how to determine caps for costs within the one-stop system.

Shelley Hendren asked when dollar amounts will be filled in and how often they will be updated. **Mr. Nielson** explained that the policy provides the tools for each individual board to use. It will be used when the MOU is negotiated. **Mr. Stanley** said that there was a long discussion about this during the Executive Board meeting and asked Mr. Soderberg to clarify administrative costs by the provider. **Mr. Soderberg** said that this policy was originally enacted by the Board over a year ago. Because of changes in the federal guidance, the Board was required to approve a new policy. When the policy came to the Executive Committee, there was an in-depth discussion as to whether it was appropriate to have caps on operational costs of a one-stop, what that should be and how the number should be derived. To Mr. Stanley's question, this goes to the per FTE person working in a one-stop and what the allowable cost will be. The former policy had a cap of 65 percent. Those at DETR believed it was implicit that if a one-stop operator through its local workforce board thought it could not meet the 65 percent, it could come to this Board, provide its reasoning and request a waiver. The other takeaway from the Executive meeting was what does it mean by operational cost? Mr. Nielson has come up with a worksheet in the policy so that a one-stop operator can calculate costs per FTE and compare it to DETR's cost. If necessary, they could come to the Board and explain why costs are higher. What the policy does not do is discuss the administrative costs of the providers. That is likely the next step for the Board.

Mr. Nielson commented that WIOA limits administrative costs to ten percent. **Ms. Kirkpatrick** said that even with the checklist on administrative costs, there could be peaks and valleys, depending on training time and other factors. It is difficult to explain the 75 percent requirement to new partners. **Mr. Soderberg** said that the conversation has mixed the concepts of the cost of running a one-stop and the costs of administering programs, which are two different things. That said, this Board should set policies that push efficiencies. **Ms. Kirkpatrick** stated that NACO is coming to Clark County in 2019. They will have a workforce component and a workshop. She sits on the Board and would be happy to drive a discussion for this Board to participate in.

Mr. Nielson said that the rest of the policies were passed without controversy.

It was moved by Marilyn Kirkpatrick and seconded by Don Soderberg to Ratify State Compliance Policies (1.4), (1.17), (1.18), (1.19), (3.1) and (4.4). Motion carried.

9. **POSSIBLE ACTION ITEMS – WIOA “LOCAL AREA” DESIGNATION**

9A. Workforce Connections

Jaime Cruz stated that this agenda item is in response to a state policy that requires submission for a request for subsequent designation as a local board for the area. The reference is to State Policy 1.1.

It was moved by Ms. Kirkpatrick and seconded by Mr. Soderberg to approve Workforce Connections Local Area Designation (Motion carried).

9B. Nevadaworks

Mr. Thurman said the request is to have the 13 counties of Northern Nevada designated as the workforce area. **Ms. Nelson** asked for clarification that the Board is approving the recommendation of the local area designations, which will go to the Governor. **Chair Mack** replied that this was correct.

It was moved by Mr. Soderberg and seconded by Ms. Jo Cato to approve Nevadaworks Local Area Designation (Motion carried).

10. INFORMATIONAL ITEMS/REPORTS

- a. Nevadaworks -- Northern LWDB's quarterly report and updates
- b. Workforce Connections -- Southern LWDB's quarterly report and updates
- c. DETR Research and Analysis Bureau's Economic updates
- d. DETR's Financial Management – WIOA Analysis of Expenditures

Chair Mack stated that there would be no formal presentation for Agenda Item 10, but invited questions or comments. **Mr. Soderberg** referred to the presentation from the Research and Analysis Bureau on the labor market briefing and noted that the second page includes a Nevada Recovery scorecard that highlights how far the State has come since the recession.

Dr. Alan Walker asked about Nevada's position nationally. **Christopher Robinson** said that as of the third quarter of 2016, Nevada had the fourth fastest growing employment in the nation. In terms of absolute recovery, he did not have information on an exact percentage. He can provide this in the future. Unemployment has dropped from nearly 14 percent to below 5 percent, which is neck and neck with the national average. **Mr. Soderberg** suggested that Mr. Robinson provide the information to Chris Sewell for email distribution to Board members.

11. PUBLIC COMMENTS NOTICE (SECOND)

Chair Mack read the statement into the record: "Members of the public are invited to comment at this time; however no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. In my discretion, in the interest of time, public comment will be limited to three minutes per person." He invited comments from Carson City, Las Vegas or on the telephone.

12. ADJOURNMENT - The April 20, 2017 meeting was adjourned.