



GOVERNOR'S COUNCIL FOR WORKFORCE AND ECONOMIC DEVELOPMENT

MEETING MINUTES

Date: January 29, 2016

Time: 9:00 A.M.

Place: Oklahoma State University-Oklahoma City, 900 N. Portland Ave., Oklahoma City, OK

Welcome/Call to Order

Chair Steve Hendrickson called the meeting to order and reviewed the agenda.

Approval of Minutes

Chuck Mills made a motion to approve the November 6, 2015 meeting minutes, seconded by Valerie Thompson. The motion carried unanimously.

Gov. Mary Fallin

In his introduction of Gov. Fallin, Chair Steve Hendrickson said that as chair of the state workforce board, he receives a lot of calls from other states asking him what is it that you can do to get the governor involved with the Council. He replies that it is never a problem for us because Gov. Fallin comes every year at least once and sometimes more. This distinguishes her from her colleagues which we should all appreciate. She is very busy – she is delivering the State of the State address this coming Monday, she's pulled emergency money to look at earthquakes, we have revenue issues and other big issues and she is choosing to spend her morning with us to talk about the state's workforce issues. So to put this all in perspective, the Council should realize how committed she is to your service and to the cause that we are all here to support. Welcome Gov. Fallin.

Gov. Fallin said that she appreciates all who are in attendance on the Council and the work they are doing. She said that this Council does deserve the attention of top leaders and the work it is doing is important to the state for jobs so we can have a better, stronger and more prosperous Oklahoma. She wanted to take time for the Council members to introduce themselves because there are several new members on it now. She said that serving on this Council is very rewarding because it actually does work and it is important to her administration.

We are starting a new year and she would like to review her major goals and strategies as it relates to how we can create a more prosperous Oklahoma with the initiative Oklahoma Works. She has been working on this for about two years now. Gov. Fallin said she would briefly give the Council a refresher on Oklahoma Works, but Katie Altshuler will talk about implementing Oklahoma Works, Phase 2. This all starts with the Council but it also starts with all of the partners that are here.

Gov. Fallin said that this is a very challenging time for the state. In the past few years, our income had grown but today we are dealing with a budget shortfall. There are too many things out of our control worldwide and nationally – energy slump, low oil prices, etc. This all affects Oklahoma's economy. We've seen the effect on the economy, on workforce, jobs – not only in the energy sector but the trickle-down effect on all those who do business with the energy sector. This will be a challenging year. We will have a \$900 million budget shortfall and it could get worse if the price of oil per barrel continues to drop. We've been down this road before and we will get through it.

At this point in time, it is more critical than ever that we focus on education, training, workforce and our Oklahoma Works initiative. We were smart to start this way ahead before this downturn we are facing right now but we still have a lot of work to do.

Gov. Fallin said as a reminder, in order for Oklahoma business to grow and continue to flourish, and have the ability to start up new businesses and help us to generate wealth, we need to acknowledge the new minimum. When it comes to what type of educational attainment a person needs to be able to enter into the workforce that new minimum is not a high school degree but today you have to have a postsecondary degree whether it is a Career Tech certificate, a 2-year, 4-year degree, etc.

The Oklahoma Works initiative was designed to increase the wealth of Oklahomans by providing the education and training that a person needs to have skills that are relevant to today's workforce. We are trying to close a skills gap to make sure we have relevant training and education for the kinds of jobs that we have today. That is why the work of the Council is so important. We have to have strategies and prioritize where our money goes, develop plans across education and training so we can provide prosperity and employment opportunities for our workers while developing the highly skilled, educated workforce which is crucial for recruiting jobs and opportunities for our state. You are the key to our success. We are bringing together our businesses, educational institutions, state agencies, and other partners to better align our education and workforce systems and to close the skills gap so we can have relevant training and education for the kinds of jobs we have today. The goal is to develop wealth generating policies across the state so we can align private and public sectors together.

The Strategic Plan also sketches a board structure while also trying to identify and remove barriers that may inhibit Oklahomans from finding jobs. We need to align our resources to become more efficient and effective and have more dollars for direct training.

In Oklahoma we have a low employment rate of 4.1%, there is an increase of 9,000 people in the labor market. There are 1,000 job openings at Tinker Air Force Base. Tinker AFB is really critical to Oklahoma's future. Statewide we have 80,000 jobs available. Many Oklahomans don't have relevant workforce skills. We need to know our assets in the state. We developed an asset map to see what resources we have and to see where we can strengthen those assets. It also gives state leaders the opportunity to evaluate the type of programs we have statewide and make sure they are effective.

Over the past year, Gov. Fallin held 9 regional meetings around the state to go through a SWOT (strengths, weaknesses, opportunities, threats) analysis to use in developing a strategic plan to make Oklahomans more prosperous. Many of you here today attended the meetings and thank you for your tremendous work.

Oklahoma Works Update

Katie Altshuler said that the core team has been working on a strategic plan and would be releasing a final copy next week.

Goal: Implement wealth-generating policies across the state by coordinating the alignment of private and public strategic priorities so all Oklahomans can achieve the American Dream.

Objective 1: Align and Connect

- Strategy 1: Career Options Exposure
- Strategy 2: Postsecondary Opportunities in High School
- Strategy 3: Workforce Readiness
- Strategy 4: Transportation Services

Objective 2: Data

- Strategy 1: Using Data to Decrease Labor Supply and Demand Gap

Objective 3: Partnerships

- Strategy 1: Regional Partnerships

Objective 4: Resources

- Strategy 1: Optimize Cross-Agency Resources

Council Metrics

Deidre Myers explained that the 2014 metrics just became available in December so this is the latest information. She said that out of the 20 metrics measured, there were 15 that have trended positively. Five metrics were either modest or decreasing trends.

Wealth Generation

• Per Capita Personal Income (% of US)	94.76%
• Per Capita Disposable Income (% of US)	97.28%
• Median Household Income	\$46,235
• Income Poverty Rate	16.60%
• Per Capita Income Maintenance	\$771
• Homeownership Rate	66.50%
• Gini Index	0.4624

Employment Growth

• Total Employment Annual Growth Rate (not seasonally adjusted)	-0.17%
• Ecosystem Employment Growth Rate	1.02%
• Low-wage Jobs (% at or below minimum wage)	3.80%
• Average Annual Wage	\$44,447
• Unemployment Rate (quarterly rolling average; Dec avg)	3.97%
• Labor Underutilization U-6 (annual average)	8.6%
• Youth Unemployment Rate (16-19)	17.0%

Workforce Participation

• Labor Force Annual Growth Rate	-1.06%
• Labor Force Participation Rate	61.30%
• HS Degree and Higher	86.70%
• Associates Degree	7.10%
• Bachelor's Degree and Higher	23.80%
• Persons Above 18 and Under 65	60.90%

Council Mission, Bylaws and Committees

Chair Hendrickson said at the November meeting the Council formed an ad hoc committee to look at writing new bylaws. The committee has not been able to meet and the draft of bylaws that you have today have not been through the review process because we ran out of time. So, currently we are still under the existing bylaws. There are a couple of options on which way we can move forward. Deidre Myers said that because we are still under the existing bylaws, there is no imminent reason that we have to vote on them today if you are not comfortable doing that. She said if there is some committee work that needs to take place, the chair can appoint an ad hoc committee to work on a particular function such as any financial policies that need to be put into place before July 1st.

Chair Hendrickson asked the Council if they were comfortable with the Bylaws Ad Hoc Committee continuing its work between now and the next regularly scheduled meeting and then approach the full Council with a set of bylaws that at that time can be recommended for adoption. Secretary Shirley said that all on the Council should take a careful look at the bylaws because we want to operate under a set of guiding principles that everyone has had the opportunity to review and comment on. She recommends that we continue under the existing bylaws and that the chair appoint any ad hoc committees that are necessary and appropriate in moving forward. Chair Hendrickson said that we would follow that recommendation and let the Bylaws Ad Hoc Committee continue its work and we would have new bylaws for the next meeting that the Council can act on. He added that the rules associated with the WIOA is constantly changing and he asked if the Council would support an appointment of a Finance Ad Hoc Committee to be in place to start to deal with the financial issues on an interim basis before we get the full bylaws approved? Any objections? No objections were received so we will move forward with that.

State Plan

Deidre Myers stated that the State Plan aligns with the State's needs and its goals and objectives are all in Oklahoma Works, the umbrella for the Governor's plan. The WIOA is the vehicle we use to implement Oklahoma Works. We still do not have guidance from the Department of Labor (DOL) on how to write a state plan. The core partners have been working together on the plan for the past five months. The core partners are Oklahoma Employment Security Commission, Career Tech/Adult Basic Ed, Dept. of Rehabilitation Services and the Oklahoma Office of Workforce Development. The combined partners also include Career Tech/Perkins, Dept. of Human Services, and Dept. of Commerce. The State Plan is required by the Department of Labor and is due April 1, 2016. Once it has been approved by the Governor's Council, it will be posted on the Oklahoma Works web site www.oklahomaworks.com for a 30-day comment period prior to its submission to the DOL. The State Plan has been reviewed by the Workforce System Oversight Committee.

A motion was made to approve the State Plan by John Hawkins, seconded by Chuck Mills. The motion carried unanimously.

Local Area Board Certifications

John Hawkins, co-chair of the Workforce System Oversight Committee, stated that the WIOA Section 107 states that the Governor of the State, in partnership with the State Board, shall establish criteria for use by chief local elected officials in the local areas for the appointment of members of the local boards. The certification process is the key strategy to ensure Local Workforce Development Boards (LWDB) have the proper membership and structure to be highly effective in creating and continuously improving an aligned workforce development system, overseeing funds effectively and achieving established performance measures.

According to Local Workforce Development Board two-Year Certification Process (OWDI #03-2015), all LWDBs must be certified by the State showing proper membership established by the Governor and the USDOL.

John Hawkins made a motion that the following LWDBs have submitted the proper documentation to the Oklahoma Office of Workforce Development and after review for accuracy, the Workforce System Oversight Committee recommends to the Governor's Council for a two-year certification approval.

- Central Workforce Development Board
- Northeast Workforce Development Board
- Eastern Workforce Development Board
- Southern Workforce Development Board
- Northwestern Workforce Development Board
- South Central Workforce Development Board
- Southwest Workforce Development Board
- Tulsa Workforce Development Board

The East Central area did not meet the criteria set forth by the Conditional Designation Policy OWDI #06-2015 and has a deadline of February 1, 2016 to present a viable solution to be accomplished by June 30, 2016.

The motion was seconded by Chuck Mills and the motion carried unanimously.

Old Business

None.

New Business

None.

Next Meeting Date

The next Governor's Council meeting is scheduled for Friday, April 29, 2016 at 9:00 a.m. and will be held at Oklahoma State University – Oklahoma City.

Adjourn

The meeting adjourned at approximately 11:56 a.m.

*Respectfully submitted,
Linda Emrich*