



MEETING MINUTES

Date: October 3, 2014
Time: 9:00 a.m.
Place: Oklahoma State University-Oklahoma City

Call to Order/Welcome

Chair Steve Hendrickson called the meeting to order and thanked everyone for attending. He briefly reviewed the agenda and explained that from now on the Consent Agenda would be placed first on the agenda. Chair Hendrickson acknowledged Norma Noble in the audience today.

Consent Agenda

- **Approval of Minutes**

A motion was made by Chuck Mills to approve the minutes of the July 18, 2014 meeting and was seconded by Gordon Andersen. The motion carried unanimously.

The following Consent Agenda items were approved. The motion was made by Tim Burg, seconded by Valerie Thompson. The motion carried unanimously.

- **WIB 2-Year Certifications**

Recommendation from the Workforce Oversight Committee to certify the following WIBs for two years: Central, Eastern, East Central, Northeast, Northwestern, Southern, South Central, Southwest, and Tulsa.

- **WIA Annual Report for Program Year 2013**

The Workforce System Oversight Committee made the recommendation that the WIA Annual Report for PY13 be approved and submitted to the USDOL by the due date of November 14, 2014.

- **2015 Calendar of Meetings**

The Governor's Council's meeting schedule for 2015 was recommended for approval by the Workforce System Oversight Committee. The meeting schedule will be posted on the Secretary of State's web site by December 15, 2014.

Roundtable Discussion: State and Partners Performance Measures – Deidre Myers

Deidre said before she begins her presentation she wanted to say that over the past few weeks people have been saying to her how things are really coming together and how successful workforce is doing. She said that she hadn't been leading the troops for the past 40 years and bringing stakeholders together – that was Norma Noble. She also wanted to acknowledge another person who retired in September and that is Terry Watson. Terry has contributed so much over the years to workforce and he will be missed. Deidre also wanted to recognize some other people who work in workforce and she hopes they will not be retiring very soon. They are Linda Emrich, Jeane Burruss and Robyn Coman. This team has been part of the process for

many years and working very diligently and she would like to take a moment to thank them as well as all the other workforce people.

Regarding performance measures, Deidre said that they have been looking at Oklahoma's five ecosystems that generate wealth in the state. These five systems account for over 80% of the state's exports, nearly 70% of our GDP, and nearly 60% of our earned wages. These five ecosystems are very important to our state and our economy. We want to understand where we are in terms of demand and supply.

The five ecosystems are Aerospace & Defense, Agriculture & Biosciences, Energy, Information & Financial Services, and Transportation & Distribution. Her charts show for Oklahoma's current and 2025 projected workforce demand and what's needed as far as high school sufficient, associates/certificate/credential, or Bachelor's degree and above. The bottom bar shows what it will take to maintain growth and the top bar shows what is needed in order to expand Oklahoma's economy, which is what we want to do – generate/increase our wealth. This is where we start in terms of broad measures.

Deidre explained that we want to look at things that increase wealth. Some of those things are small business ownership and entrepreneurship – which are for economic development. When looking at labor and workforce, we are looking at employment growth. Deidre said to take a step back and look at how people get the right jobs. They do this by participating in the workforce, they are looking for a job, they're active and gaining skills – so workforce participation is the next output. A step from that is career readiness. So the outputs we have to reach our outcome of increased wealth are: system partner activities, career readiness, workforce participation, and employment growth.

Deidre explained that in the past we wanted to know how many people were served, now we want to know how many of those served people are now employed, how many now have a wage higher than a living wage, how many are no longer on Sooner Care, how many have departmental health support that they need or no longer need TANF. These are the metrics that we have been working on and was approved last spring.

On the State Performance Metrics for Wealth, Deidre has used green, yellow and red colors to indicate that we are doing well (green), has some concern (yellow), and needs work (red). For example, the median household income is \$24,046 (yellow) which indicates that this needs improvement. It has been going up but is still significantly lower than the average for the U.S. and for some of our competing states.

Another example is the income poverty rate of 16.6%, which is red – not good for Oklahoma. Deidre said the good news about the income poverty rate is when it is updated next, it will move to the yellow showing improvement. It has gone down but is still higher than the U.S. average.

Deidre stated that the Gini Index right now is 0.4643 and we want it to be 0.5 for Oklahoma. She explained that the Gini Index is a measure of statistical dispersion intended to represent the income distribution of a nation's residents, and is the most commonly used measure of inequality. It measures the inequality among values such as levels of income. A Gini Index of zero (0) expresses perfect equality, where all values are the same – everyone has the same income. An index of one (1) expresses maximal inequality among values – only one person has all the income, and all others have none.

Under the State Performance Metrics for Employment (see attached presentation), Deidre said that we are doing very well. However, the Youth (age 16-19) unemployment rate is doing very poorly. She said the reason that Youth unemployment is so bad is because many of our youth-held jobs are being held by adults who only have a high school degree. This is why incumbent worker training is so important to the state of Oklahoma. We've got to get these working adults trained and into middle-skilled jobs so the youth can take the entry-level jobs. That is the action plan. We have this measure, we know what the problem is and we translate it into an activity – incumbent worker training. Deidre explained that this metric – incumbent worker training - will go into a partner metric.

Workforce metrics show that we need to work on Labor Force Participation (red) and the rest of the measures are in yellow which shows that they need improvement. Deidre asked the question, if we are doing so well in employment (mostly greens), then why are we doing so poorly in workforce? The people who are currently working are doing well, but we need a pipeline to fulfill our demand. We also have people leaving the workforce. These are things that we need to look at.

By using the metrics as a dashboard, we can see how things are going. Listed on the Labor Market Dashboard under Oklahoma Unemployment Insurance Statistics, are occupation groups, industry, age, education, ethnicity, and gender statistics. Under the Oklahoma Education Statistics are listed the top programs by enrollment, by graduates, top institutions by enrollment, by graduates, and graduate employment by industry. This data comes from CareerTech, the Oklahoma Regents for Higher Education, and the Oklahoma Board of Private and Vocational Schools.

The State Workforce Partners meet monthly in the Governor's Large Conference Room to go over their metrics. The Partners are comprised of the following state agencies:

- Governor's Office
- Board of Private Vocational Schools
- CareerTech
- Commerce
- Corrections
- Employment Security Commission
- Health Dept.
- Health Care Authority
- Higher Education
- Human Services
- Mental Health Substance Abuse Services
- Office of Management Enterprise Services
- PK12
- Rehabilitative Services

Each agency has put together 3-5 metrics and they have to show for the people that they serve that they are moving forward towards workforce participation, employment, or wealth. They then lose the agency specificity of that metric – rather it becomes a state metric. (These metrics have not been approved by the Governor yet, so please don't distribute.)

Under the statewide goal of Prosperous Citizens & Thriving Economy, there are two topics listed: Business and Workforce. There are three Statewide Programs or objectives under each topic.

Business

- Entrepreneurship
- Business Vitality
- Innovation

Workforce

- Wealth Generation (non-financial)
- Employment Growth
- Workforce Participation

These metrics fit in with the performance informed budget goals of the Office of Management and Enterprise Services (OMES). The five goals are:

- Healthy Citizens & Strong Families
- Safe Citizens & Secure Communities
- Educated Citizens & Exemplary Schools
- Prosperous Citizens & Thriving Economy
- Effective Services & Accountable Government

Thanks to Bob Sommers, the Governor's Council had already compiled the information for Prosperous Citizens, so our metrics fit in with their budgeting process. We can see how this is all aligned.

Deidre added that this whole process goes along with the NGA Policy Academy. There are four parts to the Academy:

- Vision
- Data
- Partnerships
- Resources & Incentives

Deidre explained that part of the resources is mapping and inventory of all of the resources that go to workforce development. The Workforce Partners Team will conduct an analysis of reports produced by the state's education, workforce and economic development system that map the effectiveness of federal and state funding.

The next steps are the Workforce Partners and Regional Economic Developers will lead Workforce Performance Teams (WPT) to provide regional and statewide qualitative data on local economies and foster effective regional partnerships. The Workforce Performance Teams will identify local and regional challenges to wealth generation and will find solutions through regional agency partners, business leaders and economic development organizations. For each one of those regional economies, they will have their own metrics that will follow this same outline in terms of wealth, employment and workforce participation.

Deidre said that there will be a call to each and every Council member. Each member represents a particular industry, region, and area of expertise. Each WPT will be led by industry, business

owners, economic developers and local chambers. We as workforce partners will be supporting that plan for regional economies. This year, we will be gathering data and next October 2015, we will have our first report.

NGA Talent Pipeline Policy Academy

Deidre Myers reported that the Talent Pipeline Policy Academy will start next week in Seattle. Oklahoma is one of nine states that was selected to participate. She explained that there are four parts to this Academy. They are:

1. Developing vision
2. Data
3. Creating partnerships
4. Aligning resources and incentives

The Policy Academy required that we have a Crisis Statement to show why it is so important to do this work. That statement is:

Oklahoma's economic future is at risk. Our companies are desperate for a skilled workforce that impacts their bottom line.

Our people desire economic stability, opportunities for growth and an enriched quality of life.

Our future rests on the success of our children and our state's undivided and UNITED attention.

The Academy provided a grant to the state of Oklahoma in the amount of \$170,000 to help us achieve the goals of the Academy. Most of the funds will be used towards the labor supply part of the grant because we still have a lot of work to do on the longitudinal system, regional economies and partnerships, and other resources.

Partners on the Academy team are Tony Hutchinson-State Regents, Marcie Mack-CareerTech, Jennifer Monies-State Chamber, Deidre Myers-Commerce, Katie Altshuler-Governor's Office, and Sherry Labyer-Office of Educational Quality & Accountability.

NGA Healthcare Workforce Pipeline Policy Academy

Deidre explained that she is involved with the Healthcare Workforce Pipeline and the Health of Oklahoma's Workforce Policy Academy. This does not just include the physical health of Oklahoma workers but also includes the behavioral health and mental health of workers.

This policy academy is in alignment with the Oklahoma Health Improvement Plan (OHIP) which is led by the OK Department of Health and a number of other partners. Deidre is the chair of the Workforce work group which is identifying workforce for healthcare and their training the labor supply and their support for retention within the healthcare pipeline.

Deidre said that she hopes to have a lot to report back on at the Governor's Council meeting in January from these three big projects.

NAWB Update

Steve Hendrickson said that he serves as chair of the National Association of Workforce Boards. He stated that with the passage of WIOA and from a national perspective from NAWB, the number one concern, complaint and criticism that they are arguing nationally now is the emphasis on regional planning and the integration of these plans. Florida, Virginia and Maryland have really good top down plans from their governors, saying this is how I want the workforce system to work. California, Arizona, New Mexico and Utah have really good agency plans and they are looking at the agencies to move the needle like crazy and they have great metrics but they don't talk to each other.

In Oklahoma we are probably leading the nation in what we are doing because we have top down leadership, we have volunteer leadership and we have agency leadership sitting around the table all heading in the same direction. Steve believes that what the Policy Academy is going to point out is how you all did this.

Steve said that what is of concern to NAWB is how you are going to do the regional planning as required by WIOA and do it within the infrastructure of the local workforce boards that we have in the state today that may or may not cover the range of geography that we're pulling jobs from. From a national perspective that is what they are concerned about.

As a side point, Steve said that the annual NAWB conference that will be held in April 2015 will be one of the biggest so far. The block is selling out fast so act now if you want to attend.

Committee Updates

- **System Certification** – Donnalla Miller
The workforce regions are still very active in building their workforce development system which is comprised of all of their local partners. Each region has decided that they need to pursue a little variation in their approach to developing a unified plan. Both Eastern and Southern have identified a need for a database that will allow them to share information about their common partners. In looking at G*Stars, Eastern took the lead on this and Southern is currently in the design and implementation mode. Donnalla said that the state review team met in August and September. The purpose of the August meeting was to determine how to adjust the Oklahoma system building alignment to ensure compatibility with WIOA and to determine how to reward the pilots as they make their timelines. As you may recall, the pilots ended on September 30th. At that meeting the team determined the need for a crosswalk between the WIB certification plan, the WIA compliance plan and the system building unified plan. We wanted to decrease any duplicity and increase clarity. The purpose of the September meeting was to remind the team that each type of plan was to be included in the crosswalk. The team then decided to change the format and to have the unified plan components as the basis for all of the plans. Donnalla said that they are looking forward to celebrating success of our pilots at the January meeting of the Governor's Council.
- **Career Pathways** – Gordon Andersen
Gordon said he wanted to make a couple of comments about the need for champions. He said it's not organization charts, strategic plans or a system of measuring things that make things happen or causes things to be improved, its people. We've got to have people who become so involved that they become champions and make things happen. He has seen this with the Career Pathways group. The Career Pathways Committee and the Manufacturing sub-committee consist of about 50 people and have been meeting separately. They have recently decided to start meeting together again. They are trying to get the Career Pathways incorporated throughout the

state in all kinds of regions and areas. There is a lot of activity around the state with Career Pathways, coalitions of business, educators and economic developers working together. Ben Robinson is working with aerospace for example. Also, inserts in the Daily Oklahoman – Newspapers in Education – helps students and teachers understand the economy, understand why they are in school, what manufacturing is, etc. Bren Smith is a champion on this project. For National Manufacturing Day, Pelco hosted over 140 eighth graders in their factory to help them understand what happens in a manufacturing operation and what opportunities/occupations are available to them and how they can be tied to what they are learning in school. Pelco planted a lot of seeds. They printed up business cards and gave one to each student. There were two web addresses on each card, one for okcareerplanner.com and one for okcis. We need more businesses to get involved with career planning.

Gordon stated that Seminole kicked off Career Pathways and Dream It. Do It. (DIDI) was signed for Oklahoma. In August 2014, the Duncan area had 3,183 people involved with DIDI. Gordon said that he email Bryan Williams with NBC News to suggest that he talk about manufacturing on his report during National Manufacturing Day/Week. He hasn't seen anything yet. He just wanted to add that the Career Pathways Committee is alive and working and doing what this Council wants it to do, thanks to a lot of people and Vikki Dearing – we couldn't do what we do without her.

- **Youth Council – Chuck Mills**

Chuck said that he has a paper that was written by Ben Robinson and he is going to quote from because it has some good ideas and about getting the business community engaged in education. It says, *“A well-educated, trained and motivated workforce is the product of education. We identify the product first then we build the process, and that is engaging and educating our teachers about career pathways and understanding why business is going to invest work, we are going to employ those students, we are going to help them realize their careers and dreams- which they will prosper and will generate taxes, etc.”* Chuck said it is an interesting cycle and to follow the money. The money is business - which generates the money, opportunities and careers. Chuck said Career Pathways is the goal not a diploma and that rigor with relevance is the best way to educate, train and motivate. State officials, higher, common and technical education must partner with business and industry. We know that business needs to be at the table.

Chuck stated that the Youth Council is going to have an interesting meeting today because both candidates for State Superintendent of Public Instruction will be there. He emphasized that this is not a political forum but rather a candidate awareness session. It is an opportunity for the Youth Council to hear the candidates' plans and goals for the future as regards education. The meeting will start at 12 noon.

The Youth Council continues to work on its Professional Development initiative. This is a really big project, but he would like to start at the teacher colleges and with the teachers who are actually in the classroom today and help them understand why Career Pathways are so important. Career Pathways will help students achieve their goals and dreams and will help business fill that pipeline with qualified, skilled workers. Together we can all make that happen.

The Youth Council meeting will begin with an abbreviated business meeting then will break so those who are paid with WIA dollars can leave before the candidates' forum (in order to ensure no violation of the Workforce Investment Act). Everyone is invited to attend.

Old Business – None.

New Business – None.

Announcements

- One of the things that the new WIOA specifies in its policy for State WIBs is more partners in the process but fewer mandatory State Board members. Chair Hendrickson wanted everyone to know that they are working through the process to meet the new requirements.
- Chair Hendrickson announced that last night Deidre Myers received an award for being nominated as one of 50 Women Making a Difference. The gala was held at the National Cowboy & Western Heritage Museum. Congratulations!
- Janet Barresi was acknowledged and thanked for her service to the Governor’s Council during her term as the State Superintendent of Public Instruction. Today is her last Council meeting.
- The Boeing Company is creating 900 jobs in Oklahoma City.
- Chuck Prucha is retiring from the Manufacturing Alliance and we thank him for his service on the Council. John Lingenfelter will take over Chuck’s duties on an interim basis until the position is filled.

Next Meeting Date – The next meeting will be held at 9:00 a.m. on January 23, 2015 at Oklahoma State University – Oklahoma City. Since the Governor is invited to address the Council, this date may change in order to accommodate her schedule.

Adjourn

The meeting adjourned at approximately 10:55 a.m.

*Respectfully submitted,
Linda Emrich*