



GOVERNOR'S COUNCIL FOR WORKFORCE AND ECONOMIC DEVELOPMENT

MEETING MINUTES

Date: July 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 April 29, 2016 meeting minutes, seconded by Valerie Thompson. No further discussion. The motion carried unanimously.

Oklahoma Works Update

Katie Altshuler reported the following:

- Core members of Oklahoma Works have been involved with the NGA Talent Pipeline Policy Academy. They attended a meeting in June and were able to meet with other states that are involved with the initiative and share best practices, lessons learned, etc. The Oklahoma team learned that while they still have a lot of work to do, they have excelled in many areas.
- New Skills for Youth Grant – The Governor is very excited about this grant and how it is going to support Oklahoma Works and the work on career pathways in a much more detailed way. We will learn more about the grant in the presentation this morning.
- The Governor, working with the Lumina Foundation, has committed to adopt an educational attainment goal. They will be working with Career Tech and the State Regents for Higher Education and the plan is to adopt the goal by December 31, 2016.
- Data Government – They have been meeting on a regular basis with the educational workforce cabinet level agencies and have been making great progress over the last three months.
- We have engaged through Oklahoma Works a Dell communications plan. They still have some work to do in that area especially with the private sector. They are planning on pushing out a newsletter.
- They have been working on a couple of resource strategies under Objective 4 for Oklahoma Works. One they have been focusing on is encouraging state workforce agencies to partner with another agency to share resources (federal, state, and local) in order to maximize resources to support cross-agency programs and achieve workforce objectives. We have asked each agency to establish at least one new partnership. Katie added that today she would like to challenge the workforce development boards to have a new partnership established by the end of the year. They will be in contact with the boards to let them know more details.
- We are participating in a Technical Assistance grant through the National Governors Association to expand K-12 broadband across the state. We are very excited to be involved with this and will add it to Objective 4 Resources.
- We will be working on a performance funding strategy and will add it to the objective and update the Strategic Delivery Plan in the coming months.
- Katie said that they would be hosting two STEM workshops on September 13 in Lawton and September 15 in Stillwater. Both workshops will be from 1-3pm. Information will be sent out on the workshops.
- An Oklahoma Works statewide summit will be held on October 6, 2016 from 9am – 3:30pm at the Cox Convention Center, Oklahoma City.
- The Governor's STEM Summit will be held on November 1, 2016 from 8:30am – 3:30pm at the Cox Convention Center, Oklahoma City.

- Katie introduced the new Oklahoma Works coordinator, Sarah Ashmore. She has hit the ground running and they are very happy to have her on the Oklahoma Works team.

Committee Updates

- **Workforce System Oversight Committee** – Richard McPherson, Co-Chair, reported that they met on June 10 and approved the new Central Workforce Development Board. The Central Workforce Area and the East Central Area merged into one area which will be called the Central Workforce Development Board effective July 1, 2016. The area is made up of the following nine counties: Canadian, Cleveland, Logan, Oklahoma, Hughes, Lincoln, Okfuskee, Pottawatomie, and Seminole. They have met all the requirements under WIOA. The new Chief Local Elected Official (CLEO) is Melissa Dennis, Commissioner, Pottawatomie County, and they have appointed a new Fiscal Agent. The new Board, which has been certified, consists of 43 members and the chair is Tim Yaciuk, Board staff is Eddie Foreman.

John Hawkins, Co-Chair, stated that they are working on some action items as they push through the changes of WIOA. They are working on integration and seamless transition of areas. Before the next meeting, they want to put together an overview for the partners on regional planning, Boards, Oklahoma Works, etc., and how it all works together. He said that Planning Regions have been meeting in teams to move into the planning phase of implementing their strategies to become more efficient and effective. Most are being led by the leadership teams of Chief Local Elected Officials and Board Chairs and we have received positive feedback in their planning efforts. Some excellent media coverage has been noted in the Northeast Planning Region Area. John also said that they will be looking at addressing the conditional designated areas that were to comply with assurances listed in their designation documents. Also, they are currently reviewing guidance that needs to be released for the system to move forward. This effort will be led by Donnalla Miller and the System Oversight Subcommittee (SOS).

- **System Oversight Subcommittee** – Donnalla Miller, Chair, explained about the history of the subcommittee. It was established in 2012 as Oklahoma Works System Review Taskforce of the Governor’s Council for Workforce and Economic Development’s Governance Committee and Donnalla was appointed the chair. The taskforce was charged with building a utopian system, responsive to needs of the business community. The framework, designed by the taskforce, received national acclaim due to its focus on the system as a whole and its “no wrong door” stance. In 2016, the taskforce was renamed the System Oversight Subcommittee (SOS). When WIOA was implemented, it changed the focus from system to center. Certification will not focus on the centers, with the system-level focus to be phased in as we evolve under WIOA.

The SOS is comprised of many state-level staff from partner agencies. It acts as the working arm of the Governor’s Council’s Workforce System Oversight Committee. It is tasked with developing the system-wide framework and policy documents that will comply with WIOA legislation and Federal regulations and compliance review of the system. Some of its priorities include: state guidance and policy for the system (regional and local), guidance for Local MOUs and Local Planning Regions, One-Stop Center certification, system compliance review and assisting with the efforts outlined in the Oklahoma Works Strategic Delivery Plan. There are two pilots underway: Workforce Center Pilots, Southern Area MOU/cost-sharing pilot and; Central Area MOU Service Delivery Pilot.

- **Youth Program Committee** – Chuck Mills, Co-Chair, said the Youth Committee has two areas to focus on. One is to try and recapture the Out-of-School Youth (OSY) who have dropped out of school, and the other area is the younger youth and working with education to expose them to opportunities at a younger age and maybe add character building to it. This is a great opportunity to get excited about because these kids are our future and education is our future. It is time for the business community to step up with our resources, time and our experience to help prepare them to become successful in their endeavors in whatever career they choose. Hopefully they will pick the right ones that are in demand occupations that we need right here in Oklahoma.

Chuck said that the Youth Program Committee is made up with a variety of members representing business, youth advocates and champions, state partners, workforce board members, service providers, faith-based agency, education, and students. His co-chair is Cecilia Robinson-Woods, Superintendent of Millwood Schools. They meet on a quarterly basis or more if needed and support Oklahoma Works.

The Committee provides recommendations on policy and performance for the development and implementation of WIOA youth funded programs statewide. They will create an Oklahoma workforce strategy for youth that aligns with youth initiatives and provides common solutions that coordinate with the state's economic goals building wealth creation for all Oklahomans. Some of the action items the Youth Committee will be working on are:

- Work with the education system to support the prevention and recovery of affected youth
 - Develop prevention and recovery strategies for both in-school and out-of-school youth
 - Develop a statewide plan in support of youth which would include a communication infrastructure that will inform and engage all stakeholders
 - Provide guidance plus compliance and access to the WIOA youth program.
- **Healthcare Workforce Committee** – David Keith and Shelly Dunham are Co-Chairs of the Committee. David stated that the Healthcare Workforce Committee is embedded in Oklahoma Statute. He spoke about rigor in healthcare services and making it more efficient and effective, and making it valuable in terms of low cost. Oklahoma participated in a NGA Health Workforce Policy Academy, Building a Transformed Health Care Workforce. Out of the Policy Academy came the Healthcare Workforce Action Plan. This Committee is accountable and responsible for moving the Governor's action plan forward.

David said that Senate Bill 612 states that the Healthcare Workforce Committee's purpose shall be to inform, coordinate, and facilitate statewide efforts to ensure that a well-trained, adequately distributed, and flexible health workforce is available to meet the needs of an efficient and effective health care system in Oklahoma. Some of the things that they will be doing is collecting data, analyzing it and preparing reports on health workforce supply and demand. They will be talking about education and training capacities, recruitment and retention strategies, impact on the health system and health outcomes, and developing health workforce policy recommendations.

There is a group of 18 healthcare leaders throughout the state working together on this Committee. The first meeting will be on August 31st. Everyone will be oriented, look at the action plan, begin developing strategies and policies, and creating a benchmark. Shelly and Keith will be reporting back to the Governor's Council on their progress.

- **Career Pathways Committee** – Chuck Gray, Co-Chair, shared a good example of how internships are beneficial. While he and his wife were at the Tinker Federal Credit Union, they met a former student of Crooked Oak High School who remembered Mrs. Gray who works there. The former student (Inez) is now an employee of the Credit Union. She related her story that while still in high school, she began an internship at the Credit Union. After she graduated from high school, they hired her full-time. They also provided her the opportunity to go to college by working with her to modify her schedule to accommodate her academics. Chuck said that this is really gratifying to see her move from free breakfasts and lunches in school to a self-sustaining economic path. He sees this as an example of the Oklahoma Works objective 1, Align and Connect and also career pathways. We need to look at what business needs in terms of a skilled workforce for tomorrow and how to fill that need.

Chuck's co-chair is Peggy Geib with Francis Tuttle, and has been working with the Career Pathways Committee for some time. Chuck and Peggy met for the first time last Friday. The Career Pathways Committee has not met since last March so their goal is to reinvigorate it. They will be tying its work in with WIOA and Oklahoma Works. They want to have two or three things that they can contribute to the annual plan when it is time to do the Governor's report. They are

going to meet with Erin to see what additional members they might need to add. Chuck said their goal is to look at each economic region. They want to encompass the whole state so they want to touch each of the eight Workforce Areas and be able to say that we are actually adding value to their particular work plans, goals, measures, etc. He said they have a lot of work ahead and feel that they have some very good mentors here and in the business sector that will help Oklahoma and keep it growing. He has six interns at his company that employs 127 right now and says that interns are our future. He looks forward to contributing to the Council and having fun while he's at it.

Chuck Mills added that he would like to arrange a joint meeting of the Youth Council and the Career Pathways Committee as they have a lot in common.

Strategic Direction, Committee Work and Membership

Chair Steve Hendrickson said that he is in awe of the progress and work that has been going on since we all last met together. He said that because of WIOA every state has a workforce board and a State Plan, but Oklahoma is unique because the Governor is involved in what we are doing. She has been extremely active in the process and especially since she did the National Governor's Association America Works: Education and Training for Tomorrow's Jobs, it put Oklahoma on the map. Then she went on with Oklahoma Works and the Key Economic Networks (KENS), and with this Governor's Council and its committees, there is now a statewide emphasis on workforce development that you will not find in other states. When the Council meets four times a year and we have Education, Higher Education and Career Tech here at the table along with various business sectors all talking together about the integration of workforce and economic development, that by itself is a competitive advantage and it is going to move Oklahoma up a level.

Steve adds that we have five ecosystems for the state and each of them will have an employment demand in the future. The ultimate goal of this Council is to be the focal point for the state of Oklahoma and the Governor to identify the skills that are demanded by employers to move Oklahoma up to the next level. There are two segments to this – a look at Labor Market data that has incurred in the past – and the other more difficult piece which is trying to figure out what skills will be needed for the future.

Steve said, with regards to the committees, as you heard in the report outs, they are not limited to just Governor's Council members. This is in order to make the committees as diverse as possible and to have the best representation possible.

In your meeting binders under Tab 5, there is a document entitled "Strategic Direction, Committee Work and Membership." The Strategic Direction offers the committees suggestions of what to work on based on requirements from WIOA. Suggested goals are listed and Steve said to pay particular attention to whether or not your committee represents all of the boards and regions in the state and if you need to add additional members. Committees may meet via phone or video conferencing if necessary.

Recommendations from the committees will be brought to the full Council for consideration and approval in an open meeting.

Proposed Performance Targets

Mike Widell explained that in the State Plan we included our proposed performance targets, then the Department of Labor comes back with performance numbers that they set for Oklahoma, then the negotiating process begins. What DOL starts with are proposed U.S. DOL performance measure goals for PY 16 and PY17 and hold us all accountable for meeting these goals. The Statistical Model that they developed is based on the last three years of WIA performance and then DOL came up with new numbers. We have to refine those targets using Oklahoma economic and labor market factors. Proposed targets were provided by July 27 and we have until August 15 to negotiate them.

Oklahoma benefits from negotiating lower targets for maximum flexibility and increased likelihood to receive incentives, rather than sanctions. PY17 numbers may be renegotiated at the close of PY16. Determinations of financial sanctions will not occur until at least two full years of outcome data has been reported (starting July 1, 2016). State-level performance outcomes are a function of the characteristics of

the participants being served, and the labor market conditions in which those participants are being served. The Department of Labor anticipates that the resulting target performance negotiated by the state will fall between the predicted outcome and the target outcome identified in their newly developed Statistical Regression Model.

Oklahoma's methodology for negotiations included an analysis of DOL's model, a comparison of DOL's model with a simple growth model, and analysis of current economic data not represented in the model. Other factors were considered such as energy commodity prices influencing the oil and gas industry, layoffs, rising unemployment from January-June, and state budget shortfall impacting government agencies and education.

New Skills for Youth

Dr. Cindy Koss presented information about the New Skills for Youth grant in the amount of \$100,000 that the Oklahoma State Department of Education received to develop a detailed career-readiness action plan, an essential step in expanding economic opportunity for young people across the state.

Oklahoma is among 24 states and the District of Columbia that secured the phase-one grants, the initial step in a \$75 million, five-year initiative developed by JPMorgan Chase in partnership with the Council of Chief State School Officers (CCSSO) and Advance CTE. The initiative has a goal of increasing economic opportunity for young people by strengthening career-focused education beginning in high school and ending with postsecondary degrees or credentials aligned with business needs. It is Oklahoma's hope to be able to continue this grant. If successful with Phase 1, we can move to Phase 2 of the grant.

Today, only about half of Americans under the age of 25 have a meaningful postsecondary credential that enables them to compete for good jobs, and the U.S. youth unemployment rate is more than double the national rate. In 2015, 54 percent of Oklahoma students went on to attain a degree or advanced credential after high school. However, the Oklahoma Office of Workforce Development predicts that by 2025, 77 percent of new jobs will require advanced credentials. The NSFY grant will allow Oklahoma to expand Gov. Mary Fallin's statewide initiative, Oklahoma Works, a collaborative effort among business, education, state agencies and others to align education and training to produce a relevant workforce for Oklahoma's economy.

Cross-sector partnerships will be the key to success. Cross-sector team members will be from PK-12 Education, Career Tech, Postsecondary Education, Business and Industry champions, and Workforce Development Leaders.

Key Objectives for the Teams:

- Key Objective 1 – Demand-driven and employer-led processes
- Key Objective 2 – Rigor and quality in career pathways for all
- Key Objective 3 – Career-focused accountability systems
- Key Objective 4 – Scaled pathways that culminate in credentials
- Key Objective 5 – Align state and federal funding streams
- Key Objective 6 – Ensure cross-institutional alignment

Phase-one work will consist of the following:

- A comprehensive diagnostic assessment of state career preparations systems
 - An in-depth examination of relevant policies, funding streams, delivery systems and infrastructure to identify strengths and gaps
- Collection and analysis of key data, including the number and percent of all students who:
 - Have access to high-quality career pathways in high-skill, high-demand sectors
 - Complete one or more career pathways
 - Complete dual enrollment courses(s) and earn college credit
 - Earn industry-recognized credentials in high-skill, high-demand sectors
 - Enroll in college or secure employment in high-skill, high-demand sectors within 12 months of high school graduation.
- Development of a three-year career readiness action plan that addresses all six key objectives

- Clear strategies based on strengths and gaps uncovered by needs assessment and data analysis
- Identification of stakeholder(s) responsible for strategy execution
- Delineation of clear timeline and measurable quarterly milestones

Next Steps:

- Cross-sector team work will result in action plans for career pathways that span secondary and postsecondary education.
- Businesses will work in tandem with educators to update career pathways to reflect the most important needs in the business sector.
- Counselors and other educators will be empowered to assist all students in creating and updating a career pathway.
- Students will benefit from exploring careers as early as elementary school, and maintain that focus throughout their education process.
- The collaboration between PK-12, higher education, career tech, and business leaders is crucial for the plan and the implementation of the program.
- You will decide the best systems and flexibility to maximize the buy-in from each sector.
- Cindy Koss, Maridyth McBee, and Ellen Dollarhide are eager to work with you to solidify your work into a meaningful product.
- Collectively, we believe that the best use of this grant is to move beyond the pockets of excellence and the mere discussion of the issue to processes and products that make lasting improvements to help all of our citizens be workforce ready.

Employer Engagement:

- Identify high-demand, high-skill industry sectors most important to the state's economy and prioritize pathways within those sectors
- Ask business to define skills and use those to design courses and pathways
- Establish structured process for engaging employers; this won't happen organically

Chair Hendrickson said that when he and Cindy discussed how to get employers input on this process, they decided that a good idea would be to form a panel of employers to engage them and get their perspectives and concerns on a workforce for the future. They would like to use this grant as a voicing function for the state of Oklahoma to coalesce all of the different business groups around the state around a system methodology to produce what they think the demand is in their sector. Can they share with each other and produce a document that lists what employers say what skills they need in the state for different sectors and generate this every six months to a year? How can they make this happen? He met with Erin Risley-Baird and she suggested that one of these entities be a repository for employer demand data and be the convening factor for other sectors that come in. Cindy Koss would see if the Superintendent's Business Advisory Council would be willing to do that. They are willing to do this but they don't meet until this fall. So, Steve suggested that the Governor's Council be a convener or a repository of some of this work.

Steve asked the Council what their thoughts might be on the Governor's Council being a central coordinating point on the demand for future skills as applicable to this grant.

Secretary Chris Benge said that it makes sense and is a no-brainer that the Council be the convener and repository.

Chuck Mills said that this is business-driven and we are a business majority on the Council. However, he is worried about the staff to the Council who are already dealing with implementing WIOA and things like that and whether or not they can handle it. As employers, we need to invest in our future workforce. We have not done that, we have failed. Yet we as a group complain that someone else is not doing the job for us. We are the ones that need to step up and fix the problem. He feels this needs to go back to a business group but which one? Who wants to do it? The State Chamber has 1,400-1,500 business members/companies with thousands of employees in Oklahoma. Jennifer Monies, Oklahoma Educated

Workforce Initiative, has a lot of business members and is connected to the State Chamber. The Business Roundtable, whose primary job is to assist the Governor, Lt. Governor, Secretary of State and Secretary of Commerce, but they also have the funds to focus on business development here in the state. He serves on all of these boards. The Council's work is about business, job creation, and wealth generation for the citizens for the state of Oklahoma. We need to make sure that we have the proper staff that goes with the money because the money should be going to the programs, whether that is for career pathways, a character piece or whatever. We need to be building a better talent pipeline and we need to capture out-of-school youth too. Let's brainstorm here as to who is the right group with the right staff and resources to work with the Department of Education to make this grant happen.

Katie Altshuler said that she participated in the technical part of the National Governors' Association Policy Academy on Healthcare Workforce. This has been an issue that's very important to the state of Oklahoma for a very long time but the problem was that we had all of those separate groups out there working on it. We had data housed at one place and policymakers at another and what came out at the policy academy was that the Governor's Council was the perfect place to have this committee and track the data and be in a position to make policy recommendations. They said that for this to be successful, it would need to be housed at an entity such as the Governor's Council. She wanted to share that perspective.

Secretary Bengé said that we should look at who has the best capacity to do the mission. We need to have real time information. That's the key as to who can provide that.

Chair Hendrickson said that perhaps it would be helpful to describe the actual tasks that are needed. We need to do a current assessment of the state of Oklahoma. That is due within 30 days or so. But there is significant overlap with the Department of Labor planning that Mike and Erin have been working on. It is substantially the same, so they basically have the data with just a little more work to do.

Erin Risley-Baird said that in terms of what the grant requires versus what we have in-house, we did an in-depth economic analysis with all of our partners for developing the 4-year state plan. We've been doing further economic analysis as we were negotiating performance measures. There is still work to be done for the LMI real time part of it but we think that we have a good portion that can be used for the grant. We would like to make it even more informative as to economic analysis by industry and that sort of thing. It definitely fits in line with the direction we're going with DOL and the requirements we have under WIOA is really focused on the LMI and real time LMI. If the Council feels the need to support this, as staff to the Council we would support it.

Chair Hendrickson asked if it was possible to have a preliminary look at the needs assessment that's required by the grant in a couple of weeks, have input from the Council and other groups, revise it, then have input into Cindy's team by the end of August or beginning of September.

Mike Widell said yes the Workforce Development office can do that.

Chair Hendrickson asked that since the Council can't vote on this (not on the agenda) does any member think that the Council should not serve as the focal point on this?

Chuck Mills said if they can do it, then let them. As long as you get input from the other business sectors and partners, that is the key.

David Keith said that accessing data, manipulating data, who has access to it, getting the reports when you want them, etc. can be difficult. If we centralize it, we can cut down on the bureaucracy and get it in a much timely manner.

Cindy Koss said that she understands using different entities and the policies and procedures to protect data. That is why they are working collaboratively with the different agencies to understand those policies and procedures that are unique and will consider and protect them.

Chair Hendrickson said that he is not hearing an objection to the Council being the repository, he is hearing that staff can support this for a couple of weeks and look at the assessment and then the business community can weigh in. So once we have a draft to look at, we will send it to the Council and then the business groups and can do an electronic collaboration and perhaps an in-person meeting the last weeks of August to have a complete buy-in to fulfill the requirements of the planning stage of the grant and then turn that over to Cindy Koss and her team in early September. Steve thanked everyone for their willingness to work on this project.

Oklahoma State Plan

Mike Widell stated that the Oklahoma WIOA State Plan received a Conditional Acceptance from the U.S. Department of Labor and revisions need to be completed by September 1, 2016. One problem encountered with the Plan was that due to having to enter everything into a portal with limited formatting options, all hyperlinks, images, charts, etc. would not upload or format properly. Mike said that they are exploring options and checking with other states to see if they were able to include charts, graphs, etc. Performance numbers will also be updated in the Plan. Staff from the Core Partners will work with the Office of Workforce Development on revising the Plan. He thanked everyone for their hard work thus far.

Calendar of Meetings for 2017

The Calendar of Meeting for 2017 was presented to the Council. The quarterly meetings will be held on January 27, April 28, July 28, and October 27. Chuck Mills made a motion to accept the 2017 Calendar of Meetings, seconded by Marcie Mack. No further discussion. The motion carried unanimously.

Old Business

None.

New Business

None.

Other

- Richard McPherson wanted to share with everyone as a reminder or testament of why we do what we do every day. He received a briefing from one of his staff regarding the Brookwood Center in south Oklahoma City. A man had written in that he appreciated the service he received from the Brookwood Center. The customer was a 10-year Veteran and was unemployed and extremely pleased with the staff there and the help that they gave him.
- Steve Hendrickson reminded everyone that the Workforce Alumni Celebration will be coming up in November, held at the State Capitol, and said it is a great opportunity to see the good results of what we do in workforce and the people we serve.
- Chuck Mills said that the KEN Champions met this week and would like everyone to please seek these individuals out. There are nine champions and they are listed on the Oklahoma Works web site. They are trying to build relationships with educators and business and they need more help in making connections and opening doors.

Next Meeting Date

The next Governor's Council meeting is scheduled for Friday, October 28, 2016 at 9:00 a.m. and will be held at Oklahoma State University – Oklahoma City.

Adjourn

The meeting adjourned at approximately 10:58 a.m.

*Respectfully submitted,
Linda Emrich*