



**CALIFORNIA WORKFORCE INVESTMENT BOARD
ISSUES AND POLICY SPECIAL COMMITTEE
MEETING NOTICE**



**March 25, 2010
10:00a.m. – 2:00p.m.**

Larry Gotlieb
Chair

Chris Essel
Vice Chair

**California Workforce Investment Board Office
777 12th Street, Suite 200
Sacramento, CA 95814**

Arnold
Schwarzenegger
Governor

Barbara Halsey
Executive Director

Mission Statement

“Our mission is to provide advice, counsel and recommendations to the full California Workforce Investment Board that improve Local Workforce Investment Boards’ ability to provide world-class services to constituents; and to provide overall strategic recommendations to the full Board in identifying the most critical priorities.”

AGENDA

- I. Welcome and Opening Remarks**
- II. Action Items**
 - **Review and Approval of January 27, 2010 Meeting Summary**
 - **Review and Approval of Eligible Training Provider List Waiver Request**
 - **Review and Update Local Board Recertification Policy**
- III. Discussion**
 - **American Recovery and Reinvestment Act Expenditure Levels**
 - **Additional Assistance Grant Applications**
- IV. Update**
 - **WIA Strategic Local Plan Modification Status**
 - **Committee Dashboard**
- V. Public Comment**
- VI. Other Business**

Meeting conclusion time is an estimate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn. In order for the Committee to provide an opportunity for interested parties to speak at the public meetings, public comment may be limited. Written comments provided to the Committee must be made available to the public, in compliance with the Bagley-Keene Open Meeting Act, §11125.1, with copies available in sufficient supply. Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least ten days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.cwib.ca.gov> or contact Daniel Patterson for additional information.

1. Welcome and Opening Remarks
Edward Munoz, Chair

2. Action:

- **Approval of January 27, 2010 Meeting Summary**
- **Review and Approval of Eligible Training Provider List Waiver Request**
- **Review and Update Local Board Recertification Policy**

**Issues and Policies Committee
Meeting Summary
January 27, 2010**

The Issues and Policies Special Committee met on January 27, 2010 at 10:30 am. The following members were present:

Edward Munoz, Chair	Stewart Knox
Victor Franco, Vice Chair	Adam Peck
Felicia Flournoy	Tim Rainey
Larry Fortune	Richard Rubin
Faye Huang	Barry Sedlik

ABSENT: Elvin Moon, Audrey Taylor, Stella Premo

CWIB Staff

Barbara Halsey	Doug Sale	Daniel Patterson	Luis Bermudez
John Williams	Michael Dowdy	Sunshine Duffy	

Welcome and Opening Remarks

Mr. Munoz opened the meeting, welcoming all the members present, and introduced Victor Franco as the Vice Chair and that Mr. Franco was appointed as allowed by the State Board Bylaws.

Approval of November 12, 2009 Meeting Summary

One correction was made to the November 12, 2009 minutes regarding minor typographical errors and the minutes were approved unanimously.

Information: Training on the Workforce Investment Act and American Reinvestment and Recovery Act Activities

Ralph Zackheim and Bob Lantern from the Department of Labor Region 6 in San Francisco gave a presentation of the basic tenants of the Workforce Investment Act (WIA) and American Recovery and Reinvestment Act of 2009 (ARRA).

Richard Rubin presented the following questions regarding the presentation:

- What accounts for “precipitous” decline in funding over the time period since WIA inception?
- Is it comparable to other states?
- Why aren’t we seeing a reversal in the funding situation considering the economic times.

Ralph Zackheim and Bob Lantern provided the following in response:

- The reasons for the decline in funding are various, from actions taken by Congress, different administrations since the beginning of WIA, and in some cases there have been some mid-stream rescissions where money was allocated but Congress reclaimed it. Sometimes the drop in funds has been due to budgetary issues or political will.
- California has done worse, generally, than other states when it comes to funding cutbacks. The WIA funding formula is quite complex and sometimes benefits the Local Workforce Investment Areas (LWIA) but hurts the state overall. However, the decline in funding among states is universal. Also, inflation is not taken into account in the figures presented, so the actual cutbacks are even steeper.
- ARRA funding addresses the reversal in this trend, if only temporarily. ARRA funding will be discussed in greater detail in its own presentation.

Mr. Rubin suggested that perhaps we can influence the outcome of funding by our advocacy at the Federal level. Ralph Zackheim and Bob Lantern pointed out the important point that performance also plays a role.

There was additional discussion among members regarding the flexibility and priority setting for adult and dislocated workers at the local level, as it relates to the WIA and ARRA funding. Choices are made by local areas in response to local demands such as the need to serve dislocated NUMMI workers in Alameda County. There is also some flexibility for transferring funds between funding streams, and waivers have aided in that effort.

Regarding the ARRA Presentation:

Mr. Franco noted that good training for jobs is actually there, but that we (the Committee) need to make connections with partners responsible for creating jobs. We need to be mindful that we are not training people for jobs that don't materialize. Mr. Rubin agrees that if we're shooting for goals we can't reach; it's the same as not having the goals at all. We need to collaborate, make connections with those in the educational sectors and the people actually creating the jobs.

Mr. Fortune clarified that it is the role of the LWIAs to identify these areas of job growth, partners creating jobs, and spend the money wisely; it is not the Committee's job. Ms. Halsey noted that some things can be done at the state level to encourage the LWIAs in this area to help guide those decisions. A good example of this is the use of sector strategies to identify partners in a regional economy. The Governor has aided this effort by providing \$2.5 million to encourage LWIAs to use regional planning. For example, the Clean Energy Workforce Training Program required that applicants demonstrate that they had employer councils, who would hire participants after training programs.

Mr. Franco emphasized that there has not been a more critical time for us to fund worker training in *growth* areas and he sees this as one of the most critical things that we need to do. He proposes to track information periodically between now and September, to aid in making

informed decisions about this job creation. Mr. Rubin at this point tied in the discussion with the idea of a dashboard which would present this pertinent information.

Ms. Flournoy brought up some information about difficulties with local community colleges in getting the ARRA funds obligated and expended. She pointed out lack of staffing and coordination at the colleges as one of the problems that LWIAs face when trying to execute contracts in order to expend the ARRA funding quickly.

In response to Ms. Flournoy's discussion about the difficulties of executing contracts with local colleges, Mr. Franco asked if these timelines for execution are something with which the State Board can help. Perhaps these issues can be taken to Washington or whoever else can modify these processes in order to help local areas?

In response, Ms. Flournoy expressed her view that the LWIAs need clarification about whether Federal agencies are looking for obligations, expenditures, accruals, etc. She also pointed out that WIA performance measures (common measures) do not tell the full story. Legislators are asking for information such as how many credentials, certificates, and diplomas participants are obtaining, and while she has been able to give anecdotal information, there is not enough factual information available.

Mr. Rubin proposed to Ms. Halsey that we use this type of feedback to put additional pressure on educational institutions "to do what we need to do". He acknowledged that connections between agencies are difficult and that we can help that process and "break that logjam".

Sector Strategies

At this point Ms. Halsey provided a brief overview of sector strategies before the lunch break. The State board positioned itself well to do what it needs to do. The challenge is to form a workforce system that can work well whether or not it is in a boom or bust time; we need a State Board that can respond to both. We need to understand skills. In times of job creation the focus is to see what is emerging in economy, and not job decrease and destruction. But with this recession we need to be concerned with job churn and destruction as well as creation. The State Board is currently working with all the right connections, foci, and partners.

How do we take what we've learned and start pushing our system more than we've done in the past? Regional Industry Clusters of Opportunity Grants are going to help us get a better grip on how we approach shared governance over initiatives; at local level this is very important.

How do you bring education to the table in a meaningful way? First chance education system needs to be more connected; we need them at the table. We need to assist them to make changes to be more responsive to the dynamic economy. The State Board has a great opportunity to serve as an intermediary at the state and local level.

What are the critical areas when it comes to WIA reauthorization? We should be talking to legislative leaders about expenditures vs. obligations. We need to be talking to them about such partnerships as the one we have with the California Energy Commission; this is a great partnership and very unique.

We can push our workforce system into more of those unique partnerships. The Public Utilities Commission and Investor Owned Utilities are other partners which can hopefully invest dollars for workforce training. Union partners have received funding for green training as well. We need to look at all partners and funding to better connect. There are great opportunities and we need leadership and involvement.

Discussion: Identification and Initial Prioritization of Committee Issues

Mr. Rubin expressed concern that the Committee Charter did not include all the points members had asked be incorporated. Mr. Patterson clarified that the Committee Charter was reviewed by the Committee, presented to the State Board at the December 8, 2009 meeting, where it was approved. However, the Charter may be amended.

Mr. Rubin noted that the Committee should not duplicate board's work. Rather, the recommendations made by the Committee will hopefully be considered seriously and acted upon by the State Board and that he hopes the Committee will not be simply a "pass-through operation".

Another concern is how the Committee can be most helpful to the State Board and Board staff: How can the Committee make Board staff's job easier by giving good guidance? In relation to this Ms. Huang noted that the dashboard is an important issue. She would like to see it as part of the review process each time the Committee meets. Mr. Patterson noted that Board staff has had a lot of discussion around the idea of a dashboard and what it should include. The Committee members discussed the contents of the dashboard they would like included:

- An Executive Summary
- Cash draw downs
- Expenditure and accrual levels from LWIAs
- Performance measures such as credentials, certificates, degrees
- On which industries are LWIAs focusing? Perhaps a map could be included to illustrate
- The top 6 industries in which participants are enrolling
- A list of who is getting Governor's 15 Percent Grants

The Committee members agreed that the dashboard should present a more macro view of the work of LWIAs. It should be simple and easy to understand.

At this time the Committee members also discussed a new mission statement written by Mr. Munoz in response to discussions. Committee members agreed on the language of the mission statement as follows:

Our mission is to provide advice, counsel and recommendations to the full California Workforce Investment Board that improve Local Workforce Investment Boards' ability to provide world-

class services to constituents; and to provide overall strategic recommendations to the full Board in identifying the most critical priorities.

Mr. Rainey discussed his thoughts on EDD making policy. He suggested that perhaps the Committee can meet with EDD to lay out some process for making the policy. This might be an issue the Committee can take up in the future. If we don't work with EDD to develop policy with Committee, Board, and public comment policies will continue to be developed solely by them, but more parties should be involved in the process. The Committee might even "pull back" some existing policy and reexamine it.

Mr. Rainey also asked that perhaps State Board members can be polled to get a sense of Board member satisfaction; perhaps a brief questionnaire could be formulated and distributed. That way, the Board members would have a vested interest in what the Committee is doing. There was some discussion about whether or not this type of activity would fall within the purview of the Committee and whether or not it fit within the scope of the Committee's mission statement. Mr. Rainey agreed with Mr. Munoz that it did not fit within the scope of the mission statement, but Mr. Munoz did not object to it, he was simply trying to focus the discussion.

Mr. Rubin expressed that the Committee should strengthen partnerships and interface with any and all state agencies with which we work. The Committee could identify how we are working together with partners, and perhaps invite different agencies as advisors to the Committee and invite them to make brief presentations. Barbara noted that because the Committee was formed with a focus on business, other partners such as the Department of Education were not seated on the Committee but could be invited as advisors. There was further discussion about who the partners might be, how to engage them, if they could make five to ten-minute presentations. Mr. Sale pointed out that one thing to keep in mind is that while the intentions and relationships at the headquarter level are well-meaning and strong, that rarely translates to the local level.

Mr. Knox commented that one important and specific benefit of having education partners meet with the Committee is the Academic Senate approval of curriculum design.

At this point Mr. Knox also posed a question to the representatives of the Department of Labor present at the meeting related to the earlier point of redefining the State Board's and EDD's roles, namely:

- Should communication between agencies be refocused or redirected to enforce the role of the State Board as the policy making body and EDD as the administrative/oversight body?
- When the Department of Labor wants good, reliable information, does it ask the State Board or EDD? DOL representatives responded by saying that when they go to a variety of sources such as Barbara, Jaime Fall at Agency, or Workforce Services Division at EDD.

Mr. Knox reinforced his questions by noting that if we want to redirect the standard of policy, then communication should follow that structure. It was not EDD's role to set policy, so why has the Department assumed that role? Was it by default, was it assumed, or is EDD looked at

by the next level up where the information is provided? Ms. Halsey posed the question that perhaps the roles of EDD and the State Board in this matter might have been determined by the executive order forming the State Board after the implementation of WIA. (Board Staff have since examined the executive order and found that these roles were not established by the order).

Mr. Rubin asked about the role of the Economic Strategy Panel. Ms. Halsey explained that it is a Governor-appointed panel under Agency. CWIB's activities with the Panel have to do with regional work and specifically with RICOG, and that there is interest in the Panel becoming reengaged, for it has not met in about one and a half years.

After committee discussion, Daniel Patterson presented potential issues identified by Board staff and asked for approval from the Committee for staff to pursue work on these issues. Following is a list of these issues.

- Dashboard with Executive Summary – mock copy to be presented at the next Committee meeting.
- List of other agencies to be engaged by Committee – to be presented at the next Committee meeting.
- Employment Provider Training List (ETPL) waiver – draft to be presented at the next Committee meeting.
- Local Area designation – Board staff will explore the process, previous problems, and previous temporary designations. Mr. Knox pointed out that CWA will be very keenly interested in this process and there will be “pushback”.
- Application process for Additional Assistance is too long – urgent issue to be explored by Board staff and Committee
- Leveraging other federal funding – to be explored by Board staff

Discussion: Scheduling of Future Meeting Dates

Committee members discussed their preferences for meeting dates to coincide with State Board meetings, and days of the week to meet. Board staff will explore meeting date options and forward to Committee members for scheduling.

Public Comment

There was no public comment.

Other Business

There was no other business. The meeting was adjourned.

**STATE OF CALIFORNIA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

**Approval of Eligible Training Provider List (ETPL) Initial Eligibility Determination
Postsecondary Educational Institutions and Entities
Carrying Out Apprenticeship Programs**

Action Requested

The Issues and Policy Committee:

- Approve the Draft Waiver Request for State level approval for listing of postsecondary educational institutions and entities carry out apprenticeship programs on the ETPL, and
- Direct staff to finalize the document and work with the Employment Development Department to publish and obtain public comment and report back to the Committee for final recommendations.

Statutory or Regulatory Requirements to be Waived

WIA Section 122(b)(1) and 20 CFR 663.515(b) require Local Boards to identify those training providers desiring to be determined and listed as initially eligible to receive funds made available under WIA Section 133(b) for the provision of training services, to submit an application to the local board through a locally described application process. Additionally, this requirement is stipulated in 20 CFR 663.505(b). The state policies implementing these WIA provisions are described in WIA Directive [WIAD06-15](#), published February 7, 2007. This waiver will apply to Program Year 2010.

For a majority of institutions of higher learning that meet the initial eligibility criteria described in WIA Section 122(a)(2)(A-B), the administrative burden imposed by the local application process has hindered their participation and the listing of a wide range of training programs which are otherwise available to the general public.

Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

This waiver request seeks to further implement in California, the national direction as communicated in TEGL 13-06 and the Governor's WIA State Plan priority for the Workforce Investment System of Collaborating to Improve California's Educational System at All Levels. The goal of this waiver is to allow those institutions determined initially eligible under the WIA Section above, that have available program data, to apply to the State rather than the Local Board for listing on the ETPL.

The action will increase customer choice by providing a more comprehensive list of available training options in the local communities, maximize the use of funding resources available for use in individual training accounts for eligible adult and dislocated workers, and reduce training costs through the leveraging of resources currently within the workforce and education systems.

Finally, this waiver would also expand and enhance an existing partnership and collaboration between the local and state workforce investment boards and the publicly funded education system – a goal that is otherwise impeded without this waiver, and reduce the administrative burden and cost of managing the ETPL at the local and state levels by facilitating a state-level data transfer to list these educational programs on the statewide list.

State or Local Statutory or Regulatory Barriers

There are no known State or local statutory or regulatory barriers to implementing the proposed waiver.

Description of Individuals Impacted by the Wavier

All WIA eligible adults and dislocated workers that receive services under this program, as well as business customers, will benefit from the waiver.

Approval of Local Workforce Investment Board Recertification Process

Action Requested

The Issues and Policy Committee:

- Approve the modified process for recertifying Local Workforce Investment Boards
- Direct staff to prepare a DRAFT policy for the State Board's consideration

Issue

Should the State Board revise and expand its policy for local workforce investment board certification or retain the current policy?

Background

Section 117(c)(2) of the Workforce Investment Act of 1998 (WIA) and the California Unemployment Insurance Code Section 14200(b) (SB293) require the Governor to recertify one Local Workforce Investment Board (LWIB) for each Local Workforce Investment Area (LWIA) once every two years. WIA specifies that the minimum requirements for a LWIB to be certified are to conform to the required membership and meet performance criteria.

The California Workforce Investment Board (State Board) must recommend to the Governor those LWIBs for recertification by January 1, 2011. For the last recertification cycle, the Employment Development Department (EDD) issued WSD08-7 dated November 4, 2008, requiring two forms be submitted to request certification: a listing of each LWIB member by category and a calculation that required percentages of business and labor members had been achieved; and a functional self-certification attesting to the LWIB's performing its statutory functions.

Other States' Recertification Processes

Preliminary research was performed to evaluate how other states conduct their certification process. The results were varied with some states following the minimum requirements stipulated in WIA (Maryland) while others required additional information such as inclusion of an extensive checklist (New Jersey) and narratives on collaboration with economic development, regional sector strategies, revitalizing youth councils, and continuous improvement activities (Oklahoma and South Carolina).

Alternatives

1. **Status Quo:** Publish a revised Directive to restate the existing certification process whereby a membership roster and ratio calculations were required along with a self-certification checklist of performing statutory functions.

Pro:

- This alternative meets WIA requirements.

- It is simple to administer.
- The criteria are objective.

Con:

- It is the absolute minimum and does not measure other criteria, such as how the LWIBs are meeting State Plan objectives, State Board policies or their local plans.

2. **Expanded Recertification:** Expand the certification process to include measures of achieving State and local Plan objectives and support of State Board initiatives, such as regional competitiveness initiatives and Integrated Services Delivery.

Pro:

- This alternative builds on other states practices requiring LWIBs to demonstrate more than mere membership requirements and performance criteria.
- It will require LWIBs to meet definable goals of supporting State Plan and State Board priorities for recertification.
- It provides a method to measure performance beyond the common measures by demonstrating achieving local plan objectives.
- It improves upon requiring only the minimum.

Con:

- This alternative is more complex and requires greater administrative effort to accomplish at the state and local level.
- The criteria are subjective.

Recommendation

The expanded recertification alternative is recommended. Although it requires a subjective analysis of local plan objective achievement, it provides a method to assess support of and achieving State Plan and State Board priorities and policies. It enhances the LWIB certification process.

3. Discussion:

- **American Recovery and Reinvestment Act Expenditure Levels**
- **Additional Assistance Grant Applications**

4. Update:

- **Local Plan Modification Status**
- **Committee Dashboard**

5. Public Comment:

6. Other Business: