



## MINUTES OF MEETING NO. 185 March 12, 2015

### **Board Members Present:**

Cindy Zehnder, Chair  
Creigh H. Agnew, Representing Business  
Chris Alejano, Representing Target Populations  
Amy Anderson for Gary Chandler and Lee Anne Caylor, Representing Business  
Jeff Johnson, Representing Labor  
Beth Thew, Representing Labor  
Mark Mattke, Representing Local Government  
Jim Crabbe for Marty Brown, State Board for Community and Technical Colleges (SBCTC)  
Kathleen Lopp for Randy Dorn, Office of Superintendent of Public Instruction (OSPI)  
Dale Peinecke, Employment Security Department (ESD)  
Carolyn McKinnon for Brian Bonlender, Department of Commerce (Commerce)  
David Stillman for Kevin Quigley, Department of Social and Health Services (DSHS)

### **Board Staff Present**

Eleni Papadakis, Executive Director

### **Welcome and Introductions**

Ms. Cindy Zehnder called the Workforce Training and Education Coordinating Board (Workforce Board) meeting to order at 9 a.m. at the State Board for Community and Technical Colleges office in Olympia.

### **Chair's Report**

Motion 14-185-01: Ms. Beth Thew moved to adopt the January 29, 2015 Board Meeting Minutes as presented. Mr. Lee Newgent seconded the motion. The motion passed unanimously.

Ms. Cindy Zehnder asked the Board to confirm their attendance for the July 30-31, 2015 Board retreat. She noted the retreat will likely be held somewhere away from Olympia and the topic will be Workforce Innovation and Opportunity Act (WIOA) implementation. Ms. Zehnder reported that part of the retreat will focus on the state plan and that the hope is to have a near final draft ready for the public by the end of the retreat.

### **Executive Director's Report**

Ms. Eleni Papadakis reported that she, Ms. Beth Thew, Ms. Cindy Zehnder, Ms. Amy Anderson and Mr. Dale Peinecke were all in Washington, D.C., at the National Governors Association (NGA) winter meeting. Ms. Papadakis and Mr. Peinecke reported on the discussions that took place at the NGA meeting and noted the message from the federal government was that they want to see everyone working together.

## **Workforce Innovation and Opportunity Act Steering Committee Update**

Ms. Terri Colbert updated the Board on the WIOA Steering Committee activities that had taken place since the last Board meeting. She informed the Board that the timeline to complete all the work necessary for the implantation is very tight but that the Steering Committee and Sub-Committees are committed to ensuring the work gets done. Ms. Colbert went over the list of subcommittee chairs, the committee make up, committee responsibilities and scheduled meeting dates. Ms. Colbert noted that finding administrative support for the sub-committees continues to be a challenge.

Mr. Jeff Johnson provided an overview of the last two Steering Committee meetings. He noted that all of the members are dedicated to the same thing which is creating a better workforce system.

Ms. Beth Thew thanked the participating committee members and agencies for all of their assistance.

## **Funding Distribution Formula for Workforce Innovation and Opportunity Act Title 1**

Mr. Dale Peinecke gave an overview of the current funding distribution formula. He reported that the formula can be changed every year but there is no requirement to do that and that the formula had not been changed in quite some time. He informed the Board that there is a hold harmless clause in the funding distribution that prevents anything more than a 10 percent reduction to funding in any given year. He also said that a change in the formula distribution would have effectively a zero sum gain due to its structure, meaning changes need to be made for strategic reasons and would need to be vetted at the local level. There was some discussion about what vetting at the local level would look like. The Board asked to have the funding distribution formula examined by a task force. The Board accepted the recommendation with the condition that the Board reviews the formula before July 1, 2016.

## **Eligible Training Provider List Criteria and Workforce Investment Act Performance Targets**

Mr. Dave Pavelchek informed the Board that there is one more year of operation under WIA standards and that Washington has one of the better systems in place for managing training providers that serve WIA Adults and Dislocated workers. The system that is in place is substantially in compliance with the WIOA guidelines. However, significant updates are expected to be made. Because of the workload associated with planning the updated systems under WIOA, the Board will be asked to consider forgoing any significant updates or changes to the current system in order to focus on making the larger changes necessary under WIOA. The Board will consider this topic at its next regular meeting scheduled for May 28.

## **Workforce Innovation and Opportunity Act Planning Funding**

Ms. Eleni Papadakis, Mr. Dale Peinecke and Ms. Cheryl Fambles gave a combined presentation on potential WIOA planning funding. Ms. Papadakis opened the discussion by giving a brief overview of the planning money originally identified under WIOA. She reminded the Board that initially a small amount of funding was made available but was specifically called out of 2014 funds which had already been distributed to the 12 Workforce Development Councils (WDCs). There had been hope for a technical fix that didn't happen. Discussions with the U.S. Department of Labor brought new information regarding an alternative funding method. The alternative method for funding comes from dollars held in reserve by Employment Security Department (ESD) to fund rapid response to dislocated workers. These funds are held in reserve for situations such as major plant closings. However, if they are not used they are distributed out to the field to mitigate against other changes in the system. At this

time ESD has approximately \$3 million in reserve which amounts to approximately \$1.014 million potentially available for planning funding. The planning process is by statute set up to be coordinated between state and local area WDCs and it is required that at least 50 percent of those dollars be distributed for planning at the local level.

The Board engaged in a robust discussion on what if any impact use of these funds may have on dislocated workers, how the planning funding should be distributed and what the planning funding could be used for. It was clarified that these are one-time planning dollars and cannot be used to support long-term programs or staff. Board members agreed that the volume of work required to implement WIOA effectively cannot be accomplished without additional funding. They discussed how the local money should be distributed. Ms. Cheryl Fambles reported that the Washington Workforce Association recognizes that the local planning efforts are equal and supports an equal distribution of the funds as opposed to a formula distribution and pointed out the importance of distributing the funds as quickly as possible.

The Board was not ready to make a decision on the planning funding and agreed to hold a special board meeting to consider recommendations on how the money should be divided, distributed, and what kinds of activities the money may be spent on.

### **Legislative Update**

Ms. Nova Gattman went over the active bills of interest to the Board. Mr. Eric Wolf provided information on the expansion of the College in the High School bill. Ms. Gattman reported Board staff have two work session coming up on private career schools and student protection and that Mr. Wolf will be presenting to the House Early Learning Committee.

The meeting adjourned at 12:30 p.m.