

State Employment and Training Commission
September 2, 2010
10:00 AM
Janice H. Levin Building – Room 102
Rutgers University Campus
Piscataway, New Jersey

MINUTES

Welcome and Introduction – Dennis M. Bone, Chairman, New Jersey State Employment and Training Commission.

The meeting was called to order at 10:05 by Chairman Bone with a welcome to all. He noted that there would be a brief executive session at the end of the meeting for SETC Members and/or alternates. In accordance with the Open Public Meetings Act, he stated that notice of this meeting was published in the Trenton Times and Star Ledger. He then asked everyone in attendance to introduce themselves.

Chairman Bone called for a motion to accept the minutes of the May 11, 2010 meeting. The motion was made, seconded, and unanimously approved.

Chairman's Report - Dennis M. Bone, Chairman, New Jersey State Employment and Training Commission.

Chairman Bone had three updates for the Members. First, he discussed the State Energy Sector Partnership (SESP) grant, for which the SETC received \$6 million dollars for Renewable Energy and Energy Efficiency projects. He stated that the first round of Notices of Grant Opportunities (NGOs) was sent out for \$1 million dollars and that responses were due back to the SETC soon. He stated that the NGO was broadly written for responses from industry associations and Labor and/or trade organizations.

Secondly, Mr. Bone updated the Members on the latest Workforce Investment Board (WIB) Chair meetings. He noted that attendance continues to be high with 14 out of 17 Chairs present at the meetings. A meeting was held on June 10th 2010 with the WIB Chairs and Hal Wirths the new Commissioner of Labor and Workforce Development. The meeting was informal and the discussion primarily focused on ways to connect to business and build economic development.

Lastly, Mr. Bone updated the Members on the newly created Health Care Workforce Council (HCWC). The SETC has applied for a \$150,000 federal planning grant, which could lead to a \$3 million dollar implementation grant. The Council was formed as a result of the grant application. Mr. Bone noted that the Council has a very impressive membership.

SETC Update – Robin Widing, Acting Executive Director, New Jersey State Employment and Training Commission

Ms. Widing continued the discussion of the HCWC and the grant application. She noted that the SETC had only 28 days to write and submit the grant, but during that time period, amazing letters of support were received committing to substantial partnerships. With such support, it was decided that the HCWC will be launched regardless of the grant award. Robert Wise, the CEO of Hunterdon Healthcare, will chair the Council. A preliminary list of Council Members was included in the meeting packet. Ms. Widing described the grant and the need/demand for health care workers now and in the future. She thanked all who helped with the grant.

Ms. Widing then gave an update on the USDOL Compliance Review noting that written updates were included in the meeting packet. She noted that an evaluation was prepared on the Gender Parity Council's Economic Forum and sent to USDOL.

Eligible Training Provider List (ETPL) rules have been promulgated and an open public forum was held on August 11th. There were no oppositional comments made at the hearing. The SETC's governance committee will establish standards to provide consistency and clear communication on the processes for local area performance.

Based on recommendations in the New Jersey Comptroller's report, best practices were identified and analyzed in regard to this year's summer youth programs. A written report was given to Commission Members as well as WIB Directors and One-Stop Operators.

American Recovery and Reinvestment Act (ARRA) evaluations of the local WIBs were done and a summary was put together for all Members. The SETC was pleased that all WIBs responded with substantial information. The summary was submitted to the USDOL as part of their on-site "Progress Review" of New Jersey's ARRA efforts. A response has not yet come back from the USDOL, but LWD will follow up.

Final performance numbers for the One-Stop Career Centers (OSCC) for FY 2010 have been accumulated and will be presented by Ken Ryan. The SETC is also working with Mr. Ryan to present Webinars on the performance numbers and the database itself.

Performance Measures – Ken Ryan, President of FutureWork Systems

Mr. Ryan noted that while the Annual Report from New Jersey to the USDOL is not due until October 1, 2010, he feels confident that the performance numbers being presented at the Commission meeting are very close to the final numbers.

He proceeded to give a PowerPoint presentation on those numbers. Several interesting facts included:

- WIA is only 6% of all the customers of the workforce system
- There are more female customers than male, possibly due to welfare reform work requirements
- 68% of all customers had at least a high school diploma
- 72% of customers came into the office while 18% were web only users
- The increase in training numbers is due to ARRA
- For those only using Labor Exchange, they spent only 30 days in the system (as compared to often 6 months or more for those who utilize more services and/or training)

Mr. Ryan explained all the uses of this system and the analysis and policy discussion that could be derived. He shared some data driven policies and practices that other states are considering or have acted upon. He gave a live demonstration of the website and showed actual numbers for New Jersey. He reminded all that the exit numbers shown are before ARRA completion due to the training and time lag.

Chairman Bone opened a discussion on the data and the possible policy issues that New Jersey might like to create. The SETC and the Department of Labor and Workforce Development (LWD) will work on presenting ideas to the Members.

Sanction Policy – Richard Constable, Deputy Commissioner LWD

Mr. Constable reported that a sanction policy for performance measures by local WIBs is required by the USDOL and that New Jersey is working on finalizing “Rules” for Local Workforce Investment areas in terms of Performance, Technical Assistance, Corrective Actions, and Penalties. The policy is seen as a course of action to help all local WIBs meet their performance measures. Federal requirements will be followed and a two-year cycle for WIBs will be in place. Should a local WIB exceed their performance numbers, there will be financial incentives. If they fail their performance numbers for a year, technical assistance will be provided to them. If the performance failure continues for a second consecutive year, there can be corrective action plans, financial penalties, and even re-certification of the WIB. The policy will have a public comment period and all SETC members will be notified. Once approved, it will be put into effect in the following year.

Mr. Constable also reported on the Zimmer Report which referred to One-Stop operations and concerned privatization of One-Stop Career Centers. LWD will be looking at this and having discussions on all ways to improve service.

Governance Committee – Joann Trezza, SETC Member and Committee Chair

Ms. Trezza reported that the committee has met several times over the summer especially related to local WIBs and accountability. By December 31, 2010, a report will be completed for the SETC to review. Three policy issues have been drafted and given to the SETC today. Resolutions include:

- Local WIB membership requirements
- Inter-Departmental Fund
- Local WIB refusal of funds

Ms Widing then led the discussion on all three resolutions.

SETC #2010-01 Revised Local Workforce Investment Board Member Appointments and Process

Ms. Widing explained the resolution and changes stating that percentages have been taken off membership categories with the exception of the federal mandate to have 51% of the total membership as business members. She also said the changes reflect federal regulations. A motion was made, seconded and all approved.

SETC #2010-02 Inter-Departmental Funds for Local Workforce Investment Boards

This policy was written to ensure that there is more accountability for these funds. Three major changes include:

- SETC sets a yearly priority for the funds
- LWIBs submit an RFP to compete for the funds, including an evaluation of their use
- If an LWIBs received funds but did not meet their goals, they can not receive funds the following year

For FY 2011, the priority is to have an outreach to business. Four sample ideas were provided, but WIBs can also submit their own innovative ideas. A motion was made, seconded. Robert Santare abstained from voting.

SETC # 2010- 03 Local Workforce Investment Board Refusal of Funds

This policy establishes a process for LWIBs to refuse funds that are planned to be allocated to local areas. Ms. Widing explained that with this year's TANF summer youth program, six WIBs declined the funds indicating they could not provide the services requested in the time period allowed and with the restrictions that were on the program. A motion was made, seconded, and approved by all.

Adult Literacy – Bob Santare, SETC Member and SCALES Committee Chair
Hal Beder, SCALES Member

Mr. Santare explained that State Council on Adult Literacy Education Services (SCALES) is charged with making policy recommendations, planning, and providing oversight of the adult literacy delivery system. There are many challenges confronting the system. SCALES is conducting an analysis of these issues and will prepare a report of its finding and recommendations for the Commission's review. Dr. Hal Beder then delivered a PowerPoint presentation that outlined some of the structural challenges confronting the system. Adult education programs serve a large constituency from out-of-school 16 year olds to senior citizens. More than 2 million adults function at the lower end of the literacy proficiency scale.

Unlike the K-12 and higher education systems, which are institutional-based with a stable funding source, adult education is program based and grant funded. A lost of grant money can have unanticipated, but disastrous consequences on the system. Although adult literacy programs should continue to help learning earn a high school credential, the system's goals must expand to promote transitions to postsecondary education and workforce training that results in industry-recognized credentials. These credentials should be stackable, in that they prepare individuals to progress along career paths.

Dr Beder also distributed a chart that provided preliminary data on the status of adult high schools for the 2010-2011 school year. This initial data suggest that a significant number of these programs are closing. He noted that a number of these programs had provided the infrastructural base of the local adult literacy system. It is necessary, now that school year has begun, to conduct a census of programs to update the chart and provide an accurate picture of the configuration of the local delivery system. A discussion followed by SETC members.

Open Meeting Closure/Executive Session - Dennis M. Bone, Chairman, New Jersey State Employment and Training Commission

Chairman Bone thanked all the Members and guests for their attendance and noted that the next meeting date has been changed from December 7th to November 3rd. He then asked for a motion that the open meeting be adjourned. The motion was seconded and all approved. A closed session of members and designated alternates followed.

STATE EMPLOYMENT & TRAINING COMMISSION MEETING

SEPTEMBER 2, 2010

MEMBERS or ALTERNATES

Dennis Bone	Andrea Karsian	Jerry Ryan (for Contini)
Michael Cantwell	Msgr. William Linder	Julio Sabater
Nicky Gacos	Brian McAndrew	Robert Santare
Jane Guillard (for Lawson)	Matthew McDermott (for Wirths)	Tapas Sen
Deborah Heinz (for Grifa)	Robert Munyan	JoAnn Trezza
Stephen Hornik	Clifford Reisser	Carolyn Wade
		Greg Williams

ABSENT MEMBERS

Dana Berry	Robert Gamgort	Harvey Nutter
Harold Burlingame	Henry Henderson	Bret Schundler
Celeste Carpiano	Veleria Lawson	Bruce Stout
Gail Davis	Jody Levinson	Jennifer Velez
Caren Franzini	Joe McNamara	Charles Wowkanech

OTHER ATTENDEES

Gary Altman	Alice Hunnicutt	Donna Scalia
Jim Black	Hosea Johnson	Barry Semple
Mary Ellen Clark	Robert Melcher	
Aaron Fichtner	Nils Richardson	
Dan Frankel	Justin Ryan	
Jane Guillard	Ken Ryan	

SETC STAFF

Lansing Davis
Judy Formalarie
Debbie O'Kane
Robin Widing

