Governor's Talent Investment Board (GTIB) Meeting June 15, 2015 10:00 a.m. – 1:00 p.m.

Michigan Manufacturers Association 620 South Capitol Ave Lansing

MEMBERS PRESENT:

Mark Alyea, Chair Geralyn Lasher (for Nick Lyon)

Dennis Argyle, Vice Chair John Moll

Donald O'Connell Paul Arsenault Kenyatta Brame **Douglas Parkes** Stephanie Comai William Peterson Tony Day Christine Quinn Rey Guzman (for Jamie Clover Adams) **Tony Retaske** Al Haidous Tauzzari Robinson **Brand Rusthoven** Alisande Henry (for Mike Flanagan) Senator Ken Horn Conan Smith Suzanne Howell Zane Walker

Representative Brandt Iden Gregory Winter
Marcus James Elaine Wood
Darcy Kerr Mike Zimmer

MEMBERS NOT PRESENT:

Thomas Begin Jodi Gibson

Helen Dietrich

WELCOME AND OPENING REMARKS

Mr. Mark Alyea, Chair, called the meeting to order and stated a quorum is present. Mr. Alyea provided a few opening remarks. He thanked Ms. Delaney McKinley from the Michigan Manufacturers Association for hosting the GRTIB at their facility. He then introduced Stephanie Comai, Director of the Talent Investment Agency (TIA) to talk about the priorities of the Governor and provide a framework for discussion on the responsibilities of the GTIB.

Ms. Comai talked about the Talent Investment Agency (TIA) and why it was created. The TIA includes the Workforce Development Agency, Unemployment Insurance Agency (UIA), and the Michigan State Housing Development Authority (MSHDA). The TIA is housed under the umbrella of the Department of Talent and Economic Development (TED) that includes Michigan Economic Development Corporation (MEDC) as well. The Governor's vision is to pull all the resources and key pieces relating to talent development together since talent is a high priority and number one issue. She stated Steve Arwood is the Director of TED and the MEDC, and she, Mr. Arwood and the Director of MSHDA meet regularly with the Governor every month. The GTIB will be a key forum to talk to employers to make sure our state is headed in the right direction.

Ms. Comai said an example of something the GTIB would be offering their advice on would be providing input on what could be done with funds earmarked towards talent. The department is looking for ideas to let young people know their options, including those on the sidelines, and UIA claimants and the services provided to them. She then introduced Christine Quinn, the Director of the Workforce Development Agency (WDA) and Jacqui Mieksztyn, the manager of the GTIB unit.

Ms. Comai also spoke about the Governor's priorities:

- An increase in the Skilled Trades Training Fund, which provides competitive awards for employer responsive training, to \$20 million for the next fiscal year
- Middle college experience
- Availability of funds through the Community College Skilled Trades Equipment Fund, which awards funds to community colleges for equipment upgrades used in training
- Videos targeted towards young people regarding skilled trade careers that feature celebrity Mike Rowe, and
- The development of career planning tools to help kids figure out what they want to do.

A discussion ensued. Questions and comments included:

- UIA will interface with workforce development by accessing federal funds for strategies to get UIA claimants reconnected to the workforce; there is a gap in how long people are laid off, and it helps the employer if they get a job quickly, since an employer's tax rate is based on how often people tap into those funds.
- When asked, Ms. Comai stated nothing is off limits at this time.
- In order for the Board members to know what the scale of need is, labor market information and conversations around in- demand jobs will be provided.
- Mr. Jason Palmer, Director of the Bureau of Labor Market Information and Strategic Initiatives (LMISI) was introduced and talked about online job ads and how they can be skewed.
- Regarding the CCSTEP: what about funding for Career and Technical Education (CTE) in high schools? Most of these programs have been shut down and equipment is now obsolete, so how do we get students interested in skilled trades when most programs are shut down? Some counties have mileages to support these programs.
- When asked what at the end of the day this Board should be providing, Ms. Comai stated key metrics from the WDA, such as ideas for growing the number of apprenticeships in our state, would help drive the formation of the committees. The WDA strategic plan will be shared and will provide the framework for discussion. Ms. Comai provided her email address: <a href="mailto:comaist

Mr. Alyea asked if there were any public comments. Mr. Russ Davis from the US Department of Labor, Office of Apprenticeships, stated he believes the initiatives of Governor Snyder are the same as the

President, which is doubling the number of skilled trades. He said there are currently 11,500 registered apprenticeships in Michigan with 1000 employers participating, and Michigan is leading the charge on increasing registered apprenticeships.

ACTION ITEM: CONSENT AGENDA

Ms. Jacqui Mieksztyn, WDA, explained the consent agenda items include the By-laws and the GTIB Meeting Schedule for the remainder of 2015.

A MOTION was made by GTIB member Senator Ken Horn and SUPPORTED by GTIB member Don O'Connell to approve the consent agenda items. The MOTION was approved unanimously.

ACTION ITEM: LOCAL AREA DESIGNATION POLICY

Mr. Alyea introduced Ms. Stephanie Beckhorn, WDA. Ms. Beckhorn talked about local area designation, stating the service delivery standpoint is working towards a regional standpoint. She stated the Governor must designate the local areas under the new criteria of the Workforce innovation and Opportunity Act (WIOA) of 2014 after consultation with the GTIB and after consultation with chief elected officials, local boards and public comment process. Ms. Beckhorn explained the criteria, and stated six existing workforce development areas do not meet initial designation under WIOA and are listed in the policy. Ms. Beckhorn also explained a few changes that were made to the policy since it was provided to the Board members.

Questions and comments from the GTIB members included:

- It is recommended the six local areas that are listed be removed from the policy because if they are listed the policy may need to be revised.
- When asked how the areas will be served that did not meet initial designation, Ms. Beckhorn stated they have continued to operate and technical assistance is provided.
- When asked about the job loss in the one-stops that are merging, Ms. Beckhorn stated efficiencies should be created and the local elected officials and local boards would be making those decisions.
- When asked if one of the areas missed designation because performance was off by .1%, Ms. Beckhorn answered the law is specific about measures.
- The policy should focus on parameters, not specifics. It's not just functional consolidation but allowing to have some flexibility whether consolidating or not. State funding policy should reflect this.
- In two years designation will happen again. The WIOA set up some things to happen now and then in 2 years. Many states are looking at regionalism and most states are waiting on the governance transition in two years. Michigan has led the way in performance and other workforce trends and is always looking for ways to improve. Doing this now gets the governance items out of the way so other things can be focused on; thank you WDA for pushing the envelope on timing and providing financial incentives.

The policy will be revised to remove the list of the six areas that did not meet the initial designation criteria.

A MOTION was made by GTIB member Marcus James to approve the policy as amended and SUPPORTED by GTIB member Tony Retaskie. The MOTION was approved unanimously.

ACTION ITEM: LOCAL BOARD CERTIFICATION

Mr. Alyea introduced Mr. Rick Niedieck, WDA. Mr. Niedieck stated the Workforce Innovation and Opportunity Act (WIOA) requires the establishment and certification of local workforce development boards for each local area. He talked about the parameters of previous legislation and stated local boards would not be allowed to be grandfathered in. The policy provides the process for local areas to designate their boards, with certification every two years.

Comments from the GTIB members included:

The policy is still in draft form; it is important for local elected officials to have flexibility in determining who best represents each sector; recommend policy is less prescribed.

A MOTION was made by GTIB member Bill Peterson to approve the policy and SUPPORTED by GTIB member Kenyatta Brame. The MOTION was approved unanimously.

Other discussion comments:

- The new legislation provides the chance for our state to say what we need and how will we deliver services differently; driving discussion down to the local areas and driving discussion up.
- Real world exposure of high school students to what they think they want to do is very different than what they will end up with.
- Disappointed that new legislation takes an opposite direction by focusing on out of school youth, so we need to figure out how to serve in school youth.
- Wood like to see this Board look at identifying what the standing committees will look at and how does what we focus on fit into everything else; what is our input in the system.
- There needs to be a collaborative effort all throughout school and post-secondary to education kids.

- Other states Michigan can look top benchmark include looking at California for IT,
 Detroit with On-Star, healthcare is the leader out east, energy is down south, and South
 Carolina leads in mechatronics.
- There will be a new State Superintendent coming in; the Michigan Department of Education (MDE) is happy about partnerships with other State agencies regarding Career and Technical Education (CTE). There is a crosswalk of the common core curriculum with CTE programs that exists and more of this should be done.

WORKING LUNCH

Mr. Dennis Argyle, Vice Chair, explained the lunch hour would be used for the Board to get to know each other. Each Board member would have an opportunity to explain their background and why they volunteered to be on the GTIB. He stated he is the CFO for Knights Facilities Management, was on the previous Board, is involved with his local school district, and volunteered because he is interested in making sure kids know all of their options for careers, including his own kids.

Mr. Greg Winter is from Alpena, and sees the mismatch of business talent needs and the skills of the local workforce. He has worked with his local community college to help bridge that gap, and volunteered to be on the Board to help solve the problem of this mismatch.

Mr. Tony Day is with the Nottawaseppi Huron Band of the Potawatomi's Pine Creek Reservation. He volunteered to be on the Board because he wants to help the state of Michigan.

Ms. Darcy Kerr is with the Accident Fund in Lansing. She volunteered because there is a need to get young people interested in career in insurance. She recently has been working with Lansing high schools to expose them to the insurance industry.

Representative Brandt Iden is from District 61 of the House of Representatives and has been a representative for five months. He serves on the Workforce Committee in the House, and would like to tie some that committee work with the work of the GTIB. He wants to work on eliminating bureaucracy, wants to work collaboratively, and is interested in the Department of Talent and Economic Development and making sure we all have the same conversations.

Commissioner Al Haidous is with Wayne County District 11. He is interested in helping his community and connecting people with jobs, and changing the way we do business in connecting people with jobs.

Mr. Bill Peterson is with the UAW Skilled Trades. He works with apprenticeships and has been on previous state boards under Governors Engler and Granholm, and on his local board for 21 years. He

would like to be on a committee that focuses on apprenticeships, and in interested in getting the message out on the opportunities in skilled trades.

Mr. Brad Rusthoven is the Human Resources Manager at Franchino Mold and Engineering. He is involved in anything that he can be involved in that focuses on talent.

Mr. Mike Zimmer is the department director for the Department of Licensing and Regulatory Affairs (LARA).

Mr. Kenyatta Brame is the Executive Vice President at Cascade Engineering. His concern is the rate of people who are not graduating from high school. He wants to focus on developing the pipeline for the future or he will be out of business.

Mr. John Moll is the CEO of the Gemini Group in Bade Axe. His mission is to help with communication to help school kids and their parents learn about the career options available.

Ms. Geralyn Lasher is from the Department of Health and Human Services representing Director Nick Lyon. Her department was recently reorganized, and built upon the philosophy of the river of opportunity and being employed.

Ms. Suzanne Howell is from the Michigan Rehabilitation Services and excited to be on the board and represent people with disabilities and getting them employed.

Senator Ken Horn is with the Michigan Senate District 32. What keeps him up at night is the issue of transportation and getting people to work, as well as energy issues and the talent gap.

Mr. Marcus James owns his own business and was with Dow Chemical for 31 years and involved in workforce development for the past 13-14 years. He wants to see a stronger link between business and education and work on the sweet spot where it can connect. He wants to see more selling of the STEM careers to kids, feels we don't do a good job of linking people with what they are passionate about.

Mr. Doug Parks is from Manistee and on his local board for 20+ years. He represents retail, and when his autistic son landed a job in Ludington doing GIS work, he became interested in supporting more programs like his son is involved in.

Ms. Elaine Wood is the CEO of Networks Northwest. Her background includes teaching, adult education, and she is interested in the crossroads of how everything intersects to help people. She supports being market driven, and feels more healthy businesses mean more healthy communities.

Commissioner Conan Smith represents Washtenaw County District 9. He has been involved with workforce development for 10 years. He is involved because he feels the workforce system could be more responsive and offer stability for people in jobs.

Mr. Zane Walker is with the Michigan State Building and Construction Trades Council, representing other programs different than manufacturing apprenticeships. He is involved because he wants to see outreach regarding careers to kids in high school and earlier.

Mr. Don O'Connell is with the Operating Engineers Local 324. He volunteered because he wants to help the next generation of building trades, and getting the message out that the trades are good jobs.

Mr. Tony Retaskie is the Executive Director from the Upper Peninsula Construction Council, also serves as co-chair to the UP Career Council and the local Regional Education Service Agency (RESA). He wants to get kids interested in ironworker apprenticeships.

Mr. Paul Arsenault owns his own business and has been local workforce board member for 27 years in the central UP. He wants to focus on a strong connection between business and education and getting the education community enlightened to what is coming down the pipeline.

Mr. Rey Guzman is with the Workforce Development Agency representing the Michigan Department of Agriculture and Rural Development and workforce development.

Several Michigan Works! Agency directors in the audience also introduced themselves, as well as GTIB staff Jacqui Mieksztyn, Rick Niedieck, Sue Ann Searles, and Krista Johnson.

CLOSING REMARKS

Mr. Alyea provided a few closing remarks and reminded the GTIB members of the next quarterly meeting on Monday, September 14, 2015 location TBD, and adjourned the meeting at 1:00 p.m.