

**GOVERNOR'S WORKFORCE BOARD RI  
STRATEGIC INVESTMENT COMMITTEE MEETING  
August 16, 2007**

**MEETING MINUTES**

Members Present: J. MarcAurele, Chair, William McGowan, Brandon Melton, and Martin Trueb

Members Absent: Armeather Gibbs, George Nee and Lorna Ricci

Staff Present: Michael Koback, Stephen Schaefer, Nancy Olson, David Francis, Maureen Mooney

Others Present: John O'Hare, Administrator, State Workforce Investment Office (SWIO); Sharon Petrarca, WIA Youth Lead, (SWIO); Lori Norris, Chief of Youth Services, Workforce Development; Sandra Powell, Assistant Director, Workforce Development; Dottie Miller, Acting Executive Director, Workforce Partnership of Greater RI (WPGRI); Anne Walsh, Coordinator of Youth Services; Paul Harden, Business & Workforce Development Manager, Economic Development Corporation (EDC); James Glover, RETB Manager, Workforce Solutions of Providence/Cranston; Carlos Ribeiro, WIA Youth Programs Manager, WPGRI; Kim Weiss, Head of Dislocated Worker Services and State Trade Coordinator, Workforce Development Services.

With a quorum present, Chairman J. MarcAurele called the meeting to order at 3:15 p.m. He welcomed everyone and stated there was a full agenda before the committee.

**Minutes of June 18, 2007**

Chairman MarcAurele asked for a review of the meeting minutes of the June 18, 2007 Governor's Workforce Board RI (GWBRI) Strategic Investment Committee. He then asked for a motion to approve the meeting minutes.

**VOTE:** William McGowan motioned to approve the minutes of the GWBRI Strategic Investment Committee as presented. Martin Trueb seconded the motion. The vote was unanimous, the motion passed.

**FY '08 Budget Report**

Chairman MarcAurele asked Michael Koback of the GWB staff to review the FY '08 Budget Report. Mr. Koback referred to the handout: *Job Development Fund – FY '08 Budget* which provides a snapshot of the total available funds for FY '08 and includes the carry-in from FY '07. He explained that the carry-in amount is money that was not obligated last year.

Mr. Koback provided detail on the categories of funding available. He noted that the total FY '08 funding available is \$23,809,477 and that FY '07 obligations total

\$6,747,732. He also indicated that the internal costs, which are detailed in the handout, total \$2,914,649 leaving an available balance of \$14,147,096 for programming.

M. Koback then outlined the FY '08 allocations that were approved at the last Strategic Investment Committee meeting in June. This included the \$4.5 million allocation to the Adult Education and Literacy initiative and the \$1,000,000 allocation for the Workforce Expansion initiative requested by Saul Kaplan of the Economic Development Corporation (EDC).

M. Koback then concluded that the available balance remaining is \$8,647,096.

### *Demand-Driven Workforce Agenda*

Mr. Koback then referred to the handout: "*Demand-Driven Workforce Agenda*" which associates GWBRI funding priorities with the budget request. He noted that the categories and priorities of the past year were successful and recommended that the current budget plan utilize similar priorities because the programs, initiatives and grants fit uniformly into these classifications.

The first key component of the FY '08 budget identified the three levels of incumbent and new worker training needs relating to the Workforce Training Grants for the funding amount of \$3,527,096.

### *Training Grants*

Mr. Koback informally proposed that the RFP process for the Workforce Training Grants be eliminated. Generally, in the past, the GWBRI solicited proposals twice per year for Comprehensive Workforce Training Grants of up to \$50,000. He indicated that in the past fiscal year, the \$3,000,000 allocation was not fully obligated and that the rationale for soliciting RFP's for these grants was that demand exceeded availability. He reported that this does not appear to be the case currently, possibly due to funding being offered on a more continuous basis. Mr. Koback suggested that the elimination of the RFP process would provide a less cumbersome application process and actually be more responsive to business needs.

Chairman MarcAurele indicated his support for this. He acknowledged that after reviewing the history of the RFP process, there were concerns about the hard and fast deadlines associated with these grant programs that placed unnecessary pressure on organizations to complete the RFP's. By acknowledging that the grant process is a constant demand business, and that individual requests have merit, the elimination of the RFP process would provide the flexibility to meet the training grant funding goals.

Mr. Koback added this would also eliminate some of the logistical issues surrounding the grant reading and rating process and would further streamline the funding procedure.

### *New Worker Training*

This category is newly proposed in '08 as a pilot to meet the demand for new worker training. This differs from the Expansion Grant funding in that it would target training for less than the minimum number required for funding under the Expansion Grants. Generally, requests for training for more than 10 employees are referred to the

Economic Development Corporation (EDC) and handled through the Expansion Grant process. This new initiative would more likely benefit small businesses that do not have the capacity or need to hire that number of workers. Mr. Koback acknowledged that this would be a new initiative and logistics still need to be clarified.

### Expansion Grants

Mr. Koback reported that \$1 million in funding for Expansion Grants was approved at the June Strategic Investment Committee meeting.

With the overview of the Workforce Training Grant funding request complete, several questions and a discussion followed on the proposed, revised process for these grants. Chairman MarcAurele clarified that all of the previous controls and approvals would continue to be in place. He assured committee members that none of the funding would be disbursed without approval by the Strategic Investment committee. He clarified that the major difference in this proposed procedure is that it offers a more continuous application process.

A concern about effectively utilizing all of the funds awarded for the training grants was raised. Mr. Koback reported that the program will continue to be monitored and if results indicate that the RFP process needs to be re-instituted, then that would occur.

William McGowan asked about the de-obligation process that Mr. Koback explained. To summarize, unobligated/unexpended funds become part of the new yearly budget. Mr. McGowan also inquired about the carryover funds as discussed in the last Strategic Investment Committee meeting. Mr. Koback explained the origin of the carry-over funds and the process of making these adjustments.

Chairman MarcAurele referenced the flexibility of the budget that provides the ability to fund those programs that are making significant progress, for example, Adult Education.

### Partnership Grants

Mr. Koback explained that the Partnership grants are the same as the past year citing the Industry Partnerships as an example that was initiated last year. He noted that the year one-funded partnerships are ending and are currently being evaluated and assessed. An application for second year funding of the year-one funded partnerships is currently being prepared.

### Youth Strategies

Mr. Koback mentioned that a funding request for \$3,120,000 would be forthcoming from the Youth Development Committee Chair and deferred to that presentation later in the meeting. However, he noted that the FY '07 demand far outweighed the resources.

### Adult Education

M. Koback reported that the Adult Education and Literacy initiative has been funded to the amount of \$4,500,000 as approved in June.

### Business Retention

Mr. Koback reported that Business Retention strategies are gaining momentum across the country and noted RI's recent attendance at a national conference addressing this topic. As a result, the RI team is researching several models and hopes to connect with experts in the field to assist in our efforts. He further noted that there is a request on this agenda to access this funding for the first time.

### Capacity Building

In FY '07, these funds supported the procurement of the Corporation for a Skilled Workforce (CSW) to facilitate the state's Strategic Planning efforts, which will continue this year. Mr. Koback noted that currently two additional plans to utilize these funds are being considered; one, to connect with a facilitator to work with the industry partnerships and the other is to further develop new opportunities for apprenticeships.

This concluded the overview of the \$14,147,096 FY '08 Budget.

Chair MarcAurele called for a vote on the FY '08 Budget as proposed.

**VOTE:** B. Melton made a motion to approve the FY '08 Budget as proposed. W. McGowan seconded the motion. The vote was unanimous, the motion passed.

## **Review of Funding Requests**

### **Comprehensive Workforce Training Grants:**

Mr. Koback referred to the handout: 2007 Comprehensive Workforce Training Grant Program Round II, which is the latest round of grants that were solicited through the RFP process. He indicated the response was not as large as in the past, but that 42 proposals were received for a total of more than \$821,000. Twenty-four of these proposals are recommended for funding. Seven proposals are pending negotiations and will probably make the cut, bringing the total request to \$531,705.

There being no further discussion or questions, Chairman MarcAurele called for a vote on the requested funding for the Comprehensive Workforce Training Grants in the amount of \$531,705.

**VOTE:** Martin Trueb made a motion to approve the Comprehensive Workforce Training Grants as proposed. William McGowan seconded the motion. The vote was unanimous, the motion passed.

### **Youth Initiatives:**

Brandon Melton provided an update on the recent Youth Development Committee meeting and reported that the number of youth served during the current summer far exceeded the number served last summer. He commended the excellent partnership that has developed between the Greater RI and the Providence/Cranston Workforce

Boards. He mentioned the transfer of leadership from Dottie Miller to a new role and to Lori Norris coming on board as Chief of Youth Services.

John O'Hare, Administrator of the State Workforce Investment Office (SWIO) emphasized the significance of the Youth Initiative program and its current status. He noted the program has evolved significantly from the initial goal of bringing two local workforce boards together utilizing both federal and state money. Other important changes include utilizing a combined RFP, a strict adherence to guidelines of the federal procurement process and a formula system for dispersing the money. The end result is a program that serves all regions in the state, that has seen an increase from eight local vendors to multiple national vendors, and that supports 30 different types of programs as well as a major increase in the number of youth served. Mr. O'Hare noted that the number of youth served by the program increased from 400-500 youth to 2600. It should be noted that approximately 6,000 youth requested services.

Mr. O'Hare referenced a handout that detailed the characteristics of the youth being served: 14% of 2,600 youth are in foster care, 10% offenders, 9% disabled, 9% pregnant and 1% are homeless or in shelter situations. Mr. O'Hare observed that the current programs address at-risk youth more than ever before primarily due to Board's all youth agenda.

A complete analysis on the 2,600 youth population will be forthcoming, as currently the program has been in progress for four weeks. Mr. O'Hare noted that both local boards are currently bringing online a youth case management system that should provide the capability to drill down into the data for the November meeting of the Board. Mr. O'Hare mentioned that the first reporting period is October 31, 2007. It was also noted that all sites and programs have been visited for compliance. Mr. O'Hare introduced Lori Norris to report on her monitoring visits.

#### Workforce Development Statewide Training Plan

Lori Norris, Chief of Youth Services, Workforce Development provided an overview of this plan. She indicated that the Youth System has been turned on its head in its ability to provide services to all youth. Through the new system, there was a dramatic increase in the number of youth being served as well as the number of new youth providers to the system. Through all of this change, Ms. Norris suggested it might be a timely opportunity to institute a training program and plan for youth service providers. Ms. Norris stated that the end goal of this initiative is for professional development, capacity building, and the creation of policies for training providers. She concluded the overview of this topic by stating the goal is to move all agencies serving youth under one umbrella towards a unified state plan. She was confident that through these trainings best practices will emerge, and standards established.

#### Web Portal

Lori Norris provided an overview of the Youth Portal Website Initiative and indicated as the system continues to moves in the direction of universal access, more youth will enter into the statewide youth workforce system. The goal is to ensure there is an entry point that will provide comprehensive information on services to all youth. Enhancements such as a self-directed search option for occupational information will be added as the initiative progresses.

Mr. O'Hare explained that the Youth Portal Website Initiative is being internally developed and funded using WIA and JDF funds.

Chairman MarcAurele inquired if there was an expectation that youth will be in system for a few years and if progress will be measured as it relates to access. Ms. Norris responded that all youth have a follow-up component and through the role of the youth centers their success will be able to be tracked. She also indicated that all programs have evaluation plans and that the goal is for positive return on investment with regards to training. She also noted that more dollars become available with agencies work in partnership with each other.

Mr. Trueb inquired about employer feedback and involvement on the youth initiatives and programs.

Ms. Norris referred to the document: RI Dept. of Labor and Training Business Engagement for Youth Development and suggested that this initiative speaks to Mr. Trueb's question regarding business engagement. As background, Ms. Norris offered that the employer community indicated that youth are not entering the workforce fully prepared. She also explained that the youth data available indicates the same. This coupled with the Department of Education's (DOE) Proficiency Based Graduation Requirements (PBGR), which mandates proficiency before receiving high school diploma, calls for the need to incorporate the business engagement connection into youth initiatives. She further elaborated that DLT will play a critical role in providing services to the three key stakeholders; youth, RI High schools charged with meeting PBGR and employers facing a predicted skills worker gap by the year 2010.

Concluding this discussion, John O'Hare emphasized that the funding is requested early in order for the local boards to plan accordingly.

With no further discussion or questions, Chairman MarcAurele called for a vote on the requested funding for Youth Initiatives in the amount of \$3,120,000.

**VOTE:** Martin Trueb made a motion to approve the Youth Initiative funding as proposed. William McGowan seconded the motion. The vote was unanimous, the motion passed.

Mr. Melton then introduced Joshua Laguerre to the committee. Joshua is part of Lifespan's summer employment program for youth. He is a junior at RI College and has been accepted into the nursing program. His long-term interest is in healthcare administration.

### **Business Retention**

Mr. Koback provided background information on the funding request for Hope Global, a RI manufacturer trying to re-establish itself in the market primarily due to overseas competition. Currently the company is working on developing new markets and researching market analysis to develop a new niche. Hope Global is a longtime RI company with solid leadership and a history of investing in their workforce.

Mr. Koback reported that the RI Manufacturing Extension Services (RIMES) has also been assisting in this retention effort. There is a request for funding on the agenda for

\$50,000. One innovative idea that is being considered is utilizing a consultant from the Eureka Ranch, located in Cincinnati, OH. This company offers a high successful opportunity for business restructuring by partnering the entrepreneurial consultants of the Ranch with the business leaders of the struggling company. A portion of the funding request may be used for Hope Global leadership to make use of the resources of Eureka Ranch.

Paul Harden from the Economic Development Corporation (EDC) expressed his support for this request for funding. He indicated that the management team of Hope Global has the ability to move the company forward, has reinvented itself before and that they are taking a strategic approach in identifying new markets. Mr. Harden also indicated there appears to be corporate financial stability because Hope Global is a division of Narrow Fabrics of America.

Martin Trueb asked how the funding request for Hope Global benefits the employees, which he pointed out has been the traditional focus of the Board. Sandra Powell responded that the goal of a business retention strategy is to improve the company to avoid losing workers. The question to ask Hope Global is "How many workers are you at risk for losing without this change of strategy"? Sandra emphasized that the impact on the workers is of key importance, noting the benefit to the workers if their job is retained.

Further discussion followed on the proposed funding for business retention purposes. Chairman MarcAurele stated that the Board has been interested in pursuing an opportunity for business retention for some time. The combination of a strong management team and a solid business strategy makes Hope Global a viable candidate for this funding. Funding this Business Retention initiative will provide a chance to evaluate this initiative, while acknowledging that the core mission of the GWB is to focus on workforce training.

With no further discussion or questions, Chairman MarcAurele called for a vote on the requested funding for Business Retention for Hope Global in the amount of \$50,000. Mr. MarcAurele also added that staff will watch this process closely to see how it projects out and to look at whether there is a better placement for this type of request.

**VOTE:** Brandon Melton made a motion to approve the Business Retention initiative as proposed. Martin Trueb seconded the motion. The vote was unanimous, the motion passed.

### **Partnership Grants**

Michael Koback introduced the request for \$500,000 for the Department of Labor & Training (DLT) for a Partnership Grant and referred this item to Sandra Powell for an overview.

Ms. Powell stated this proposal is about creating new and innovative ways to address the skills training needs of the limited English speaking population. It comes out of an initiative to create new occupational skills training programs that do not currently exist either locally or nationally. The unique element of this RFP is that the learning of the English is embedded in the skill training. She noted that people are at all different levels of English ability and that language training can be quite extensive. The goal is to create

programs that align in the Industry Partnership areas and to create training programs that teach the English language associated with that job and occupation. This in turn will create partnerships between the skill provider community and the adult education community.

Ms. Powell noted that the DLT is providing \$500,000 of the funding and is offering this opportunity for the Trade eligible customers. They are requesting a matching amount from the GWB that could expand this initiative beyond a single eligible pool of displaced workers.

Brandon Melton asked where the instructors would come from and if new curricula needed to be built for those specific jobs.

Ms. Powell responded that this is a very substantive proposal that will go out to the adult education provider community as well as the workforce development skill training community.

Chairman MarcAurele asked if the adult education providers have the capability to create this curriculum?

Ms. Powell responded that they could not do it all under the original RFP initiated by Dr. Johan Uvin due to the timeline and research needs. She indicated that there are 2-3 providers who are currently doing this but at a small capacity. She cited the International Institute and Dorcas Place as examples. She emphasized that the RFP would only fund what makes sense.

Chairman MarcAurele stated his concerns about working with a population that understands English at many different levels and trying to make it specific to a multitude of industries. He asked how an individualized curriculum that deals with different levels of people and different industries at the same time could be effectively developed.

As an example, Ms. Powell discussed how RI Quality Partners is handling the employee shortage in the dietary unit of nursing homes. An employee with limited English may join the ranks at an entry-level position and could be provided an opportunity in adult education to work on their English skills, thereby moving along the career pathway in healthcare. The construction and boat building fields are examples of other industries that could pursue the same adult education strategy in English-speaking skills. She reiterated that the goal is to develop curricula in areas where there is need and opportunity for language skill development.

Brandon Melton gave an example from the workforce at Lifespan and stated that it might be effective if it were targeted training.

Mr. Trueb acknowledged this was a sizeable task and asked about developing milestones along the way. He suggested a pilot program to begin this effort.

Chairman MarcAurele agreed that this could be better handled as a pilot program and perhaps benchmarked at half of the original amount requested.

Ms. Powell stated benchmarks will be in place and noted that RI is one of the few states that consistently exceeded benchmarks in people finding and retaining jobs. She

indicated this funding opportunity would allow expansion outside of the Trade program. DLT will be moving forward with this proposal for the Trade program and that the funding opportunity presented before the Committee only affects the number of people who will be trained.

Kim Weiss informed the members that Trade participants have up to two years of financial benefits along with the training services. This funding is being proposed in order to assist dislocated workers enrolling in the WIA program. They only have a limited 26 weeks of benefits and can take advantage of a program that supports ESL and skills training. There is not sufficient time in a 26-week program to achieve the English proficiency needed for skills training. She emphasized that this is an opportunity to build the workforce.

Ms. Powell indicated that DLT will issue an RFP and review the results, advising the Committee before proceeding.

Mr. Melton noted there is support for some funding.

Chairman MarcAurele noted that proposals may be received that may not get funded, suggesting it might be better to commit to funding for this initiative as part of the current RFP.

With no further discussion or questions, Chairman MarcAurele called for a vote on the funding amount of \$250,000 for the Partnership Grant for the DLT. Mr. MarcAurele added that the process would be closely monitored in order to determine whether there is a better placement for this type of request.

**VOTE:** Martin Trueb made a motion to approve the Partnership Grant initiative as proposed. William McGowan seconded the motion. The vote was unanimous, the motion passed.

Chairman MarcAurele thanked the staff for their efforts. With no further business, he asked for a motion to adjourn

**VOTE:** William McGowan made a motion to adjourn. Martin Trueb seconded the motion. The vote was unanimous, the motion passed.

The meeting was adjourned at 4:40 p.m.

Respectfully submitted,

Maureen Mooney