

STATE OF NEVADA
GOVERNOR'S WORKFORCE INVESTMENT BOARD
Thursday, October 23, 2014 – 1:00 p.m.
Grant Sawyer State Office Building
555 E. Washington Street, #4401
Las Vegas, Nevada 89101

Alternate Location: Some members of the Board may be attending the meeting and other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following location:

Legislative Building
401 S. Carson Street, # 3138
Carson City, Nevada 89701

MINUTES OF MEETING

Present: Luther W. Mack (Chair), Dr. Nagy Aurangzeb, Debbie Banko, Councilman Bob Beers (phone), Jo Cato, Jolene Dalluhn, Pam Egan, Steve Hill, Collie Hutter, Senator Ruben Kihuen, Horacio Lopez, Senator Mark Manendo, Michael Raponi, Maite Salazar, Patrick Sheets, Don Soderberg, Sarah Sommers, Donald Snyder, Assemblyman Tyrone Thompson, Kris Wells, Mike Willden, and Bradley Woodring.

Absent: Tim Crowley, Councilman Oscar Delgado, Mary Beth Hartleb, Assembly Speaker Marilyn Kirkpatrick, Dr. Michael McMahon, Cass Palmer, Commissioner Lawrence Weekly and Frank Woodbeck.

Also present: Mark Costa, Chief Financial Officer (DETR), Jaime Cruz (Workforce Connections), Heather DeSart, Deputy Director (Workforce Connections), Samantha Hill-Cruz (DETR), Earl McDowell, Deputy Administrator, Workforce Solutions Unit, (DETR), Brett Miller, (Workforce Connections), Kristine Nelson, Grant Nielson, Chief, Workforce Investment Support Services Unit (DETR), Dennis Perea, Deputy Director (DETR), Mike Raponi, Christopher Robison, Economist (DETR), Don Soderberg, Director (DETR), Amber Smyer, Chair, Agriculture Sector Council, John Thurman (Nevadaworks), Ricardo Villalobos, (Workforce Connections), Beth Wicks (NevadaWorks), Robert A. Whitney (Nevada Attorney General's Office).

I. OPENING REMARKS – Chair Luther W. Mack called the meeting to order. He thanked board members for their efficiencies over the previous two meetings and asked that this continue.

II. INTRODUCTION OF NEW MEMBER AND SUBCOMMITTEE MEMBERS – Chair Mack introduced to the board members and to the public the new director of DETR (Department of Employment, Training and Rehabilitation) Don Soderberg. He noted that Mr. Soderberg had come from the following positions as: administrator with the Division of Industrial Relations; vice president of Risk Management and Corporate Compliance; vice president of Pricing; and vice president of External Affairs at Southwest Gas. He noted that prior to that he was regulatory affairs director at R& R Partners. Within the State of Nevada he had served terms as chairman of the Nevada Public Utilities Commission and as a commissioner on the Public Utilities Commission, Nevada Transportation Services and Public Service Commission. He welcomed him to the board and noted that he looked forward to working with him.

Don Soderberg, Director, DETR – Stated that the governor had noted the training of the state's workforce was of paramount importance. He noted that the governor felt that through the efforts of the economic development staff the state was on the verge of something special and did not want opportunities compromised by not having a trained workforce in the required areas to support those industries coming in. He said that the governor also considered the work of the GWIB extremely important and he was excited to be a part of it.

Chair Mack: Asked if there were any comments and there were none.

He introduced the subcommittee members for Legislative Affairs and Strategic Planning. He noted that the Legislative Affairs subcommittee members are Assembly Speaker Marilyn Kirkpatrick, Councilman Oscar Delgado and Executive Director Frank Woodbeck. The Strategic Planning subcommittee members are Pamela Egan, Assemblyman Tyrone Thompson, Deputy Director Dennis Perea and Patrick Sheets.

He thanked all the members who were willing to serve on the committees and added that Kris Nelson had been in contact with regard to the charges given to the committees and would be working with them to organize meetings.

III. ROLL CALL – CONFIRMATION OF QUORUM

Chair Mack: Asked that Kristine Nelson take the roll call and confirm that they had a quorum. She took the roll call and confirmed they had a quorum.

IV. VERIFICATION OF PUBLIC NOTICE POSTING

Kristine Nelson confirmed that the agenda and notice concerning the Governor's Workforce Investment Board meeting taking place on October 23, 2014 was posted pursuant to Nevada's Open Meeting Law, NRS 241.020.

V. PUBLIC COMMENTS NOTICE (FIRST) – Read into the record by Chair Mack:

Members of the public are invited to comment at this time however no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. In my discretion with regard to timing public comment will be limited to three minutes per person.

Chair Mack: Asked if there were any public comments from Carson City, Las Vegas or on the telephone. There were none.

VI. APPROVAL OF THE MINUTES

Chair Mack: Called for a motion to approve the July 24, 2014 draft minutes of the board as submitted. He asked first if there were any comments.

Mike Raponi: Stated that he wanted to clarify comments made on Page 5 of the October 23, 2014 draft Minutes. He referred to the following statement that he had made just above section d.

"He stated the Department of Education would be working more closely with the Industry Sector Councils in the future to improve them, and that the Career Pathways was an important first step."

Mike Raponi: Clarified that he did not want the Minutes to imply that his statement intended that the Department of Education would work more closely with the Industry Sector Councils in the future to improve them. He said the intent was not that they would improve the Industry Sector Councils but that by working closely with them they would improve the career pathways offered in their career and technical education programs. He confirmed it was a point of clarification.

It should read: **"He stated the Department of Education by working more closely with the Industry Sector Councils would improve the career pathways offered in their career and technical education programs."**

It was moved and seconded to approve the amended July 24, 2014 draft Minutes. Motion Carried

VII. DISCUSSION, INFORMATIONAL AND POTENTIAL ACTION ITEMS

a. DETR Agency Report and Update

Don Soderberg, Director, DETR – Indicated that until recently Dennis Perea was the acting director and so he would be deferring to him on many issues. He acknowledged that Dennis Perea had been a trainer, coach and was more able to respond to all questions during this meeting.

Dennis Perea, Deputy Director, DETR – Stated that the biggest update that would impact the Board was the new Workforce Investment Act or the Workforce Innovation and Opportunity Act. He said it would change the way they

would do many things in the state in that they would come up with unified plans for a more integrated system. He stated that soon there would be a new unified state plan that would be coming with a recommendation. He said hopefully, they could find some efficiencies in the system. He noted that one initiative they had just launched was by the Workforce Investment Support Group (WISG), the platform to employment program. He explained it was in line with much of the work that the local Workforce Board was doing with one of their grants and that was trying to get the long-term unemployed back to work. He said hopefully in the future they could report on that with some good news.

He added in the near future they would be starting to look at the strategic direction of the Sector Councils and the way in which they would go forward in the future. He said they had been reviewing them for a while, looking at original intent and the Brookings' recommendations and how to actually steer the councils going forward. He stated during the last year they had been pushing to get the recommendation in front of the GWIB so they could give the local board some strategic direction. He confirmed that now that they had that system down they could look at the broader role for the Sector Councils.

Chair Mack: Asked if there were any comments and there were none.

b. DETR Research and Analysis Bureau

Christopher Robison, Economist, Research and Analysis Group, DETR – Nevada's unemployment rate dropped to 7.3% in September which is down from 7.6% in August and 2.3% lower than the rate from last September. He said it represented a significant decline over time since the peak which was at a 13.8% annual average in 2013, so basically been reduced by half. That also ranked number two in year over year percent decline for the unemployment rate.

He stated that Nevada ranked the 5th highest in terms of unemployment rate for September which was an improvement over the previous month .4% for the number four ranking He noted that they passed the District of Columbia and had tied with California and Tennessee. He noted that they were currently .1 away from Michigan. He said they had seen a significant improvement over the last few months.

He referred to the employment data for the state. He said one area of interest was the composition of full-time versus part-time employment. He said since its low in 2011 there had been around 145,000 full-time jobs added to the economy which resulted in about 975,000 jobs that are full-time which is about 87,000 below the peak level. During the same period part-time jobs increased by about 90,000 over the same time period and he noted it remains steady since 2010. He said they had seen an increase of a little over 38,000 over the year leading to a September reading of about 1.22 million. He stated it was the 45th monthly, over-the-year increase and also represented the third highest monthly reading since November 2008. He stated in percentage terms Nevada had maintained about a 3-4% growth in employment over the last year. He explained if the rate continued by the end of 2014 they should have added approximately 100,000 jobs since the low point in 2010.

He noted that private sector job growth in 2011 was about 11,500. In 2012 the growth was about 20,000 and in 2013 almost 30,000. And he said in 2014 they expected to see a little over 40,000 job growth. He noted that nearly every sector of the economy had been contributing to the growth. He said professional and business services had added 10,400 a year to date and was closely followed by leisure and hospitality with 9,300 and trade, transportation, utilities at 7,800. Another important sector to look at was the construction industry which had added about 6,000 jobs a year to date. He noted on a percentage basis construction was up more than any other sector at 12.8% growth since 2013. He said the only sector seeing losses on a year to day basis was mining and logging which lost about 300 jobs.

He said for the first nine months of 2014 they had a frequent 6% growth rate and that was approximately double the national rate of 1.9%. He said according to QCW data, for the first quarter of 2014 on a year to day rankings Nevada had a stronger growth than 48 other states. He noted that wages had followed the growth and employment and had seen solid increases of 2.7%.

He said if focus was switched from employment to the number of employers and businesses in the state, in terms of business establishments Nevada saw 12 straight quarters of growth and was now approaching its pre-recession peak.

He said of those establishments, Nevada was dominated by small businesses in terms of total numbers. He added that worksites with less than 100 workers accounted for 98% of establishments in the state. He said more than 74,000 private sector worksites had less than 100 employees. In terms of absolute employment growth the strongest was seen in the over 1,000 employees and they had about 7,500 added over the last 12 months, mostly in leisure and hospitality. He said the next largest group was the 20 to 49 workers per establishment and they added about 6,800 and that was concentrated mainly in restaurants, also a subsector of leisure and hospitality. The next category of 55 to 99 workers also added 6,800 and that group was dominated mainly by trade, transportation, utilities which accounted for more than 25% of the job growth in that category.

He stated since 2010 small businesses had been adding jobs. Firms with less than 100 workers as of the first quarter of 2014 their employment was about 560,000 or just 27,000 under its pre-recession peak. He noted that five industries accounted for over a fifth of the small business employment in that category and that would be full-service restaurants, limited service restaurants, physicians' offices, supermarkets and management offices.

He referred to projections regarding the labor force, also based on QCW data and noted that the strongest employment growth exceeds former employment growth since 2010 and he said they expected it to continue growing at about 3.4 - 3.8% over the next three years. He noted that they expected to reach pre-recessionary levels by the end of 2016 or early in 2017.

He referred to the different sectors. He said construction was one to watch and would have added probably about 40,000 jobs by the end of 2017 with a growth rate of about 11.8%. He said they thought that manufacturing levels would rise to about 48,000 by the end of 2017 with a growth rate of 2.9%. He said a significant addition to the category is the Tesla "Gigafactory" just announced. He said if they took the 6,500 jobs they proposed adding, that would be about 16% of that, first quarter 2014, so a significant addition.

He referred to retail trade and noted they expected to see continued growth in the sector with about 3.0% growth rate and they expected to reach pre-recession levels by the end of 2014. He noted that health care was one of the few sectors that saw continued growth throughout the recession and was expected to continue to grow at about 3.2% annually and that would contribute approximately 3,000 jobs per year. He referred to the largest sector, accommodation and food services and noted that it was projected to grow at about 3.9%. He said 40,000 jobs were expected to be added by the end of 2017 and added that they had reached their pre-recession levels for that industry.

He returned to the unemployment rate and said they were projecting that it would continue to decline and they expected that by 2015 they should reach approximately 6.5% and by 2016 about 5.5%. He indicated he was finished and asked if there were any questions.

Assemblyman Tyrone Thompson: Referred to Slide 17 concerning the 2.7% gain on wages. He asked if that was synonymous to an increase and if so, what would the average wage be based on the slide? **Christopher Robison:** Responded that the average weekly wage had been increasing over recent quarters. **Tyrone Thompson:** Asked what was the average wage? **Christopher Robison:** Responded that he was not positive about the current wage amount. He said if he would provide his contact information he would find out and pass the information on to him.

Bradley Woodring: Referred to the same slide. He asked if he had any indicators as to what the industries are that are beating those gains, would it be manufacturing or what sector? He said he was asking as they were trying to determine what the skillsets and types of jobs they were training for and they would like to know where those wages are leading. **Christopher Robison:** Responded he didn't have the information with him but he could get back to him though.

Tyrone Thompson: Referred to Slide 11. He said he was piggybacking on his previous question. He said if they were saying there were 10,000 new jobs and the majority of the jobs were coming from professional and business services, would they be able to be more specific about the types of jobs? **Christopher Robison:** Responded that he did not have that level of detail.

Chair Mack: Asked if there were any other comments or questions and there were none.

c. GWIB Industry Sector Council Reports and Updates

Earl McDowell, Deputy Administrator – Workforce Solutions, DETR – Referred all the members to Section C. He said in that section they would see a listing of the pilot programs which were identified with descriptions and with contact information. He noted following that were the nine sectors' quarterly reports which members could review and if they had any questions they could contact him. He said that they had one of the Chairs in attendance in Reno, Amber Smyer, Chair of the Agriculture Sector Council and she would be presenting a report on agriculture.

Amber Smyer, Chair of the Agriculture Sector Council – Thanked the members for the opportunity to present some updates on the council in addition to addressing some questions that had been generated. She noted that the questions were timely and concerned the same period that the council was also focusing on. She said she was asked to relate the Agriculture Sector Council's interest in and thoughts on certificates and on-the-job training. She said in agriculture there was an assumption that that was what the industry desired and sought but they did not have data to back that up. So she said what they were looking at as a sector council is in 2015, if it has approved, for their updated strategic plan they would do an in-depth industry survey to obtain information on what their businesses were looking for in terms of certification on job training. She said they were interested in finding out if they were seeking those things and are they not available in the area so that they could begin making decisions. She added that they would have to assess if they had the resources to offer those.

She said if agriculture was looked at nationally there was not a lot of nationwide certification. She said other states had started adopting this as a state focus certification program, so working with the industry to try to identify what areas and then follow up by determining who would administer that. She said that it appeared they were being administered out of a Department of Agriculture or out of a farm bureau federation. She added they were looking at long-term. If they collected the information and determined it was important and what areas then they could look at, is this something that we want to do as a state, to provide that certification? She said they felt that there was great value but were first interested in collecting the data.

She noted that from the information they did have, thanks to DETR and their data they had identified some areas in the categories of plant science, nursery and greenhouse management and land management that were not getting enough training to date. She indicated that they had focused their pilot project around those areas.

She noted the second question was around marketing and outreach. She said they believed that marketing was very important not only to the general public about the importance of food and agriculture but also the career opportunities. She said they considered that Nevada had a vibrant agriculture industry which contributed to the state's economy and they wanted to be able to communicate that there are career opportunities here. She stated that they did see value and would appreciate any assistance the Board might see in assisting them with the promotion of that message. She said this was not only in technical agricultural careers but also in sister sectors, so they also needed people with backgrounds in finance, accounting, marketing and information systems just like every other sector and as a result would at some point get to a sub-segment of marketing promoting the idea that there might be opportunities in agriculture that had not been previously considered. She indicated that it was important to use marketing and they were also interested in partnering with organizations across the state.

She indicated that she would like to give a brief update on their pilot program. She said they appreciated the funds from the Board to offer internships in the three mentioned areas of agriculture and they had partnered with UNR (University of Nevada, Reno) CABNER (College of Agriculture, Biotechnology and Natural Resources, and they would be placing students with industry reps starting in the Spring of 2015. She said they were excited about the opportunity to provide training for students but also to engage the industry at a higher level than they may have experienced previously.

She noted that they were looking at their Agriculture Sector Council composition as requested by DETR. She said they did have some openings in the areas of two local official positions, one labor representative and then said they were always interested in continuing to engage more with business and industry reps. She stated they were open to recommendations or suggestions about people who would be interested in contributing to move their work forward.

She added that she would like to invite members to their next meeting which was being held on November 19, 2014 where they would have the opportunity to learn more and would appreciate any input they would be in a position to give.

Chair Mack: Asked if there any questions or comments and there were none.

d. Local Workforce Investment Board Reports and Updates

Chair Mack: Indicated that Mr. Thurman would be giving updates for the Northern local board.

John Thurman, Chief Executive Officer , NevadaWorks – Indicated that he was sure everyone had had a chance to review the report and said he would be pleased to entertain any questions. He referred to the report and said in two specific areas, agriculture and aerospace and defense, there was no training, at least from the Workforce Investment Act, from the services with NevadaWorks but that did not mean there were no people seeking employment in those areas. It was probably more likely that in the data entry they had an interest in a multitude of areas that needed specific training so the coding of the training might have been attributed to a different sector other than agriculture and aerospace and defense.

He said there was another area he wanted to address. He said Deputy Director Perea had mentioned an interest in ongoing conversations in having a slight adjustment to the state compliance policies as it goes to attributing and tracking training costs that comply with the governor's Executive Order requiring a certain percentage of occupational skills training. He said they would like to see job experience and OJT's added back into that as a part of that calculation since it would then align the state's efforts in recording, to comply with the vice president's letter on the jobs initiative that was just released. He indicated he could take any questions.

Patrick Sheets: Said he looked at the NevadaWorks report versus the Workforce Connections and noted that they were able to reflect that there was no money equipped for training of the aerospace defense sector. He said from a tracking standpoint they would like to have the demographics for the North and the South look the same so they could identify when they have investments of money for training of the aerospace defense sector. **John Thurman:** Responded the reason it was not shown was that there was none. He confirmed as soon as there was any funding provided it would show up on the graphs.

Chair Mack: Asked if there were any other comments or questions and there was none.

Heather DeSart, Deputy Executive Director, Workforce Connections – Indicated that Mr. Ardell Galbreth was not able to attend the meeting so she would present on his behalf. She congratulated and welcomed Director Soderberg to DETR. She indicated that they were pleased to work with him and invited him to stop by their One-Stop Career Center to review what they were doing in the South.

She referred to the report and said it included everything that they were doing. She noted that they were involved in several things considered outside-of-the-box. She said the first was their One-Stop Delivery System. They were launching what they were calling the Workforce Development Academy which is a structured 14-work-week course in partnership with CSN. She added that there was curriculum involved and they were doing in-depth comprehensive training of their service providers, so providing both training and outreach. She said they also had an AARP foundation grant for back to work for 50-plus individuals which could be described as a holistic program. It prepared individuals for job readiness, self-esteem and emotional wellbeing. She said they also had a partnership with AFSC which is a consulting group working with the Department of Labor to provide a veterans' representative to the One-Step. They would have one FTE seated in the One-Step specifically charged with providing financial training to returning veterans.

She referred to the reports graph on Page 4 and 5 that showed some of the sector activities, enrollments, training, dollars spent and placements in those sectors. She referred to item 7(f) in the packet regarding the revision for the policy change and stated that the local board, Workforce Connections specifically was disappointed in the recommendation. She said they were hoping that the policy did not become active today as they believed that as the letter in the packet stated that the Workforce Investment Act was written with some interpretation and that they

believed the oversight and monitoring of training providers outside of the country could be done in the electronic age without having to do an onsite visit. She indicated she would be happy to answer any questions.

Horacio Lopez: Said the business sector councils were doing a great job. He asked if their service providers had a copy of the minutes of the business sector councils? **Heather DeSart:** Responded that she did not know if they received copies per se. She said they did provide monthly updates to their board on the activities of the sector councils. She said they could provide that to their providers too. **Horacio Lopez:** Asked if they were encouraged to attend the board meetings? **Heather DeSart:** Responded that they were encouraged to attend. She said they had board members who sat in on the meetings and they also had staff that sat in on the meetings.

Tyrone Thompson: Thanked Heather DeSart for the report. He said he had a comment and was asking that she expand upon it. He said some of his colleagues from the Assembly and Senate were in attendance and it was important to discuss these issues as in their communities there were a lot of people who were unemployed and have been for over six months. He asked if she could share with them information on the grant that they had received, to help people in their communities who had been unemployed for six months and more, He mentioned in particular the hiring event that they were having on the 29th and thanked her for connecting with him and other board members who might be able to help Workforce Connections get out into the communities.

Heather DeSart: Thanked Tyrone Thompson for giving her the opportunity to discuss the event. She confirmed that they had a hiring event on October 29, 2014 at their One-Stop Career Center. She said it was well attended the previous year. She said they were focusing on long-term unemployed individuals. She said they had funding through the NEG grant, the National Emergency Grant fund. She explained that Nevada was awarded those funds because of their unemployment rate. She stated it was difficult to reach those individuals but they were aware that DETR also had some NEG funds and would be joining them in the effort. She noted that they had met with Assemblyman Thompson around the end of September 2014 and provided him with all the information. She said they would be hosting an event with him and his constituents with some other partners to bring some of those unemployed folks in and have a special event dedicated to them. She added that she also had with her some flyers for the hiring event as well as a one-sheet information form for both employers and job seekers that provided information in both English and Spanish on how they could access services. **Tyrone Thompson:** Thanked her and said although they were starting in his area he had wanted to share it so it could be circulated in all other areas as they all needed services.

Chair Mack: Asked if there were any other comments or questions and there were none.

e. Workforce Investment Act – Analysis of Expenditures

Mr. Mark Costa, Chief Financial Officer, DETR - Directed the members to their packet and said they should have the Workforce Investment Act Analysis of Expenditures. He noted it was the customary report for the period ending September 30, 2014 and moving from left to right the various entities or purposes for which the funds were allocated including the totals for each area and he noted specifically for Program Year 14, 13 and 12. He asked the members if they had any questions.

f. Workforce Investment System Services (WISS)

Chair Mack: Indicated that Agenda Item VII (f) Modification of State Compliance Policy Section 5.7 had been pulled and would not be heard at the meeting. He noted that they would hear from Grant Nielson, chief of DETR's Workforce Investment Support Services who would do a presentation on the Workforce Investment Act performance measures and discuss several possible action items.

Grant Nielson, Chief, Workforce Investment Support Services, DETR – Stated that on the agenda he had three different sections for this presentation.

The first is entitled the WIA performance measures/levels. He referred to the chart and noted that there was the state as well as both investment boards and they were meeting or exceeding all of their required Department of Labor measures for this report. He said that it was mainly informational and asked if there were any questions regarding the chart.

Mike Wilden: Said he had a question with regard to the youth section, in the literacy gain, the last row. He noted he was curious as most of the percentages were nearly the same, NevadaWorks versus Workforce Connections with the exception of the literacy. He wondered if there was some significant program difference as they were seeing 64% in NevadaWorks and a 37% in Workforce Connections. **Grant Neilson:** Responded they had different program models and they targeted different youth groups. He said they would be able to address that in detail. He said that the information had been historical, however it did change from report to report. He noted that for this particular quarter this is what the performance was. **Mike Wilden:** Said he would be interested if it was a difference in models, if one model was better than the other model. He acknowledged it was his first meeting and knew it reflected information for only one quarter but repeated his concerns. He said he was interested in looking at the models. **Grant Nielson:** Asked Chair Mack if representatives from the two investment boards could respond to the question.

Dennis Perea: Noted that he would respond. He said one of the things during the last year that impacted performance was that the southern board specifically targeted foster youth. They focused on a very high-risk population so he said it was one of the issues that he had had with the Workforce Investment Act performance indicators. He said sometimes if one served the people with the most barriers to employment then sometimes the numbers would actually be lower when you may in fact be doing good work.

Ricardo Villalobos, Workforce Connections – Stated that he would like to reiterate what Dennis Perea had stated. He added that a significant difference too is that the number of youth served, where in the North they were serving 39 in that indicator while in the South they were serving 767. He noted that the populations that they were targeting were foster youth, re-entry youth, youth with disabilities and generally just a heavy population.

Tyrone Thompson: Asked Mr. Villalobos if it was a staffing issue and did he need more staff? He said the bottom line was those population groups, kids with lots of barriers might not be the lower hanging fruit. He said they were not trying to play a numbers game but a quality game for youth. He asked what his staff ratios per youth. He said 767 youth was significant so how many employees were working with the 767 youth. He asked if other agencies were partnering with them and were they centered around those population groups? **Ricardo Villalobos:** Responded that it varied to provide services and one of the things that their Youth Council had tasked them with was looking into what was the cost per youth in their allocations. He said that obviously would make a difference with the ratios. He said what also made a difference was the number of providers. He said there were several things they were looking at and were particularly looking at Region 6 from the Department of Labor which included the Western states, looking at what they were doing as far as cost per youth, as far as the number of providers and what variables were making a difference with their outcomes. He said to answer the question specifically with regard to staffing, the participation of it locally would vary from provider to provider.

Tyrone Thompson: Asked if he could go back to the basics of the performance measures so when you're saying literacy, what is it saying specifically? **Ricardo Villalobos:** Responded that when a youth comes, one of the things used to qualify them would be when their assessment shows a deficiency. He said this would be operating at an 8th grade level or below. He said they might have a number of youth with six or seven grade levels and so in order to be in the performance they would have to increase in education function to be able to get past the 8th grade level and then they would have that person's particular data.

John Thurman, NevadaWorks – Stated that had already been pointed out that that particular group was the most difficult to provide services for and in particular for the case of literacy. He said literacy that only applied to out-of-school youth programs and so every youth coming into the program needed to be assessed at the beginning and only those that were showing basic skills deficient would enter the measure. He noted it was the only live measure that they had for youth during programs. He said all the other measures are assessed post-exit of the program. He said for these reasons there were a lot of dynamics with this and said looking forward it is the one measure that is being removed from youth services as they looked forward to the Workforce Innovation and Opportunity Act. **Tyrone Thompson:** Thanked him for the explanation.

Unidentified Member: Asked if it was the reason for the removal, for the federal regulation or was it something that someone on the state or local level was asking to have removed. If so, what was the rationale for removing it?

John Thurman: Responded that it was at the federal level, that it was being removed and they were adding a few other measures. He said that particular measure was being removed so no one nationwide would be reporting on it.

He stated he wanted to give a lot of credit to staff at NevadaWorks and how they worked with the service providers in providing them with reports so that the post-testing that was necessary for evaluation of literacy or numeracy gains was not missed. He noted if post-testing was not done in a timely manner one might have been successful but because of the testing date the individual would have shown a negative result. He said for that reason they worked hard making sure that their service providers were informed of those individuals who were approaching the testing dates.

Jolene Dalluhn: Referred to the last statement and asked if the programs would remain in place targeting literacy although literacy would not be tracked or those programs would no longer be in place? **John Thurman:** Responded that the programs targeting out-of-school youth would be in place but the measurement of effectiveness of the programs for those particular clients in it, that literacy/numeracy would go away. So the other program elements would remain in place. **Jolene Dalluhn:** Stated that was a key point because they looked at the programs and so often they teach to the task, essentially look at what the performance measures are and not necessarily at the program design. She said if it was in the community's interest to ensure that they were raising literacy and numeracy for the populations they should still regardless of whether the program measures were there, continue to bring up the literacy/numeracy by looking at program design in more depth, especially with investment dollars.

Grant Nielson: Indicated that the next item on the agenda was a modification of the state's Workforce Investment Plan. He stated there were two reasons for the modification, the first is it was found that there was a data-point in the calculation for the within state dislocated worker allocation. He said that it was not as accurate as it needed to be in order to accurately allocate funds between the two local workforce investment areas. He said when it pointed out by the southern board they met and came to a consensus on an appropriate methodology. He said the methodology was outlined in the chart on Page 2 of the Item. He said the changes to methodology are shown in red.

He said the second part of the change to the plan is for the agricultural outreach plan. He said it was an effort done annually. He said they make changes required by the statute to their state Workforce Investment Plan and include the items agricultural outreach plan. He noted they were highlighted on Page 3 through 6 as part of the plan update. He noted that they had received comments from Workforce Connections and they were attached. He said he was happy to answer any questions.

Unidentified Member: Asked if Workforce Connections could be allowed to bring up their list of concerns. **Chair Mack:** Asked Ms. DeSart if she would like to speak. **Heather DeSart:** Stated she would like to hand over the presentation to Brett Miller who is an analyst and was working closely with DETR.

Brett Miller, Workforce Connections – Noted on their response from their elected local officials they had six bullets. He said for the most part the bullets outlined the process and gave a history to the elected officials to allow them to know the background. He said they had proceeded to work with DETR and with NevadaWorks to come to a conclusion and a consensus on how things should be treated. He said what they found was there was one data-point in particular, farm loans which was a very thick dataset that skewed the allocation significantly from towards the north side to face on delinquent farm owners. He acknowledged it was a very small part of Nevada's overall economy and was actually driving a huge piece of an allocation. He said the estimates they had made were anywhere from a few hundred thousand in a year to close to \$1 million so that was the background behind this.

Patrick Sheets: Indicated he would like more clarification. He asked if he was saying that he thought that the best resolution to the issue would be an agreement between the North and the South as opposed to an arbitrary push by the board. **Brett Miller:** Responded no. He said it was clear that to change the allocation that the state plan would have to be modified. He said that was in regulation and was required and that required approval from the GWIB. He said there was a consensus for each between DETR, the northern board and Workforce Connections that would be a proposed allocation splitting it 50/50 between uninsured and long-term claims. **Patrick Sheets:** Asked if that was properly reflected in the amendment that they were being asked to vote on. **Brett Miller:** Responded yes. **Patrick Sheets:** Asked if he was or was not in support of the modification. **Heather DeSart:** Responded that they were in support of the agenda item.

Chair Mack: Called for a motion to approve the modification of the Nevada Integrated Workforce Plan as submitted.

It was moved and seconded to approve the modification of the Nevada Integrated Workforce Plan as submitted. Motion Carried

Grant Nielson: Stated the last part of the presentation concerned the changes to State Compliance Policies Sections 3.1 and 1.12. He noted in their packets they would find a background information memo that explained the situation that brought about the need for the changes. He referred to Section 1.12 and said the changes are highlighted in yellow and the most significant change was shown in 5(c) on Page 5 and 6. He said this basically said that if there is training that occurs outside of the United States and there was a need for onsite monitoring then it described who would bear the costs.

He said the next compliance policy is Section 3.1. He said the language was similar and it noted that it was an unallowable cost and those changes were also highlighted. He noted that concluded his remarks.

Collie Hutter: Asked a question with regard to language. She referred to the costs and its reference to outside the continental United States. She noted if that language was used then what was being said was that Hawaii would be outside the range. She added it mentioned territories so they would pay to go to Guam. She asked if that was the intent, no for Hawaii. **Grant Nielson:** Said he saw her point. **Collie Hutter:** Expanded on the list of territories, and then asked for clarification. **Grant Nielson:** He said it was a point of order and that he did not know. He said the intent was all of the United States and its territories. **Collie Hutter:** Responded but if they left the word continental in there it clearly eliminated the State of Hawaii.

Unidentified Member: Stated that he was aware of the situation and was also aware it was a program that was brought forward and approved at the local level and was a good program. He asked if the amendments would put them in a situation where they would be less likely to assist the program going forward or more likely. **Grant Nielson:** Responded that the issue was that they are sending U.S. citizens abroad and should a problem occur, e.g. discrimination, the local board would not be in a position to travel there to do an investigation. He said on a previous occasion the local board had paid for the travel outside of WIA funds. He said the problem is they cannot travel there to do the investigation so it puts them in risky situation with a training location that they cannot monitor to their satisfaction. He considered that a concern.

He noted that there was a typographical error in Section 3.1. Instead of LWID it should be LWIB.

Patrick Sheets: Asked about the rationale for the modifications. He asked if they did not want to use out-of-country providers. **Grant Nielson:** Responded that in his career he had never come across a situation where out-of-country providers were used. He said after the hearing it was determined that they could use out-of-country providers but they could not pay for travel. **Patrick Sheets:** Said that if local boards did use out-of-country providers then they would have to monitor them without actually going there. He asked if that was correct. **Grant Nielson:** Responded yes. He said if it became necessary to travel due to an investigation then WIA funds could not be used.

Heather DeSart: Stated that the training provider was Nevada State College so they are a local college and they were in partnership with the University of Guadalajara who provided Spanish immersion training for health care workers. She said she had seen a lot of discussion as to why the training could not be done locally. She said the whole purpose of going and immersing in a different culture was that it would have to take place in that specific culture. She said that they did believe that that type of monitoring could be done remotely and electronically. She said she felt passing the revision would put it possibly in jeopardy.

Grant Nielson: Stated that he had not had an opportunity to be briefed on the modifications in detail and was uncomfortable with it, knowing that it is an excellent program. He asked that he be able to make a motion to table the matter. He stated that both State Compliance Policies were being approved for the same purpose and had the same language. He said if the board was proceeding to table Section 3.1 then they should also table Section 1.12.

It was moved and seconded to table the agenda item concerning the modification of the Nevada Integrated Workforce Plan Sections 1.12 and 3.1 as submitted. Motion Carried

VIII. BOARD COMMENTS AND DISCUSSION

Patrick Sheets: Asked for more information about migrating the sector councils from DETR. He said could the rationale be explained. **Unidentified Member:** Responded that from the discussions they had the sector councils did not have the sector councils going to GOED (Governor's Office of Economic Development). He said they had GOED providing the expert industry technical support for those councils. He said now there is no one individual in his agency that was an expert on aerospace and the staff have had to rely on the sector councils for industry experts along with the economic analysis that they provided and GOED provided. He noted the sector councils could be stronger in their decision-making and be more informed.

IX. PUBLIC COMMENTS NOTICE (SECOND) – Read into the record by Chair Mack

Members of the public are invited to comment at this time however no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. In my discretion with regard to timing public comment will be limited to three minutes per person.

Chair Mack: Asked if there were any public comments from Carson City, Las Vegas or on the telephone. There were none.

X. ADJOURNMENT

Chair Mack: Reminded board members that the next meeting was scheduled for January 22, 2015 at 1:00 p.m. to 3:00 p.m. in Carson City and televised in Las Vegas. He stated that due to the 2015 Legislative Session locations for the January 22nd and April 23, 2015 meetings were still to be determined. As soon as locations were confirmed all members would be advised accordingly.

It was moved and seconded to adjourn the October 23, 2014 meeting. Motion Carried