



## **WORKFORCE ARIZONA COUNCIL EXECUTIVE COMMITTEE**

Thursday February 16th, 2023

1:00 pm – 3:00 pm

Virtual Meeting via Zoom

<https://azcommerce.zoom.us/j/94363305380>

### **Members Present:**

Mark Gaspers, Chair- Boeing

Audrey Bohanan- Adelante Healthcare, Chief People Officer

Bill Gates- Maricopa County Board of Supervisors

John Walters- Liberty Mutual

### **1. Call to Order**

The meeting is called to order at 1:00pm

### **2. Welcome**

Chair Mark Gaspers welcomes all committee members and the public to the 2023 Q1 Executive Committee meeting. This meeting is being recorded to ensure all information is captured.

### **3. Call to the Public**

None

### **4. Approval of minutes from the November 15th, 2022 Executive Committee meeting**

Audrey Bohanan moves to approve the minutes from the November 15th Executive Committee meeting. John Walters seconds the motion. The motion passes.

### **5. Workforce Report Out - Discussion**

Stacey Faulkner welcomes the newest members of the Workforce Arizona Council, Scott Holman with TSMC, Michelle Bolton (Intel), Daniel Witt (Lucid), and Shawn Hutchinson (Phoenix Electrical). There is 1 workforce vacancy, recommendations have been sent to Boards and Commissions and waiting to hear back to move forward with application process. There are 2 vacancies in the balance of membership. One being Jeff Fleet ham, who has retired at the beginning of February, and we wish him the best of luck. There is also still 1 CEO vacancy.

Stacey welcomes Sara Agostinho, with Department of Economic Security (DES), she is the newest Program Oversight and Support Administrator. Sara will be the main point of contact within the Department of Economic Security for information on or about the public workforce system. She will be responsible for coordinating federal and state workforce activities and technical assistance, and to cultivate relationships with federal, state, and local partners and convene cross-agency operational meetings. Sara looks forward to extending assistance to the local areas and support as we continue to grow our partnership and focusing on state plan development with a strong focus on stakeholder engagement.

### **6. Projects and Events**

- a. WestMec- Office of Economic Opportunity (OEO) recently invested \$250,000 to Career

- Technical Education (CTE) programming. This is a workforce initiative that will focus on curriculum programming for new programs that will support industry and labor market projections, specifically with semiconductor manufacturing, and electric vehicle lithium battery manufacturing. Both of these will be delivered at CTED, local high schools and CTE locations statewide. This will cover the cost of curriculum, new program equipment, supplies, and our teachers.
- b. Broadband- OEO will be investing \$300,000 in broadband fiber optic training partnered with Arizona Western College and Yuma County. This will provide fiber optic tuition assistance, work based learning, paid training, job placement, and support services. Work towards serving local employers in the area, APS, ALO, Century Link.
  - c. STEM- invested \$100,000 in partnership with the SCI Tech institute. The intent is to forge a dynamic statewide network of regional workforce hubs to connect local educational, civic, and community institutions, those in our ARIZONA@WORK network, regional workforce centers, and organizations and employers. We want to ensure this investment reaches our youth and underserved populations.
  - d. Northern Arizona Research- Invest \$100,000 for a research project. There are several counties in Northern Arizona that are facing closure of coal fire powered plants. This would help some of our employers consider locating to those regions. These closures will result in 500 direct jobs and 50 million in annual wages. If this is done correctly, this will help with employer recruitment efforts and aid in efforts to diversify the areas economic base before the closures take full effect. Currently in the procurement process with this project.
  - e. ElevateEdAZ- Arizona Commerce Authority (ACA) and OEO has invested \$5 million in partnership with Phoenix Chamber to support initiative that will prepare individuals with college careers with stronger alignment between education, business, and industry as well as the community. We have intertwined Advanced Career Readiness Credential (ACRC) in this initiative to help students obtain that credential.
  - f. Good Jobs Academy- Update, opportunity to submit an application for the Good Jobs Academy, which is the dept of labor is launching this initiative and designed to take immediate action in reaction to the US DOL Good Jobs Initiative. It will allow the opportunity to invite teams representing states, tribes, local boards, other state boards, etc. that will help us develop strategies and action plans that would address equities in focusing on improving job quality and employment opportunities across many sectors and stakeholders. Stacey reached out to local boards who may have interest in joining the application, and taking the lead in partnership with DES, and we should be able to submit an application and move forward with focus on the semiconductor industry.
  - g. 2023 Arizona Workforce Summit- DES awarded OEO and the Council funding to put together a 2 day summit that will focus on workforce development, education development, and economic development. Hoping to educate and innovate about workforce development, policy, advocacy, and understand the purpose of the council structure, board structure, how it all fits together, and walk away with best practices on highly performing boards. June 29-30th, held at the Desert Willow Conference Center. We will be sending a Save the Date and a registration link, anticipating 300 attendees each day.
  - h. ACRC- Andy Ridley, OEO, has been digging into ACRC from an employer perspective and he is recreating the occupational profiles to support employer efforts. Yuma County has been a tremendous partner. They are hosting a webinar where employers and businesses can learn how to benefit from the ACRC program.

#### Conferences

2023 NAWB Forum and Trailblazer Awards- March 25th-March 28th in Washington D.C. Stacey and Krista McGarvey will be attending this conference. Looking forward to learning more about policy initiatives and trends across the nation and deepening the understanding further of WIOA law and how it is applied. They will be giving out the Trailblazer awards to acknowledge the most innovative and impactful work being done by workforce boards and partners. Best of luck to Pinal

County and Pima County who have submitted for the award this year.

2023 NGA Winter Symposium- Chairman Mark Gaspers, Stacey Faulkner, Nancy Meeden (DES), and Robert Garcia (ACA) attended the National Governor Association (NGA) Symposium in Washington, D.C. This symposium brought together state leaders to carry out the governor's visions and goals of the workforce and development systems strategic investment, and administration and oversight of federal and state workforce programs.

State Plan 2024-2027 with partnership of DES, we have put together a timeline for the council to be aware that the planning is in progress and working on the first bullet, this does take about a year to write. Please expect a draft for review around this time next year. Tentative submission is March 15<sup>th</sup>, 2024.

Chairman Gaspers: This state plan is critical in tying together our vision as a state, thank you to the team.

## 7. Bylaws- Discussion and Approval

Kennedy Riley, OEO, touches on the Bylaw updates. Due to the restructure of the council we had to update our Bylaws. The updates developed a new structure for the Executive Committee such as adding in the election process of voting for officers to hold Vice Chair and Second Vice Chair positions. In addition, there is updated language to include creation of workgroups.

Action: Vote to recommend approval of Bylaws at the Full Council..

Chairman Gaspers: shares his appreciation to this approach and wants to have a broad committee structure. This will allow the Council to have eyes on the material that will fall on the Executive Committee, with that being said the Executive Committee is a great place to vet these action items and options before moving for approval of the Full Council.

**Action:** Vote to recommend the approval of Bylaws at the Full Council meeting.

John Walters moves to approve the Bylaws at the Full Council meeting next Thursday 2/23. Audrey Bohanan seconds the motion. The motion passes.

## 8. WAC Policies-Discussion and Approval

5 policies for review and approval

- a. Conflict of Interest- Conflict of Interest: establishes guidelines for conflict of interest, firewalls, and internal controls required under WIOA for Local Workforce Development Boards (LWDBs) and entities serving in more than one role in the ARIZONA@WORK system.
- b. Brand Style Guide- provides the information and direction, required under WIOA, regarding how Arizona's workforce system stakeholders must use the ARIZONA@WORK brand.
- c. MOU and IFA- provides Local Workforce Development Boards (LWDBs) and other workforce system partners instruction and guidance regarding the administration of ARIZONA@WORK Job Center Service Delivery system.
- d. WIOA Statewide Monitoring- To establish roles of the Workforce Arizona Council (Council), the Arizona Department of Education (ADE) and the Arizona Department of Economic Security (DES), in ensuring compliance with WIOA and its regulations, Workforce Arizona Council policies, and WIOA implementation as outlined in the Arizona State Workforce Development Plan (State Plan). Monitoring information is used to inform the Council about the ARIZONA@WORK systems' current status and support the Council in fulfilling its statutorily- defined strategic objectives.

- e. Job Center Structure- provides Local Workforce Development Boards (LWDBs) and other workforce system partners with instruction and guidance regarding the structure and administration of ARIZONA@WORK Job Center and Service Delivery system.
  - a. **Public Comment overview and policy changes**
- o Conflict of Interest:
  - This was not released for public comment because no significant changes were made.
  - This policy was reviewed to ensure it was within WIOA and Arizona regulations.
  - Updated to renumber a policy and a citation.
- o Brand Style Guide:
  - Updated policy to include Arizona Department of Education in the scope
  - Added in reference “In Arizona One-Stop partners are referred to as ARIZONA@WORK partners”
  - Added in clarifying language to ensure partners use branding appropriately
- o MOU and IFA:
  - Amended to add in comprehensive language regarding the agreement developed between the LWDB, one-stop partners, and CEO relating to overall operation of the one-stop delivery system in the local area.
  - Amended language to include: “Methods to ensure all partners of the MOU/IFA comply with the agreed upon initiatives, processes, procedures and vision as defined by the local workforce development board”
- o WIOA Statewide Monitoring:
  - Adding in clarifying language regarding DES and ADE monitoring and updated references.
- o Job Center Structure:
  - Added clarifying language regarding job center and one-stop system
  - Added clarifying information on career pathways
  - Added clarifying language regarding electronic delivery and in-person services

John Walters: What did we clarify regarding the Job Center One Stop System?

Kennedy Riley: the language was confusing... making job centers relate to the whole system but there is more than the just the Job Center. Kennedy let John know she can send over some example language to show the difference of the. It is helpful for the local areas to know that the One stop system to ensure that there is a wide range of partners.

John Walters: Requesting career pathways information to be sent over to him.

Chairman Gaspers: Motion to move 5 polices to the council for consideration. Audrey Bohanan moves. John Walters seconds the motion. The motion passes unanimously.

Chairman Gaspers: Thanks Kennedy for her hard work.

## 9. Election Process and Nominations- Discussion

Due to the new structure in the Bylaws, and it states that we can hold an election for the seats of Vice Chair and second vice chair, as well as WIOA core title partners, and 3 additional members selected by the chair. These positions must be in compliance with WIOA, and filled by business members. The elections will be held at the first regularly scheduled Full Council meeting of the year, which is next Thursday 2/23. The officers selected will serve a 3 year term.

The added positions of Vice Chair, Second Vice Chair, WIOA core title partners, and three additional members selected by the Chair. We will be holding elections to fill the Vice Chair and Second Vice Chair at the Full Council meeting next Thursday, 2/23.

Vice Chair: Vice Chair will perform the Chair's duties in the event of the Chair's absence at meetings or in such circumstances where the Chair will relinquish duties to the Vice-Chair.

Second Vice Chair: In the absence of the Council Chair and Vice Chair, the Second Vice Chair will perform all duties of the Chair.

Chairman Gaspers: Thanks all for the consideration of this structure, many other states are using this structure and its helpful to see. Appreciates the support to be properly teamed up, and sends appreciation to Chair Groves who helped Mark with guidance expertise to help him be more prepared for the chairman role by virtue of engaging with NGA Workforce team and other state teams.

## **10. Local Plan Modifications- Discussion and Approval**

- Coconino County
  - 11/29/22: Conditionally Approved by Full Council, pending CEO approval and signature.
  - 12/6/22: Coconino County BOS Approved Final D. aft Plan Modification, will be considered for full approval.
- Northeastern Arizona
  - 11/29/22: Council voted to approve second extension request with deadline of 12/31/22. Able to meet all requirements in their extensions.
  - 12/13/22: Navajo County BOS (Local CEO) signed and approved Final Draft Plan Modification
- Nineteen Tribal Nations
  - NTN requested more of a timeline outline of when we can expect the plan to be submitted. Plan to get out their plan end of February for public comment. They will address public comment in March. NTN has a board meeting March 8<sup>th</sup> and hoping to get final approval of plan to submit to DES and Council.
  - Request for Extension: Deadline of 3/10/2023

John Walters: Is this 3/10 date a firm date?

Stacey: Yes. This is a firm date.

Action: Vote to recommend approval of completed Local Plan Modifications and Request for Extension at the Full Council meeting.

Supervisor Gates moves to recommend approval of the completed Local Plan Modification and Request for Extension at the Full Council meeting. John Walters seconds the motion. The motion carries unanimously.

## **11. NACOG - Yavapai County- Discussion and Approval**

The original contract between NACOG and the WDB ended on 6/30/22.

The WDB requested and was granted an extension until 12/31/22 by DES due to a health emergency with the WDB's consultant to allow time to conduct a competitive procurement to select an OSO. In late November, the WDB requested another extension of the current contract, due to the fact that they had conducted 2 competitive procurements which were closed with no responses.

DES/OEO responded by agreeing to allow the extension of the contract with NACOG through 3/31/23, on the condition that the WDB provide DES with an implementation plan on how the WDB intends to move forward. Informed Yavapai that the council will need to approve, as the staff to the board and NACOG is serving in the dual roles.

Yavapai submitted a plan and DES with OEO agrees with the plan and extends the contract of services and this will go to June 30<sup>th</sup>, 2023. Also requesting open proposal beginning February 15<sup>th</sup> and response are due on March 22<sup>nd</sup>, and they are ahead of schedule for that RFP. After the ,

approval of the WDB and Yavapai Board of Supervisors, this proposal would be reviewed and negotiate a new agreement no later than May 31<sup>st</sup> for services to begin July 1<sup>st</sup> , 2023.

- As NACOG is staff to the WDB, DES is requesting Council approval for this extension.

Audrey: Is DES comfortable with and agrees with the extension? We want to ensure that this RFP will be in compliance with new policies and procedures that we are moving to the full board next meeting with new guidelines.

Nancy: Shares that DES very comfortable with the plan presented.

**Action Item:** Vote to move the approval for the Request for Extension at the Full Council meeting.

Audrey Bohanan moves to approve. Supervisor Gates seconds the motion. Motion passes unanimously.

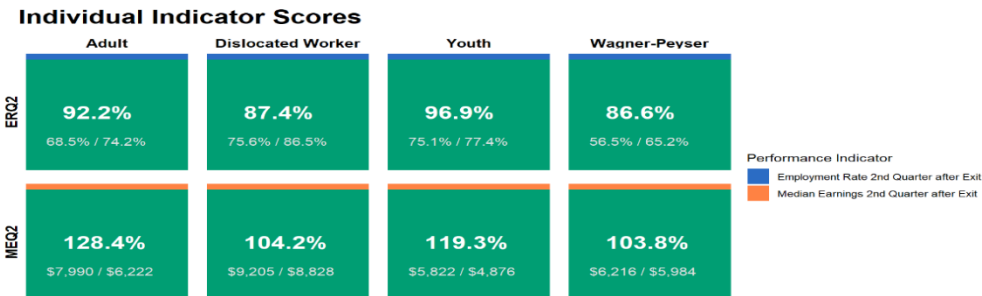
## 12. Statewide Performance- Discussion

All 6 programs under WIOA and 6 core indicators that will need to be met. Core programs must meet 6 primary indicators with a score of 50% or above, and have an overall program score at 90% or above and a overall state indicator score at 90% or above.; However, due to the impact of COVID and continued issues with how performance is to be assessed at the national level, DOL (Department of Labor) and DOE (Department of Education) notified states in October 2021, that for PY2020 (year ending 6/30/21) and PY 21 (year ending 6/30/22), they would only assess Title I (Adult, Dislocated Workers, and Youth) and Title III (WP\ES) and only two primary indicators shown here, the Employment Rate 2nd Quarter After Exit and Median Earnings 2nd Quarter After Exit, would be assessed to determine if the state met performance.

To meet Performance, DOL and DOE were to assess three items: Each individual indicator score must be 50% or above. In the future, all core programs will be assessed.

- DOL Assessed State Performance for PY2021 (7/1/2021-6/30/2022)
- The following Individual Indicator Scores must be 50% or higher
  - Employment Rate 2nd Quarter After Exit
    - Adults
    - Dislocated Workers
    - Youth
    - Wagner-Peyser (Employment Service)
  - Median Earnings 2nd Quarter After Exit
    - Adults
    - Dislocated Workers
    - Youth
    - Employment Service (Wagner-Peyser)

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The top number in each box represents the actual score. The number on the bottom left is the actual performance and the number in the bottom right is the negotiated adjusted level, which the model used by DOL says is performance the state is expected to achieve.

The green boxes indicate that the state met all indicators assessed for PY 2021. Scores in all categories were at or above 50%.

DES and OEO currently reviewing local performance and the SAM tool used in 2020 to assess each local area in the same manner as DOL assessed the State. This next step is for Title I only, as there was no local negotiations for Title III. The programs under Title II and IV were not assessed in PY20 and will not be assessed in PY21. Also, Title I comprises 6 of the 8 measures assessed by DOL and when all core programs are assessed, Title I will impact over 51% of the measures to be assessed.

### **13. Strategic Plan Workgroup Updates- Discussion and Approval**

Stacey Faulnker, OEO, touches on the Strategic Workgroup updates. This workgroup has representation from DES, Title I-IV, and Business Services. Currently, we are holding weekly meetings as we have a lot to accomplish. The team is interested in understanding the local plans and how it ties into the state plan, in addition, looking at State Plans and State plan modifications. First order of business is the revise the Mission and Vision Statement.

The old Mission and Vision Statements:

**Mission:** The mission of the Workforce Arizona Council is to create meaningful linkages between the education and workforce systems, and help Arizonans of all backgrounds gain employment and prosper in a rapidly changing economy

**Vision:** The vision of the Workforce Arizona Council is to build a pro-growth economy that provides opportunity for all and builds prosperous communities by building the skills and abilities of Arizonans to meet the workforce needs of our employers.

#### **a. Mission & Vision Statement**

New proposed Mission & Vision Statements:

**Mission:** To develop and support an equitable workforce system that connects business, education, and job seekers that results in a healthy (prosperous) economy in Arizona.

**Vision:** To create a future where every Arizonan has the opportunity to reach their full potential through access to meaningful employment and fulfilling careers, driving the economic growth and prosperity of our communities.

Our intent was for the mission and vision to support all the populations that Workforce Arizona Council serves, we wanted to make sure that language was included to show that support for those populations.

John Walters: The word 'equitable' has many definitions/interpretations. What is the practical application of equitable and what does that look like?

Stacey Faulkner: invites a workgroup member to address this question...

Kristen Mackey (DES): We wanted to ensure those with barriers to employment, individuals with low education, individuals with disabilities, and under served communities to focus those to have equitable access to the system and capturing everyone in the mission to drive our efforts that anyone can access our workforce system.

In Chat: Nidia Herr suggests the word 'inclusion' or 'inclusive'

John Walters: Should we add the word inclusion?

Kristen Mackey: Not opposed, it could be equitable, inclusive, or supporting an equitable, inclusive workforce system.

Stacey Faulkner: We just wanted to recommend this and have the understanding as workgroup that Executive Committee members may want to make slight changes to the wording. This will be documented and we can discuss at the next Strategic Plan Meeting

Audrey Bohanan: If the Full Council reviews and wants to make adjustments will they have the opportunity to make adjustments to the language?

Chairman Gaspers: Yes, the Full Council can make adjustments and changes.

Audrey Bohanan: The more perspective is great and likes that it's a work in progress and a great place to start. Wants to ensure that the Full Board will have the opportunity to include their voices.

Supervisor Gates: One thought, it seems to be a little bit more focused on the employee or the potential employee, but not seeing much on the employer, as this is an important area to look into...

Chairman Gaspers: Also notices this, and would like to consider language to add the employer.

Audrey Bohanan: Can this be pushed back to the workgroup and ask them to add language of the employer piece, the equitable vs. inclusion.

Stacey Faulkner: We have a workgroup meeting at 3pm, following this meeting and we can touch on these items before our agenda. At this meeting, we will need to conditionally approve that we will put a revised mission and vision to the Full Council next week.

**Action Item:** Vote to move for the approval of the proposed Mission Statement and Vision Statement to the Full Council.

Audrey Bohanan moves for the approval of the proposed mission and vision statement to the Full Council. John Walters seconds the motion. The motion passes unanimously.

#### **b. Labor Market In-Demand Industries**

Rachael Tashbook will discuss in-demand industries. In the WIOA system there is a specific definition: Industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the state, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors.

This is important to the council because this determination of whether an industry sector or occupation is in-demand under this definition will be made by the State board or local board, as appropriate, using State and regional business and labor market projections, including the use of labor market information.

In-demand industries are important because:

- In-demand industries determine workforce board membership
- Focus **statewide employer engagement efforts**
- Support development of **targeted career pathways** for all WIOA programs' participants
- Determine industries of focus for the development and expansion of strategies to meet the needs of employers, workers, and job seekers particularly through industry or sector partnerships

Rachael Tashbook: The spreadsheet of industry rankings was created by the economic analysis team. The economic development team developed an analysis of industries using NAICS system, which is supported by federal bureau of statistics, and develop and industry ranking. The rankings are provided by each variable (example wages, fast growing industries, largest industries, etc.). This data was provided to the strategic workgroup

Kennedy Riley will discuss the Strategic Workgroup's in-demand industries recommendations.



The strategic workgroup looked at different factors such as overall ranking, projected growth, wages, and had robust discussion within the workgroup surrounding these industries and what we are seeing within our state and the businesses coming here/who our teams are currently working with.

#### In-demand Industry (7)

- Construction
- Finance & Insurance
- Health care and social assistance
- Transportation and warehousing
- Manufacturing
- Information Technology
- Retail (to ensure inclusion of all WIOA options)

The decision of these 7 industries to bring forward to the Executive Committee and Full Council for discussion. Retail trade is one item that the workgroup felt may need further consideration. The reason we selected this as a potential industry is based on input from our Title IV representation. Many individuals in Title IV programs begin in lower wage employment which is a great starting point for them as they develop workplace skills. Although the overall wages may be lower, our workgroup felt it was important to include an industry that directly impacts our Title IV clients.

Rachael Tashbook: Expanding on the point... the main debate came from given limited resources from Title I do we want to focus on retail with lower wages, or is it an important enough industry to continue to focus on it? Suggests having a broad list of in-demand industries and then can be more specific on the occupations to consider in-demand. Another idea is to be more specific in the industries and where we may be able to provide the best support and building those career ladders.

Chairman Gaspers: Believes to consider more on in-demand industries and not occupations.

John Walters: States that these industries align well with the proposed Mission and Vision statement, and approves. Struggles with the retail piece as an industry to focus on. John shares that there are some biases in in-demand industries that are not as sensitive to the economy (IT, Healthcare, etc.). Discusses how these industries are weaved among each other, for example more healthcare facilities, will need more construction workers. If that can be tied into the retail aspect of the in-demand industries that would make sense to keep it included.

Chairman Gaspers: Agrees with John's perspective of the in-demand industries and the construction industry being very important and overlapped among the other industries.

Audrey Bohanan: Also agrees that these industries are all overlapping each other, and sees how the retail aspect is tied in. Retail needs to be manufactured, which means that construction and building infrastructure.

Rachael Tashbook: The reason retail ranked well was because of the number of people employed, otherwise it ranked fairly low. But because it is a large industry it ranked higher. Also to consider it ranked higher and showed faster growing the last two years due to a lot of job losses during the pandemic, which makes this industry higher ranking.

Audrey Bohanan: What is the impact if we do not include retail

Rachael Tashbook: People would still be able to partnered into that industry, and can still receive assistance. This would be more on the Strategic planning side and the strategy that will go along with that.

John Walters: Are there 2-3 that we can focus on and the others will follow?

Chairman Gaspers: Thanks everyone for their participating in this discussion and Rachael for her hard work and great explanation.

**Action Item:** Motion to move for the approval of the in-demand industries to the Full Council meeting. Audrey motions to move the approval of the in-demand industries to the Full Council. John Walters seconds the motion. The motion passes unanimously.

#### **14. Full Council Agenda- Discussion and Approval**

Motion to approve the agenda for the Full Council Meeting.

Supervisor Gates motions to approve the agenda for the Full Council meeting. John Walters seconds the motion. The motion passes unanimously.

#### **15. Adjournment**

Audrey Bohanan moves to adjourn the meeting. Supervisor Gates seconds the motion. The motion passes unanimously. The meeting is adjourned at 2:35 pm.

*Pursuant to A.R.S. § 38-431.02, notice is hereby given to members of the Workforce Arizona Council Executive Committee and to the general public that the Committee will hold a meeting, open to the public, on **Thursday February 16th, 2023 1:00pm**, via Zoom. For more information, please call (480) 798-4809.*

*Persons with a disability may request reasonable accommodation, such as a sign language interpreter, by calling (480) 904-0826. Requests should be made as early as possible to allow time to arrange the accommodation. A copy of the material provided to Committee members (with the exception of material relating to possible executive sessions) is available for public inspection at the Office of Economic Opportunity, located at 100 N. 7th Avenue, Suite 400, Phoenix, AZ 85007.*

*Under A.R.S. § 38-431.03(A)(3), the Committee may vote to go into executive session, which will not be open to the public, for the purpose of obtaining legal advice on any item on the agenda.*

*At its discretion, the Committee may consider and act upon any agenda item out of order. Members of the Committee may appear by telephone.*