

WORKFORCE ARIZONA COUNCIL QUARTERLY MEETING

MINUTES

Tuesday, June 7, 2022

1:00 pm – 3:00 pm

Virtual Meeting via Zoom

<https://azcommerce.zoom.us/j/96524499613>

Members Present

Chair Mark Gaspers - Boeing
Greg Anderson - Summit Healthcare
Dennis Anthony - Arizona Apprenticeship Advisory
Audrey Bohanan - Adelante Healthcare
Jackie Elliott - Central Arizona College
Jeff Fleetham - Arizona Registrar of Contractors
Randy Garrison - FinTek Industries
Todd Graver - Freeport McMoRan
Sheryl Hart - Arizona Department of Education
Larry Hofer - Cox Communications
Willard James - Centene Corporation
Senator Sine Kerr - Arizona Senate
Kristen Mackey - Department of Economic Security
Debra Margraf - National Electrical Contractors Association
Bobbi McCormack - CP Technologies
Karla Moran - Salt River Project

Cathie Raymond - Arizona Department of Education
John Walters - Liberty Mutual
Sandra Watson - Arizona Commerce Authority
Thomas Winkle - Arizona Coalition for Military Families
Michael Wisehart - Arizona Department of Economic Security

Members Absent

Chairman Bill Gates - Maricopa County Board of Supervisors
Alex Horvath - Tucson Medical Center
David Martin - Arizona Chapter, Associated General Contractors
Brian Rice - Hensley Beverage
Jonathan Schmitt - Arizona State University
Danny Seiden - Arizona Chamber of Commerce Representative
Justin Wilmeth - Arizona House of Representatives

1. Call to Order - 1:04 p.m.

2. Welcome

Mark Gaspers welcomed the public, local workforce area representatives, existing council members, and especially new council members. He asked new council members to introduce themselves, which immediately followed. He thanked them for their participation and representing a wide diversity across the state, expressed value to all voices, and declared that his door is open. He declared that collaboration and communication are two keys to success in the council's efforts, and that he is looking forward to hearing from each of the council members. He stated that Arizona shines nationally, despite the current challenges. While there is still work to do, he thanked all for their participation in that effort.

3. Call to the Public - none

4. February 22, 2022 Council Minutes Approval

Thomas Winkle moved to approve the minutes, seconded by Greg Anderson. The motion passed.

5. New Council Members Update

Krista McGarvey, interim Council Manager, congratulated Mark Gaspers who has been officially appointed by Governor Ducey as Chair of the Workforce Arizona Council, and expressed appreciation for his leadership and commitment.

She went on to explain that the Workforce Arizona Council, when fully constituted, has 35 members representing various constituencies as required by WIOA. All Members of the Council are appointed by the governor and represent key areas of workforce development including the Governor, legislature, chief elected officials, business, labor, apprenticeship, community based organizations, education, economic development, and employment and training. 51% of the board is required to be from the Business Community and representative of growing sectors of the State. We currently have 29 appointments with the remaining six seats in the process of being filled.

6. State Plan Modification Update

Stacey Faulkner, WIOA Manager with the Department of Economic Security (DES) reviewed the State Plan modifications. The State Plan is both a compliance reporting document to the U.S. Department of Labor (DOL) on how Arizona is doing in executing WIOA programming, and a strategic document to help us unite and focus on strategic priorities in the state. Every two years, we modify the plan to reflect changes in the labor market and economic conditions or other factors affecting the implementation of the State Plan. Modifying the plan helps us ensure that we are accurately reporting how services are delivered, and making sure our strategies and priorities reflect the current needs of the workforce system. For this cycle, the State Plan Strategies stayed the same for the full four years; all WIOA partners will need to work together to implement state plan strategies. We submitted the document to DOL by the due date in April 2022. DOL will finalize approval by July 1, 2022.

7. PY22 Formula Allocation Vote

Stacey Faulkner explained the Program Year 2022 Formula Allocation. Arizona uses the Discretionary Allocation option, in which DOL directs that spending of at least 70% of WIOA funds be split equally between the average number of unemployed for areas of substantial unemployment (called ASU's), excess unemployed individuals, and disadvantaged youth and adults. Up to, but not exceeding 30% may be split at any ratio between excess unemployment and excess youth/poverty. Funds to local areas must be allocated based on a formula created by the governor using the following 6 data factors: Insured unemployment data, Unemployment concentrations, Plant closing and mass layoff data, Declining industries data, Farmer-rancher economic hardship data, and Long-term unemployment data.

She continued by explaining the Hold Harmless Provision, that a local area must not receive an allocation amount for a fiscal year that is less than 90 percent of the average allocation of the local area for the two preceding fiscal years. Arizona's allotment for PY22 is \$86,990,453, which is 9.05% less than last Program Year, due to the current employment and economic situation, and funding provided to WIOA. Each local area had a decrease of relatively the same percentage.

Stacey recommended that the council approve the PY22 Formula Allocation.

Willard James moved to approve the PY22 Formula Allocation, seconded by Thomas Winkle. The motion passed by unanimous voice vote.

8. Formula Allocation Policy Update and Vote

Ken Mall with Educational Data Systems, Inc. (EDSI) summarized how the US Department of Labor awards states annual allocations by formula for WIOA Title I programs consisting of Adult, Dislocated Worker, and Youth designations. Each state, in turn, distributes by formula the funding to

the state subrecipients (local workforce development boards) for execution of employment and training services. The formula incorporates state and regional economic data including unemployment and poverty - economic factors that WIOA is intended to help address through employment and training services. Arizona's Formula Allocation Policy describes the process whereby WIOA Title I programs funds are allocated across the state's 12 Local Workforce Development Areas.

The proposed policy is updated to streamline and simplify the annual funding process, align Arizona with best practices utilized in other states, support the objectives described in Arizona's WIOA State Plan, comply with DOL ETA requirements, describe WIOA's funding guidelines, and sustain WIOA's hold harmless requirements. Approval by the WAC is the final step in the process of revising the Formula Allocation and, if approved, would go into effect for PY23. Ken recommended approval.

Jeff Fleetham moved to approve the Revised Formula Allocation Policy, seconded by Audrey Bohanan. The motion passed by unanimous voice vote.

9. Eligible Training Provider List (ETPL) Policy Update and Vote

Ken Mall reviewed the ETPL Policy by explaining that the ETPL is a list of training programs that WIOA program participants generally must use to select training that can be funded by WIOA. Training providers on the list are preapproved to provide training to WIOA participants. The WIOA programs are accessed through ARIZONA@WORK. Training institutions on the ETPL only receive WIOA funding if and when participants enroll in their training program. WIOA program participants must get approval from their ARIZONA@WORK to receive training funds. Ken recommended approval of the ETPL Policy.

Sheryl Hart moved to approve the ETPL Policy, seconded by Jeff Fleetham. The motion passed by unanimous voice vote.

10. Nineteen Tribal Nations (NTN) Local Workforce Development Board (LWDB) Update

Nancy Meeden, WIOA Title I Policy Manager with DES/DERS, updated the committees that many of the NTN compliance issues have been resolved. Yet to be completed are the Fiscal Agent,, Local Plan, and Procurement of a OneStop Operator.

11. Committee Reports

a. Strategic Communication and Partnership Committee Update

Mark Gaspers reported that Ken Mall provided a presentation on the ARIZONA@WORK brand policy. Additionally, they reviewed the New Council Member Orientation process.

b. Performance Excellence Committee and Measuring Effectiveness Committee Update

John Walters explained that the two committees met simultaneously. They reviewed the Veteran Be Connected Initiative. They also heard a project update on the Arizona Workforce Information Technology Project and the IT Solutions/Workforce Modernization Update. They received updates on LWDB Challenges.

c. Quality Workforce Committee Update

Mark summarized that the committee heard an update on the Arizona Career Readiness Program, that the EDSI Arizona Journey Map is in closeout stage, and the ETPL policy discussion, as well as discussion on the Formula Allocation Policies and Procedures.

He announced that, as the Council chair, he will not continue as this committee's chair.

12. Upcoming Council and Committee Meeting Planning Discussion

Chair Gaspers provided an open forum for questions, but there were none asked.

He then stated that they will further discuss committee priorities and develop goals for the upcoming program year, and that they will make considerations for additional new council members to be appointed and that a new WAC manager will be hired. He concluded by thanking everyone for their outstanding work, effort, and participation.

13. Adjournment - 2:24 p.m.

Audrey Bohanan moved to adjourn, seconded by John Walters, the motion passed.

*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 **Tuesday, June 7, 2022 at 1:00 p.m.** via Zoom. For more information, please call (602) 771-0482.*

Persons with a disability may request reasonable accommodation, such as a sign language interpreter, by calling (602) 771-0482. 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.