

**WORKFORCE INVESTMENT BOARD
SPECIAL MEETING – DRAFT MINUTES
July 10, 2017**

Meeting Location: 172 Pembroke Rd., Concord, NH 03301 (Former DRED Office)

Members/Proxies Present: Dick Anagnost (Chair), Paul Boynton, Kelly Clark, , George Copadis, Sarah Currier, Tamer Koheil, Donnalee Lozeau, Jonathan Mitchell, Lee Nyquist, Rick Wheeler, Dwight Davis, Michael Dunican, David Juvet, Ken Merrifield (14)

Members Present via Phone: Paul Boynton, David Cioffi, Alan Reische, Katherine Merrow, Lynda Erdbrink, Robert Martel, Michael Somers, Ross Gittell (8)

Members/Proxies Not Present: Mike Alberts, Maureen Beauregard, James Bouley, Glen Brackett, Gwenael Busnel, William Hatch, Vic Kissell, Peter McNamara, Val Zanchuck, Tim Galvin, Jay Kahn, Paul Leather, Brenda Quinn, Jeffrey Rose, Tim Sink, Christopher Ellms, and Peter Cook (17)

Others Present: Jackie Heuser, Beth Doiron, Michael Power, Eric Feldborg, Art Ellison

Call to Order: Dick Anagnost, Board Chair, called the meeting to order at 2:32 p.m. He thanked everyone in the room and on the phone for attending the meeting on such short notice. (Commented that this was the first time we have had a meeting in July.)

Agenda Items:

Item 1: Program Year 2017/Fiscal Year 2018 Budget -

Chair Dick directed members to the Workforce Innovation and Opportunity Act (WIOA) Funds PY2017-2020 allocation planning document. He shared that there is little difference in the process used to allocate fund this year from previous years and asked if members had any questions.

Board member, Currier asked if the 13% in rapid response funds were fully expended in previous years to which the Chair replied yes. She followed up with a question about what was happening or planned to happen that would prompt OWO staff to reserve the full 25% this year. Ms. Heuser explained that with the low unemployment rate we are experiencing less participant demand for training services for dislocated workers, but at the same time we are hearing from businesses the need for further support in training workers and avoiding future layoffs. Rapid Response funds have some flexibility in how they can be used; typically we have been focused primarily on participant training for the use of these funds; we think this is the right year to look at how other states have been using their RR funds and adopt some creative ideas for how we work with businesses in the future. Ms. Heuser also pointed out that we can change our thinking at any time and move funds from the state to the local level if it appears it is needed.

Katie Merrow asked what changes, if any, was made to the budget allocation process to align expenditures with the new goals and strategies under WIOA. Ms. Heuser stated that how funds can be used is very prescriptive, i.e., 85% of youth and adult funds, and 60% of dislocated worker funds must be contracted to the local level to support the delivery of services required under WIOA. That said, the rapid response reserve funds and WIOA 10% discretionary funds can be used to look at new ways to support WIOA target populations,

business services and in particular sector strategies on the state level (last January the board approved the use of \$600,000 in discretionary funds to support the sector partnerships). On the local level staff is more focused on services to the target populations as required under WIOA and are being trained to work with participants to guide them to in-demand occupations in the identified sector industries; more is being done to train staff with an emphasis on career pathways, and obtaining credentials.

Ms. Merrow also wanted to know what changes we could expect regarding reporting performance in light of WIOA and sector initiatives. Jackie shared that under WIOA we are required to report on the usual outcomes such as employment, retention and median earnings, but very important now is the tracking of credentials. We are interested in tracking credentials and being able to report on how many of our participants have obtained a credential so it can be shared with the people collecting similar data for initiatives such as 65 by 25. Also, at the last board meeting we learned about BIA's interest in working to create metrics for measuring success; we are interested in a similar effort to develop metrics for success for the sector partnership initiative (Michael Power and Phil Przybyszewski are working with the SPIT to put something in place.)

Hearing no further question, the Chair asked for a motion to approve the budget plan. **Kelly Clark moved** to accept the Budget Planning document as presented. Dave Juvet **seconded**. Donnalee Lozeau abstained from the vote, disclosing that SNHS is a local contractor. The PY17 Allocation Plan budget was **accepted**.

Item 2: NH Works One-Stop Operator Sole Source Selection Process - The Chair directed members to item #1 on the agenda regarding the selection of the NH Works Consortium to serve as the one-stop operator for NH's one-stop system i.e., NH Works, and opened it up for discussion.

Dick shared with members that the NH Works offices have been located in the NH Employment Security office building since 2000, when WIA was implemented, and reinforced that partners pay a fair share of operating costs to keep the centers operational. Jackie Heuser discussed the cost efficiencies and effectiveness achieved through partner agency management of the system. She talked about the importance of having the partners fully engaged in the decision making process that affects all services and the concern that anything less than this direct oversight role for partners has the potential to diminish commitment to the system over time. She also noted the cost effectiveness of consortia management – a third party oversight body would reduce the already limited funds available for services to customers, and another factor for consideration is the limitation of a third party entity to manage staff and systems run by the state – the majority of NH works staff are state employees.

Dave Juvet asked for clarification on what had changed under WIOA to prompt this discussion. Jackie shared that with the passage of WIOA all states were required to go through a "procurement process" to select a one-stop operator. States must follow their state procurement process to select an operator at least once every four years. We are proposing a sole source selection for the One-Stop Operator consistent with our WIOA and State of NH procurement process. Typically the Commissioner (DRED) would sign the sole source justification letter required for this process; however since the DED Director within DRED is a sitting NH Works Consortium member, he would not be allowed to approve this process, instead it needs to be approved by the State's purchasing department.

Dave Cioffi' inquired as to how other states have approached this process; Jackie shared that she has been in contact with numerous other small states via conference calls, and it is her

understanding that a number of states are using a sole source selection process because of the uniqueness of how services are delivered in small states with limited resources. We are not sure how many states are using a "consortium" approach, but the background information provided is modeled after Utah's sole source documentation process. (See attached Memo from Dick Anagnost, Sole Source Justification Letter and MOU between the Governor and NH Works Consortium for more details)

Katie Merrow inquired about the timing of contracts for local services providers (i.e., SNHS, Inc.) Jackie shared that if approved today, and signed by the Governor; the NH Works Consortium would serve as the statewide one-stop operator for the next four years. The service provider contract the board has with SNHS, Inc. for the delivery of statewide services for WIOA adult and dislocated worker services is also a four year contract, with two years still to go. By this time next year OWO will begin the solicitation process via a Request for Proposals (RFP) process to allow time for transition should another provider be awarded the master contract for the four year period (beginning July, 1, 2019)

Hearing no further discussion, the chair asked for a motion to approve the NH Works Consortium to serve as the one-stop operator for the NH Works system. Lee Nyquist **moved** to accept the motion. Michael Dunican **seconded**. The chair called for roll call for vote and the motion carried, with all in favor, no opposing votes and the following members in attendance, abstaining from the vote: George Copadis (NHES), Ross Gittell (CCSNH), Donnalee Lozeau (SNHS, Inc.), Ken Merrifield (NH DOL). (Commissioner Copadis left the meeting for the discussion and the vote relative to this issue; returning after the roll call was complete.) A copy of the vote tally sheet is attached for the record.

[Please note next steps: Jackie will send the sole source justification letter and MOU to Christopher Ellms, Governor's proxy, for the Governor's signature, and then ask NH Works Consortium leadership to sign the MOU.]

Item 3: Adult Basic Education (ABE) Local Contracts Aligned with WIOA State Plan -

The Chair requested review of the documents provided by ABE staff, invited questions, and asked for a motion to accept the results as outlined by ABE staff and reviewed by the Interagency Directors Group (IDG). No questions were asked by board members; Jackie Heuser provided a brief recap of the process and the Board's role in approving the review process to ensure local ABE programs, selected for awarded of a new contract, are in sync with the overall goals of the WIOA state plan; she also offered that Art Ellison – ABE Director for NH DOE was present to answer any questions. Sarah Currier **moved** to accept the Report. Kelly Clark **seconded**. Donnalee Lozeau abstained from the vote, disclosing that SNHS has a local relationship. The Report from ABE was **accepted**.

Item 4: HB317 Department of Business and Economic Affairs (DBEA) – Jackie with assistance from board members provided a very general description of the changes proposed in HB317. Economic Development, OWO and tourism will stay with DBEA, the Governor nominated Taylor Caswell to serve as commissioner; for the time being we will all be housed at 172 Pembroke Rd, and we should expect to see some changes in roles as things unfold. Hopefully the new Commissioner will attend the September board meeting and provide details on the vision and goals for DBEA.

Adjourn: 3:20 p.m.

Recorded by: JGH 7-10-17