

**New Jersey State Employment and Training Commission  
State Energy Sector Partnership (SESP) Council**

*PSE&G - Newark*

**October 6, 2011  
Meeting Minutes**

**I. Welcome & Introductions - Dennis M. Bone, Chairman, New Jersey State Employment and Training Commission (SETC)**

The meeting was called to order at 8:45 am. Chairman Bone welcomed everyone and thanked Sally Nadler and PSE&G for hosting the meeting. The draft minutes of the June 24, 2011 meeting were introduced and approved with no changes; Judy Savage and Marie Barry abstained.

**II. SESP Grant Update – Michele Horst, Executive Director, New Jersey State Employment and Training Commission**

The SESP grant modification request to the US Department of Labor (USDOL) was approved on August 2, 2011. The modification allows \$1.5 million to be allocated for On-the-Job training (OJT), and creates an opportunity fund of \$750,000 for additional training options. The grant modification increases the flexibility needed with approved classroom training skills, as they pertain to expanding green jobs. This modification strengthens the role of the regional partners and allows more employers to participate with an expanded green jobs definition.

The USDOL grant monitoring visit was conducted during the week of August 10, 2011. This was a challenging visit, since the grant was not meeting a number of the specifications outlined in the original grant application. Areas of deficiency identified by the grant monitor focused on 1) the slow rate of expenditure of grant funds, 2) the need for additional grant operations support, in terms of staffing, monitoring and vendor contracting and data entry, and 3) the formation of two Council sub-committees for Energy Efficiency and Renewable Energy.

The SETC does not have the staff resources to provide the necessary grant operations support. The NJ Department of Labor and Workforce Development (LWD) has agreed to assume the operational responsibility for the grant. LWD has a grant unit with the infrastructure to fully support the grant activities. The State Energy Sector Partnership Council will continue its role to direct policy and provide grant guidance and oversight. Maureen O'Brien Murphy, SETC staff person assigned to the grant, has graciously agreed to relocate with the grant operations to LWD, reporting to Anthony Ferrera, Director of LWD Workforce Portfolio and Contract Management. Ms. O'Brien

Murphy's knowledge of the grant will enable a smooth transition and continuity of grant operations. The USDOL is fully aware of the transition of grant operations to LWD.

As part of the monitoring visit, the USDOL grant officer worked with the staff to develop a corrective action plan to address the identified deficiencies. A letter from USDOL confirming the elements to be addressed by the corrective action plan is anticipated.

As part of the grant, the SESP Council needs to form two sub-committees for Energy Efficiency and Renewable Energy. The sub-committees were originally envisioned as employer groups to provide input on training course content and curricula. This objective may be accomplished through green employer strategy meetings, to be discussed later in today's meeting.

The grant allows ten percent of the funds to be spent on grant administration. Ms. O'Brien Murphy's salary has been charged to the program portion of the grant, due to her direct involvement in program operations. The grant's administrative funds are available to support the additional staff resources allocated to the grant by LWD.

The tracking of participants requires a significant amount of data entry and reporting. There is a current backlog of data to be entered into the federal Recovery Act Data System, known as RADS. On-site monitoring of training programs also must be done, including the review of individual training candidate files at each location. Several new monitoring tools have been drafted based on feedback received from the grant officer.

Members recommended that grant operations staff maintain rigorous communication with the USDOL grant officer and offered to share supportive materials relating to monitoring activities. Members discussed the potential hiring of new staff by LWD, to fulfill monitoring, auditing, financial and contracting roles. The need for new staff will be determined after the current staff resources have been identified.

USDOL has advised that a no-cost extension of the grant can be requested, to allow for complete expenditure of the funds. The grant officer recommended submitting this request in early 2012, allowing time for the grant operations to be fully established within LWD. The grant could be extended for six to nine months past the current grant end date of January 2013.

**III. Program Update, Utilization Update and Modification Update – Maureen O'Brien Murphy, Supervising Business Representative, NJ Department of Labor and Workforce Development**

Maureen O'Brien Murphy provided an update on grant awards and expenditures through five (5) contract cycles. Some funds have been de-obligated as a result of employers finding it challenging to implement their training plans as outlined in their proposal, and at the same time allow for their company's daily operations. Applicants are encouraged to be realistic in their grant proposals, especially with regard to the number of workers to be trained, to avoid this situation.

The Cycle I contracts closed on April 1, 2011; many have not yet finalized their reporting documents. The verbal feedback received from Cycle I grantees has been positive, indicating an increase in job placements and hours worked by some individuals trained through grant dollars. However as previously stated, there were scheduling challenges.

An Impact Analysis report is used to measure the grant's impact on each applicant organization, and the individuals trained. The goal is to gauge overall impacts on the industry and economy achieved by the grant: enabling companies to expand into new markets, creating opportunities for new apprentice training, and getting unemployed individuals back to work. The Impact Analysis report is distributed to grantees six months after the contract end date. Reports from Cycle I participants are due at the end of October. Future updates to the SESP Council will include these outcomes.

A new Notice of Grant Opportunity (NGO) to serve unemployed individuals is being developed. This is in response to feedback received from the USDOL audit in August. Eligible applicants will include training providers, community-based organizations and faith-based organizations. The NGO is being created in alignment with LWD requirements.

Members discussed the importance of getting unemployed individuals back to work, as unemployment insurance benefits are exhausted, and noted the additional costs associated with serving unemployed trainees. The new NGO will allow such costs to be included in the grant proposals, as programmatic costs. Jaime Ewalt reported that the New Jersey Department of Environmental Protection (DEP) has an environmental workforce training grant that targets training to local unemployed residents near brownfields redevelopment sites in Camden. The Camden One-Stop Career Center refers individuals for this training program. Members discussed ways to link the DEP program with the SESP grant. Michele Horst indicated that the SESP grant modification seeks to engage more regional partners and employers; there may be an opportunity for collaboration between the grants at the regional level.

Ms. O'Brien Murphy reported that five contract cycles are underway as of September 1, 2011. There are 36 employers and two trade unions participating in the SESP grant program. To date, \$2.1 million has been allocated to the contracts in these five cycles, of the total \$5.4 million funds available. There are 1,460 individuals projected to be trained in the current contracts, out of a total 3,400 planned trainees for the entire grant. The grant is essentially at its halfway point, with 18 months of time elapsed out of the total 36 months.

The de-obligation of contracts was noted as a challenge to achieving grant benchmarks. The grant modification may help current grantees to achieve their goals and avoid further de-obligation of contracts. Ms. O'Brien Murphy will continue to outreach to current grantees, to stress the importance of maintaining their training schedules and requesting reimbursement of training costs. The concern is that if large de-obligations occur at the

end of the training contracts, there may be insufficient time to award those dollars to other grantees.

The distribution of On-the-Job training (OJT) funds through the three regional partners was discussed. Ms. O'Brien Murphy reported that Viking Yacht is interested in using OJT contracts. Members discussed outreach to businesses that are now hiring, including the new Revel Casino in Atlantic City. LWD Business Representatives will continue to market the SESP grant to their contacts around the state, and the SESP postcard has been provided to the three SESP regional partners for their marketing efforts. Chairman Bone suggested that SESP marketing efforts be strengthened and other partners encouraged to place the webpage link on their websites, including NJ Business Action Center (NJBAC), the NJ Business and Industry Association (NJBIA), and the NJ Chamber of Commerce, as well as regional and local chambers.

A discussion ensued about placing print advertisements in the NJ BIZ magazine and other trade publications. The Impact Analysis report could be a good source of information for these types of initiatives. The Board of Public Utilities and DEP also may be engaged to assist with distribution of the grant NGOs.

#### **IV. Green Employer Strategy Meeting – Michele Horst, SETC**

The green employer group will address questions about education and training curricula, skill sets, and future jobs. A kickoff meeting is being planned; a facilitator will lead focus group discussion to provide qualitative information about workforce and education needs. This information will seed the larger SETC policy and strategy decisions to support the green industry, and foster connections between job seekers and employers. The NJBAC, NJBIA, and DEP will help identify 10 to 15 employers to participate in this listening session. Dennis Bone, as chair of the SESP Council, will be the signatory on the invitation letter sent to employers.

This effort is part of the greater SETC advisory group strategy, which focuses on the formation of Talent Development Advisory Groups (or TDAGs) to support the LWD Talent Network initiative. The SETC is collaborating with LWD in this initiative and will be leading the TDAGs and conducting the employer listening sessions with Talent Networks in six industry sectors.

Members noted the critical need to link the K-12 education system and vocational school courses with employers' needs. Marie Barry indicated two areas where education systems need employers' input: What are the fundamental skills needed and how can the pipelines be developed? Ms. Barry noted that local schools have employer advisory boards to provide this type of feedback. The challenge is that the same employers are often tapped for feedback; a statewide effort and outreach to a new, larger group of employers could be helpful to local efforts. Judy Savage noted the need for pipeline investments in the K-12 and vocational systems that go beyond short-term training. Members discussed making investments in teacher training through workforce grants; it is possible that the SESP grant could provide BPI and LEED instructor credentialing.

## **V. Next Steps and Feedback – Council Members**

Chairman Bone summarized today's discussion. The SESP Council will continue to oversee the grant, which will be operated within LWD. The grant modification was approved by USDOL and will allow the grant to take on a new direction, including the provision of \$1.5 million for On-the-Job Training. Proactive outreach efforts will be undertaken with employers. Chairman Bone then asked members to share their recommendations and any concerns with these changes and the new direction for the grant.

Kathy Weaver recommended aligning the grant funds with other state efforts, and expressed support for greater outreach to businesses who can now participate in the grant due to the modification and the expanded definition of green jobs.

Members discussed various ways to conduct business outreach and market the SESP grant program: Jaime Ewalt recommended the greater leveraging of resources through continuous communication of programs and opportunities between all members and their respective agencies. Bob Loderstedt suggested that each member act as a grant ambassador and meet with seven to ten employers to market the grant opportunity. Chairman Bone suggested the creation of a one-page marketing piece to highlight the expanded green definition, and generate proposals from businesses that may not consider themselves as "green" employers. Kathy Weaver noted the new LWD "employer incentives" page on Jobs4jersey.com which outlines LWD grants and programs; the SESP grant should be included in this marketing piece. Sally Nadler suggested marketing the next NGO release in the Star-Ledger. Kathy Weaver and Bob Loderstedt will distribute the SESP postcard at the Brick City Development Corp. event on Tuesday, October 11. Bob Santare recommended that the SESP grants team work with the current grantees to explore the new options allowed under the grant modification.

## **VI. Closing – Dennis Bone, Chairman**

Chairman Bone thanked the council members for their support of the changes made to the grant and its new direction. The SESP Council meeting dates for 2012 were provided to members. The meeting concluded at 10:35 am.

**Member Attendees – October 6, 2011**

Barry, Marie, NJ Department of Education (for Acting Commissioner Cerf)

Bone, Dennis, Verizon NJ

Ewalt, Jaime, NJ Department of Environmental Protection (for Commissioner Martin)

Finger, Gary, NJ Board of Public Utilities (for President Solomon)

Kass, Judith, Middlesex County WIB REDI Grant (for Ms. Brady)

Grikas, Mary, Petra Solar (for Mr. Kuran)

Loderstedt, Robert, NJ Manufacturing Extension Program, Inc.

O'Brien Murphy, Maureen, NJ Department of Labor and Workforce Development

Nadler, Sally, PSE&G (for Mr. LaRossa)

Santare, Robert, Champion Fasteners and Burlington WIB

Savage, Judy, NJ Council of County Vocational Schools

Schiff, Jill, Building Contractors Association of NJ (for Mr. Kocsis)

Weaver, Kathy, Newark Alliance

**Guests and Staff Attendees – October 6, 2011**

Horst, Michele, NJ State Employment and Training Commission

Hutchison, Sheryl, NJ State Employment and Training Commission