



New Jersey State Employment and Training Commission

Dennis M. Bone, *Chairman*

Chris Christie, *Governor*

State Employment and Training Commission (SETC) Meeting Minutes

April 30, 2015

10 am – 12 noon

PSE&G Training Center, Edison

I. Welcome & Introductions

Chairman Dennis Bone opened the meeting at 10:03 am and welcomed all attendees. In accordance with the Open Public Meetings Act, a notice of this meeting was submitted to the Trenton Times and Star Ledger and was posted on the SETC website. The Chairman reviewed the agenda and asked all in attendance to introduce themselves.

The minutes from the March 17, 2015 meeting were introduced. There was a correction to the FERPA federal law reference on page 3. Melanie Willoughby made a motion to approve the minutes as amended; the motion was seconded by Harvey Nutter. The amended minutes were unanimously approved by a voice vote of members.

II. Chairman's Report

Chairman Bone started his report by acknowledging Lansing Davis, a long time SETC staff member who is retiring; this is his final Commission meeting. Mr. Bone thanked Lanse for his service and passion for workforce issues, especially around literacy. The Chairman presented Mr. Davis with a certificate of appreciation for his service. Lanse Davis thanked Chairman Bone for the time and opportunity to work with the SETC. He further indicated his hopes that the good work would continue, and expand to include entrepreneurship.

Chairman Bone provided an update on the Gender Parity Council (GPC), indicating he had not seen any legislative action since the last Commission discussion on March 17th and had no additional information to provide at this time. Andrea Karsian, Commission and GPC member, indicated that the council had not received approval of their budget. SETC Executive Director Michele Boronkas indicated that the GPC budget had been approved and an e-mail had been sent to the GPC Chairwoman, informing her of that action.

The Chairman noted the great discussions held throughout the recent New Jersey Workforce Innovation and Opportunity Act (WIOA) Conference on March 31 and April 1, 2015, at the Conference Center at Mercer County Community College. Deputy Commissioner Aaron Fichtner indicated that WIOA is an opportunity to rethink, redesign and create an expanded view around workforce development. Dr. Fichtner noted the many national participants at the WIOA Conference at Mercer County College. He also thanked his staff, and recognized Janet Dunigan and John Bicica as helping to make the conference possible. He concluded by saying it was an energized and successful event, with endless opportunities for partnerships, collaboration and networking.

SETC Executive Director Michele Boronkas elaborated on how the presence of the national partners elevated the discussion and overall theme of the conference. Ms. Boronkas expounded upon how the integration efforts already underway in New Jersey were highlighted during the event, indicating that New Jersey is in alignment with national efforts surrounding workforce and the larger context. She concluded by stating the next nine months will be dedicated to planning around the new WIOA efforts. Chairman Bone thanked Deputy Commissioner Fichtner and Executive Director Boronkas for “unlocking the value” by highlighting the good work that has already been done.

III. WIOA Blueprint

Chairman Bone introduced the WIOA blueprint efforts, acknowledging the work already completed but indicating a balance remains. Chairman Bone indicated today was an opportunity to get the input on policy issues that face the SETC, in preparation for the WIOA Blueprint vote at the June meeting.

Michele Boronkas opened the presentation by providing a timeline of notable achievements reached to date. She then asked the Commission to help fortify the final thinking around planning in five key areas: Governance, Planning, Performance, One-Stop System and Career Pathways/Adult Literacy, followed by questions for discussion and input.

Ms. Boronkas asked the group if they had any questions prior to her highlight. Members inquired about the status of the federal regulations, and a brief discussion followed. The Chairman commented that the word “may” vs. “shall” indicated to him a broadened interpretation. The regulations remain in the comment period and have not yet been finalized.

Michele Boronkas provided the highlights on the Governance issues under WIOA from both a state and local level.

Governance Highlights

- State Board Membership: Governor, Senate, Assembly, 51% Business Membership
- Re-Designation of Local Workforce Areas
- High Functioning Board Criteria and Local Area Capacity Building-Technical Assistance
- One Stop Center Standards and Oversight Process and Certification of One-Stop Career Centers
- Competitive Selection: Local One-Stop Operators

Ms. Boronkas stressed that a major effort facing the Commission will be the reconstitution of the SETC law to meet the new WIOA requirements. Other important efforts include the re-designation of the local workforce areas, and the definition of high functioning boards. Ms. Boronkas indicated the SETC has accomplished some work in this area, but it must be more formalized to meet the WIOA requirement. The final effort is to develop the template for the competitive selection of the One-Stop Operators, including operational priorities and performance expectations.

Questions for Commission:

- How can Commission best support these new roles for local boards?
- In regards to Commission composition, infrastructure and function: What Commission strengths should be expanded or built upon? What Commission gaps need to be addressed or aligned?

Members discussed disabilities, employment and the importance of representation on local boards. Additional comments included members providing praise to the SETC regarding past efforts around governance and planning. Members were also seeking verification that local areas were adequately

engaged in the planning process. Ms. Boronkas indicated that the membership of the WIOA Governance and Planning Workgroup represented more than half of the local areas.

SETC Policy Analyst Sheryl Hutchison provided the Commission with the identified highlights below regarding Planning under WIOA.

Planning Highlights

- WIOA requires the State, after consultation with local boards and CEOs, to designate Regions.
- Local Areas in each Region must prepare a single regional plan, in addition to local plans.
- Regional designations are for planning, coordination of services, sector strategies, cost sharing, etc.

Ms. Hutchison focused on the new WIOA requirements of regional planning, regional resource allocation and regional coordination of services. Ms. Hutchison also spoke about the importance of the local voice in the planning efforts and how some areas of New Jersey already engage in regional planning and shared services, and the models that have shown success. Ms. Hutchison then provided the following questions for feedback from the members:

Questions for Commission

- Should regional designations of other state agency partners or stakeholders be considered for alignment and ease of service coordination?
- What should the rollout plan for the regional designations include to ensure local boards and local chief elected officials engagement in the process?

A lengthy discussion ensued around WIOA planning and the increased emphasis upon regional planning efforts and what that might look like. The discussion included topics such as regional scenarios, criteria to influence/create regions, existing partnerships, industry clusters, and informational meetings with local elected officials. Members agreed that the future lies with regional efforts in part due to limited resources. The Chairman stressed the importance of the criteria utilized to determine the regional areas. He further stated that the USDOL supported WIRED grants which focused on regional planning, indicating it was not surprising that USDOL was moving towards regions under WIOA. Michele Boronkas indicated that the SETC would be meeting with local elected officials and local board representatives, working with SETC member John Donnadio and the NJ Association of Counties, to socialize this regional effort over the summer. This is to ensure that New Jersey is able to identify regions in the state plan, which is due to USDOL by March 2016.

Deputy Commissioner of the NJ Department of Labor and Workforce Development Aaron Fichtner led the discussion of the Performance, One-Stop Delivery Systems, and Career Pathways/Adult Literacy areas. Dr. Fichtner began his presentation by thanking the WIOA workgroup leaders and staff for their work on the subgroups. He indicated that Youth and Disabilities would not be presented today due to time limitations, but will be included in the Blueprint in June. The highlights pertaining to each subject area covered by Deputy Commissioner Fichtner, and questions posed to the SETC are outlined below:

Performance Highlights

- A new case management system is needed to replace the current America's One Stop Operating System (AOSOS)

- Two additional state priority metrics should be considered for adoption to supplement the WIOA primary indicators: Employment in the 4th quarter AFTER enrollment, Number of new high-quality industry partnerships created
- Real time measures should be developed to inform program management
- Performance dashboards will be developed to disseminate results to the SETC and other key audiences and to support program management
- The Eligible Training Provider List (ETPL) is a critical tool for increasing informed customer choice and ensuring the accountability of training providers. New Jersey should remain a national leader in this area.

Dr. Fichtner stressed the importance of investing in a new case management and reporting system, indicating AOSOS (used for WIA, Wagner-Peyser and other program case management) has been in existence since the beginning of WIA in 1998-99. He also indicated the need for new employment metrics with an emphasis of counting clients when they enter the system and first receive services. Dr. Fichtner also spoke about creating a definition of high quality partnerships, and creating dashboards that provide real time information to assess progress.

Questions for Commission

- What additional performance measures should be considered for adoption as “additional state priority” metrics?
- What performance information is most important to SETC members?

Comments included the lenses of analysis considering the prior recession and the barriers faced, the conditions of re-employment, and what industries face within their own economy, i.e. the casino industry. The Deputy Commissioner indicated that USDOL is creating performance measurements that meet those types of demands and this is something New Jersey also needs to consider when developing our dashboards.

Commission members expressed an interest in seeing performance focused on measuring “human investment” as opposed to only counting numbers with regard to return on investment and special populations. Members suggested looking at the return on investment generated by high quality partnerships, rather than the actual number of partnerships created. Michele Boronkas suggested possibly including “growth indicators” in the performance outcomes. Additionally, it was recommended that both customer and business measures be developed. Chairman Bone asked what performance information the Commission would like to receive that they don’t currently receive. The Chairman indicated that it might be beneficial to engage the Talent Networks in reporting how each sector is performing with regard to demand skills, jobs created and credentials.

Deputy Commissioner Fichtner continued with his presentation, moving forward with initiatives around the One-Stop Delivery system. The highlights are as follows:

One-Stop Delivery System Highlights

- The One-Stop Career Centers must be locally-driven, with standards and branding determined by state and with a focus on accountability through robust performance measures.
- The roles and responsibilities of all One-Stop partners must be clearly defined.
- Uniform assessment tools and referral processes should be implemented to ensure consistency between One-Stop Career Centers.

Dr. Fichtner began by indicating the One-Stop Career Centers are the backbone of system. He elaborated on the importance that the system be locally driven but at the same time flexible and accountable. He indicated the WIOA requirement of a competitive selection of the One-Stop Operator, and the importance of creating a marketing strategy for the system.

Questions for Commission:

- How can we best ensure a locally-driven One-Stop Career Center system?
- How can the SETC support the important role of local Workforce Investment Boards in selecting One-Stop operators and in setting a vision and direction, and providing oversight, for One-Stop Center services that are responsive to local needs?

SETC members asked for clarification of the locally-driven model, and suggested that it be regionally driven since many workers commute outside of their local area. Dr. Fichtner explained the importance of authority within the system, and ultimately indicated the goal is a locally-driven office within a regional system. A robust conversation ensued about strengthening communication, ultimate authority and oversight, outlining roles and responsibilities of state and local staff, and the importance of staff training to ensure consistency of service delivery. The governance within the One-Stop itself is key, as indicated by the Chairman, and is the primary place to begin improving communication and messaging within the workforce system. Dr. Fichtner noted that the Helderich Center was contracted to conduct a study on the effectiveness of the One-Stop System, and a final report is anticipated in the summer. A question was raised regarding the effectiveness of the One-Stops, and requesting the number of jobs clients received through the One-Stop. Deputy Commissioner Fichtner indicated the outcomes are available on the LWD website. He elaborated that there is a need to train internal staff to ensure a unified approach to serving clients. Dr. Fichtner indicated that LWD was creating a new unit dedicated to staff development and training.

Dr. Fichtner continued his presentation with his final topic and questions on Career Pathways and Adult Literacy. The Career Pathways session had the highest level of attendance at the WIOA Conference. Dr. Fichtner indicated that LWD was developing a new Notice of Grant Opportunity (NGO) for the establishment of new Talent Networks. He elaborated that the NGO increased the role of the Talent Networks to be the lead in partnerships with business and industry. The Deputy Commissioner reported that the SETC and LWD are working collaboratively to develop a list of industry-valued credentials. He reported that an additional key issue within WIOA is ensuring literacy is contextualized within the learning system, and that this would be a major transition to the current system.

Career Pathways/Adult Literacy Highlights

- High quality industry partnerships should form the foundation of the workforce system. The state needs to define “high-quality industry partnerships” and focus resources on expanding the number that exist in New Jersey.
- Need to build capacity of staff and partners to create more high-quality industry partnerships. Should refocus the Talent Networks on facilitating and supporting the development of new high quality partnerships
- Develop a list of industry-valued credentials that will be the focus of nearly all training investments
- Engage outside expertise to develop an action plan for refocusing literacy investments on career pathways and contextualized learning, with a primary focus of helping those most in need (TANF, GA, SNAP).
- Align investments to support the development of high quality partnerships and career pathways.
- Continue and expand career awareness efforts

Questions for Commission:

- How can the SETC best support the development of high-quality industry partnerships?
- How will the focus on industry-valued credentials impact the workforce development system?
- What steps can be taken to strengthen the collaboration between workforce programs and community colleges?
- How can apprenticeships be expanded and supported by the workforce development system?

A fortified conversation among SETC members continued about the importance of career exploration being incorporated into secondary school and coordinating efforts with guidance counselors, teacher and school boards. Melanie Willoughby indicated that the SETC would benefit from increased involvement of education professionals, by adding K-12 representatives along with our strong partners from CTE. This would allow for more opportunities to partner with business to address these types of issues. Sally Nadler noted the importance of gaining information from the Talent Networks as to where job creation has happened, and identifying funding for industry-valued credentials and career awareness efforts. Additional conversations were had around the importance of pre-apprenticeship programs and the benefits of these programs, such as Youth Transition to Work (YTTW), that educate young people about career options. Members expressed interest in the elevation of pre-apprenticeship and registered apprenticeship programs, recommending that USDOL Office of Apprenticeship State Director be a member of the Commission. The Chairman indicated that the Commission places a high value in registered apprenticeship programs and pathways.

IV. Public Comment and Adjournment

Hillsborough Township Administrator Anthony Ferrara thanked the workforce system partners for their assistance within his township pertaining to filling job vacancies, assisting people that are displaced, exploring a pilot program serving people with disabilities, Youth Corps assistance with park maintenance, and recognized the importance of the township internship program with local colleges and universities.

USDOL State Apprenticeship Director Bernard Treml recognized the close working relationship between his office and the SETC and LWD, and suggested the need for a new Talent Network in construction. In addition, he indicated his office's recent efforts with the Healthcare Talent Network to create new healthcare apprenticeship opportunities.

The final moments of the Commission meeting were given to Lanse Davis to share his thoughts, as this was his last meeting prior to retirement. Lanse provided comments on the importance of providing career awareness at a young age, and indicated that thought should be given to reinstating the "School to Work" initiatives. Dr. Davis also emphasized that those individuals challenged with low literacy levels should remain a priority of the Commission. His final comment concerned a better connection to the content and findings within the Skilled Immigrant Report. Chairman Bone thanked Lanse for his comments and wished him well in his retirement.

Chairman Bone graded the meeting an "A+" for the robust and meaningful discussion. He reiterated the importance of the June meeting to vote on the WIOA Blueprint and concluded by thanking all the members and partners for their participation. The meeting was adjourned at 12:03 pm.

Next SETC Meeting:
Tuesday, June 16, 2015
10 am – 12 pm
NJ Law Center, New Brunswick

**STATE EMPLOYMENT AND TRAINING COMMISSION MEETING ATTENDEES
APRIL 30, 2015**

| <u>PRESENT MEMBERS and ALTERNATES</u> | |
|--|--------------------------------|
| Barry, Marie (for Hesper) | Nadler, Sally |
| Bone, Dennis | Nivins, Marsha (for Berry) |
| Brown, Kevin | Nutter, Harvey |
| Fichtner, Aaron (for Wirths) | Sabater, Julio |
| Frye, Dan (for Connolly) | Sen, Tapas |
| Garcia, Manuel (for Richman) | Trezza, JoAnn |
| Hornik, Stephen | Virella, Marie (for Hendricks) |
| Howard, Donald (for McNamara) | Willoughby, Melanie |
| Karsian, Andrea | Wise, Robert |
| Levinson, Jody | |
| <u>ABSENT MEMBERS</u> | |
| Carey, Michael | Orsen, Melissa |
| Donnadio, John | Reisser, Clifford |
| Duda, Teri | Stout, Bruce |
| Gacos, Nicholas | Wade, Carolyn |
| McAndrew, Brian | Wowkanech, Charles |
| <u>OTHER ATTENDEES</u> | |
| Bicica, John | Mickens, Felix |
| Ditmars, Linda | Molinelli, Tammy |
| Dunigan, Janet | Mombo, Mien |
| Ferrera, Anthony | Moran, Patricia |
| Higgins, Eileen | Piano, Julie |
| Hunnicut, Alice | Savage, Judy |
| Ielmini, Pete | Scalia, Donna |
| Irving, Chris | Smith, Tiffany |
| Janz, Greg | Starghill, Catherine |
| Kahnowitz, Marcia | Stoller, Jeffrey |
| Lazare, Shannon | Swartz, Jeffrey |
| McCloughan, Roger | Treml, Bernard |
| <u>SETC STAFF</u> | |
| Boronkas, Michele | Hutchison, Sheryl |
| Davis, Lansing | Lew, Kirk |
| Herzog, Christina | O'Brien-Murphy, Maureen |