

MEETING OF THE STATE WORKFORCE INNOVATION COUNCIL'S
EXECUTIVE COMMITTEE

February 19, 2009

Present: Paul Perkins, Derek Redelman and Dennis Wimer, SWIC Executive Committee members, and Leroy Jackson, SWIC Member, and from the Indiana Department of Workforce Development (DWD), Dr. Gina DelSanto, Senior Deputy Commissioner for Policy and Performance, Nate Klinck and Betty Culley, Policy.

Via phone: John A. (Jac) Price, Robert Schaeffer, Executive Committee Members

The public meeting was called to order at 1:17 p.m. by Chair Paul Perkins.

Dr. DelSanto stated the need to progress on the relationship triangle she had proposed at the last SWIC meeting. What does the State Workforce Innovation Council want to look at upfront, ongoing and at an end review from the Regional Workforce Boards. She called it a "cycle of continuous improvement." What will be the relationship between the SWIC and the Regional Workforce Boards and the relationships to the Regional Operators and service providers?

Mr. Schaeffer asked if this discussion was ultimately about the new draft of the State Plan or how the organization looks and its structure. Dr. DelSanto responded that there was a need for both. The new State Plan can't be written unless the reporting structure is understood and we can give concrete examples. Mr. Schaeffer asked if contact had been made with the Governor. Dr. DelSanto responded that she had a conversation with a contact in the Governor's office, but there will need to be a written document to present to the Governor. Mr. Schaeffer asked if DWD had information about the Stimulus legislation. Dr. DelSanto stated that the United States Department of Labor does not have a Secretary presently and that the timeline for the stimulus funds will be to obligate funds in 2010 and spend those funds by 2011. This coincides with the submittal of the State Plan on June 30, 2010.

Mr. Perkins said that from a management standpoint, the SWIC must look at the next level down because we depend on Regional Workforce Boards to do their job. He asked what the RWBs' deliverables should be to the SWIC. What should be the level of reporting from a macro perspective? Mr. Schaeffer totally agreed about the macro approach. He said the SWIC should not review the RFPs for service providers because that is a Regional Workforce Board decision. The SWIC needs to rely on the expertise of the RWBs. Mr. Perkins asked if we should set metrics for the next layer down by stating what their job duties are and if they have accomplished these duties. Mr. Schaeffer did not want to micromanage because the eleven regions are different. Though they have a common framework, SWIC members do not have the time or experience to get that far down in review. Mr. Price agreed with Mr. Schaeffer saying that the Regional Workforce Boards should oversee retaining service providers.

Mr. Wimer said that we should give the Regional Workforce Boards goals and measures. As long as the boards meet these, we do not want to be further involved. However, if they are not meeting these metrics, then we may have to intervene. Perhaps we would have an RWB look at the best practices of another board. What do we want to hold them accountable for?

Mr. Schaeffer asked what the RWBs were doing now. Dr. DelSanto responded that regions are disparate. Sometimes the Department asks Regional Operators for data and we don't get good information. There seems to be a lack of consistency in approach. The Regional Operator says that they report to their Regional Workforce Board and not to the Department. This makes it difficult for the Department to assert and achieve consistency and commonality.

Mr. Schaeffer asked if we have a reward system for the boards. Dr. DelSanto said we have the ability but have not acted upon it. She asked Mr. Klinck to provide an explanation. Mr. Klinck stated that the Department

awards WIA Incentive Funds for meeting performance metrics as stated in the Workforce Investment Act (WIA). Because Indiana is a two-workforce service area state, the State Workforce Innovation Council and the Marion County Workforce Investment Board receive the incentive funding initially. Then the SWIC awards to the Regional Workforce Boards.

Mr. Schaeffer had a concern about the Department asking for information. He said that Regional Workforce Boards should respond timely. Mr. Perkins said the Regional Workforce Boards are choosing the Regional Operators, and should we hold them responsible? Mr. Price said that the RWBs should be accountable to the SWIC. Mr. Perkins said that the RWBs present their plans to us. Mr. Schaeffer asked if we could dissect eleven regional plans since they are all different based on their area and spending patterns. Dr. DelSanto said that it is mandated by the Workforce Investment Act that the SWIC review local plans. Further discussion ensued about these responsibilities.

Mr. Perkins said that it would be reasonable for Department staff to analyze local plans and summarize how the RWBs intend to meet their goals. Though there are variables that cannot be affected due to formula funding, other variables could be creative with additional funding. Mr. Redelman wanted to know their overall plans and what their measurable goals are. How are they planning to meet those goals? Mr. Wimer said that the components and summaries should be in a consistent manner and we will hold the RWBs accountable. Then the SWIC can decide who gets what from the budget.

Mr. Perkins stated that this discussion was about the front end of the State Plan. Dr. DelSanto explained about staff give and take. DWD is staff to the State Workforce Innovation Council just as the Regional Operators are staff to the Regional Workforce Boards. We need to foster lines of communication between DWD and Regional Operators. Mr. Wimer asked how the SWIC could help with connectivity. Mr. Perkins asked if Regional Operators collaborate or compete. If they are competing, then that is a barrier to sharing methodologies. Members shared their experiences about previous Regional Operator meetings and reported that the Indiana Workforce Board Association collectively represents the regions.

Mr. Schaeffer stated that the Regional Workforce Boards monitor Regional Operators and their fiscal agents. Dr. DelSanto said that this information must come back to the SWIC since the SWIC must report to the Governor. Mr. Perkins said that this process will become clearer with metrics in place. Mr. Wimer said that one or two metrics could be given to the Governor, but that the SWIC could impact a handful of metrics.

Dr. DelSanto said that she had reviewed RWB spending on program delivery for direct services. There was a large range, but the highest figure was 37% spent on direct services. Mr. Klinck reported that these numbers were still being reviewed since there were many possible variables. Discussion continued with the members on how to determine accurate figures.

Mr. Schaeffer stated that the SWIC should have oversight and that direct contact with a region should be to the Chair of the Regional Workforce Board, not the Regional Operator. Mr. Perkins suggested that these regions could do many things such as implementing lean techniques like Toyota and agencies in the public service area. Mr. Redelman said that our role is at a high-level for outcomes. If we see low numbers, we need to dive in. Otherwise, we should be hands off. However, if something is so bad, we must then get involved. Mr. Perkins stated that we must foster allegiances with regions by asking them what resources they need. Mr. Redelman stated that we should find out what is behind the numbers and then the Department should work with the locals and bring that information back to the SWIC.

Mr. Perkins asked with regard to the five-year State Plan, does the SWIC want to pass through all funding to the regions? Dr. DelSanto said that the Department prepares budgets on an annual basis, but the SWIC doesn't look at the monies after they are allocated to the regions. Some regions may spend their yearly allocations and then request further funding. Should the SWIC look at incremental funding requests which come in? Mr.

Wimer said that we need metrics defined regarding what they are doing and then we must tie them to something like efficiency. DWD could supply the detailed specifics but the SWIC must monitor to be a better servant of the public funding. Mr. Redelman said that incremental funding should be approved by the SWIC with the boundaries set by metrics. It should be distributed by guidelines. Mr. Wimer said that the RWBs must report their metrics to allow a second distribution of funding plus provide a further plan. Dr. DeSanto said that fewer than five regions per year had asked for such funding in the past.

Mr. Price said that he understands that a well-managed region through no fault of their own can have a complete change in the economy with fifteen percent of the population becoming unemployed. He said that in Region 3, LaGrange is experiencing a 15.1% unemployment rate.

Mr. Perkins asked if the SWIC should review these incremental requests. Mr. Price said no. DWD staff has enough knowledge to decide. If there is no underlying reason for the request, then the SWIC should review. Mr. Redelman said that the SWIC has a responsibility, but we cannot approve every line item. We can set guidelines on how incremental requests are handled. Mr. Perkins stated that we would be lax if we didn't get involved. Mr. Wimer said that the SWIC should be informed and see reports and guidelines.

Mr. Perkins said that we should hold them accountable from formula through incremental funding. On the other areas, we should see the augmentation of their plan or their changing plans. We can make decisions based on those plans. Dr. DeSanto said that she would like the SWIC to provide oversight and input about the percentages in budgets and about certain thresholds of incremental funding. Mr. Schaeffer said that they would need to consider the timeframes and how to address these issues.

Dr. DeSanto said that she would like to keep the conversation going and suggested times for the next Executive Committee Meeting. The members decided the next meeting would be March 2 from 2 to 4 p.m.

The meeting was adjourned at 2:30 p.m.

STATE WORKFORCE INNOVATION COUNCIL

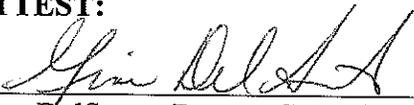


Paul Perkins, Chair

Date

6/9/09

ATTEST:



Gina DeSanto, Deputy Commissioner of Policy and Performance
Indiana Department of Workforce Development

6-10-09

Date