

Program Oversight Committee Meeting Minutes
Friday, June 21, 2019
8:30 a.m. – 10:00 a.m.
Kentucky Career Center at the NIA Center

Members Present: Rebel Baker Chreste, Christy Ralston (Chair), Patricia Williams, Valorie Hughes

Members Absent: Vincent James, Sadiqa Reynolds, Lisa Kaminski, Deana Karem

Staff: Michael Gritton, Cindy Read, Brian Luerman, Sarah Ehresman, Angella Wilson, Kathleen Bolton, Patrick Garvey, Rider Rodriguez, Mary Rosenthal, Jaime Disney, Laura Paulen, Aleece Smith, Stacy Roderick

Observers: Ryan Troutman, Micah Howard, Melinda Breslin, Marsha Berry, Renee Walters, Eric Hicks, Joyce Griffith, Regan Wann,

Welcome and Greetings – Christy Ralston

Christy filled in as chair in Deana Karem's absence. She welcomed the committee at 8:30 A.M.

Review & Approve Minutes from May 17, 2019 Meeting – Christy Ralston

A motion was made by Patricia Williams and seconded by Rebel Baker Chreste to approve the minutes with no corrections or additions. Motion passed.

Staff Recommendation

Approve Certification of Kentucky Career Center (KCC) at NIA – Angella Wilson

The KCC at NIA is an affiliate center, per state guidelines. Certification began in 2015 per WIOA standards, with requirements for centers to provide consistent, high-quality services that align with strategic and development goals. Previously the only requirement was to certify the comprehensive center. However, the Kentucky Career Development Office is now requiring that all affiliate centers also be certified. There are three components of the certification process:

- 1) Initial application, overseen by the One Stop Operator;
- 2) On-site review by external review team members (Kimberly Boyd-Lane of the Power of Work, Anna Larson of the Office of Adult Education, and Stacy Roderick of KentuckianaWorks) of five different measures (which are listed on the second page of supplemental materials provided to the committee);
- 3) Review of ADA accessibility report and action plan (completed by the landlord, Louisville Metro Government).

After these steps were taken, it was recommended by the review team that certification be granted to the NIA Center.

Cindy Read clarified that KentuckianaWorks doesn't own any of their buildings, they are tenants in all of them. Louisville Metro Government owns the NIA Center, in particular. Anything ADA-related that can be taken care of within the agency's budget is taken care of as soon as possible. A recent ramp project at the Kentucky Career Center was completed within six months,

for one example. There were no concerns as long as there is proper follow-up by the agency for any ADA compliance issues.

A motion was made to approve the certification of the NIA Center by Valorie Hughes and seconded by Christy Ralston. Motion carried.

Staff Recommendation

Approve Self-Sufficiency Policy – Sarah Ehresman

Cindy Read provided the background that the policies to be reviewed by the POC at this meeting were critical for the agency, though they haven't been reviewed in a while. In the law, individuals with barriers to employment are prioritized. However, finding skilled workers for employers is also prioritized. With this in mind, Sarah said the term "self-sufficiency" has to be defined in order to determine who can access certain KentuckianaWorks benefits.

Sarah gave background on the LLSIL (Lower Living Standard Income Level), which varies based on family size and region. It is updated annually by the U.S. Department of Labor. 70% of the LLSIL determines lower-income program eligibility, unless the poverty level (which is published by HHS) is higher. Per the current policy, 150% of the LLSIL from September 2011 (\$9.94/hour) is what is used by KentuckianaWorks. Sarah suggested this number is too low. Self-sufficiency is impacted by family size, though we are still using the family-of-one metric.

To tackle this issue, KentuckianaWorks staff researched standards used by the MIT Living Wage Calculator (\$11.18/hr.) and the Economic Policy Institute (\$15.47/hr.) as to the salary needed to meet basic needs, though those numbers change with additional household size. There is a gap where people are no longer eligible for government assistance, but also not self-sufficient. With that in mind, Louisville Mayor Greg Fischer has placed a priority on increasing the median wage of Louisville residents (currently \$17.50/hr.).

KentuckianaWorks staff recommended the self-sufficiency rate be Option 1, 300% of the federal poverty line (\$18.01/hour for an individual), which supports the mayor's strategic goal and is adjusted annually. Option 2 is the well-respected MIT Living Wage calculator, which is dependent upon family size. Michael clarified that the importance of determining the self-sufficiency line is that it determines who is eligible for training services from KentuckianaWorks.

The question was asked as to whether the rate would be dependent upon family size, to which Sarah said Option 1 does not, making it the simplest approach, whereas Option 2 does. Rebel pointed out that KentuckianaWorks represents six surrounding counties, not just Louisville / Jefferson County – would this rate reflect the entire region? Michael clarified, the goals set (such as the median wage) are for the entire 12-county Louisville MSA, not just Louisville city; as such, these rates would indeed cover the region. Sarah also pointed out that choosing 300% of the poverty line as the self-sufficiency wage would eliminate the "cliff effect," which distorts actual income due to people losing benefits (such as housing, food and childcare assistance) when their incomes increase.

Valorie Hughes moved to accept the recommendation of 300% of the federal poverty guideline (currently \$18.01/hr, but varies by year) as the self-sufficiency level, which was then seconded by Patricia Williams. The vote passed without vocal opposition.

Approve Targeted Occupations for July 1, 2019 – June 30, 2020 – Sarah Ehresman

The Target Occupations List determines which jobs we provide training funding for, with a minimum entry-level wage threshold which is tied to the self-sufficiency policy (though in the past few years, it has informally been \$12.50/hr.). Sarah's proposal is that the entry-level wage should be at least 200% of the federal poverty guideline for a family of one (currently \$12.01/hr.) in order to formalize this policy. Other criteria to determine the list of targeted occupations include having at 50 job openings per year, a projected job growth of >0 (ensuring job openings are not simply due to replacement), excluding positions that require graduate-level degrees or long-term on-the-job training, and focusing on key employment sectors that are growing in our region (healthcare, manufacturing, construction/trades, transportation/logistics, business, and information technology). Sarah presented a list of current targeted occupations, giving the Committee an option to add to the list.

Patricia Williams moved to accept 200% of the federal poverty guideline to be training funding requirement, which was then seconded by Valorie Hughes. The vote passed without opposition.

Christy suggested that it may be beneficial in the future to include all occupational sector strategy groups for alignment's sake in the targeted occupations list. She recommended that nursing assistant be added, especially with the rural healthcare sector in mind. Michael said we are trying to create a methodology to dwindle down the hundreds of occupation codes, but it is important to have a voice on the board from many sectors. This led to a discussion about including training for jobs that take down barriers for higher-wage jobs, even if that specific job doesn't meet the minimum wage requirements (ex: nursing assistants). Michael said they have asked the state for \$1,000,000 in healthcare training, which could be a game-changer for training entry-point healthcare jobs like CNAs. Michael referenced the "customer choice" model required by Congress. A concern was expressed that funding training for entry-level jobs may be like offering for candy for dinner; it's quick and easy to achieve, but not sustainable long-term.

Patricia Williams moved to approve the current list of targeted occupations, with the goal of discussing the addition of others in the future. The motion was seconded by Valorie Hughes. Motion carried.

Staff Recommendation

Approve WIOA funding for Information Technology training and Code Louisville staff–Rider Rodriguez

Rider reminded the committee that in November 2018, there was a proposal to allocate WIOA funding to Code Louisville for the transition to the partnership with JCTC. Because of "consumer choice" provision in the law, there has to be funding for IT training outside of just Code Louisville/JCTC funding. With this in mind, Rider said he would like to add the clarification of having flexibility for covering other costs in the larger IT training pool. Christy asked if there would be regular updates and a list of other IT training providers, to which Rider confirmed there would be. Rebel asked for the total amount of funding going toward the Code Louisville project. Michael said the Mayor has suggested \$200,000, but it has not been approved yet. It gets tricky because the way the revenue model is currently written, there will also be money coming back to the program from JCTC. KentuckianaWorks has also asked for \$200,000 from the state to cover start-up costs and staffing. Michael said that before, every cost was covered by the federal grant. With that federal grant expiring, KentuckianaWorks is still trying to keep it free for Code Louisville customers by securing additional funding streams. There are two options for keeping it free to consumers in this new model: 1) consumer eligibility for Pell grants or Work Ready scholarships, or 2) consumers qualifying for WIOA training dollars. Any

additional funding would have to come from Metro Government or other funding sources. At the same time, we have to make sure there isn't an IT training monopoly for Code Louisville as that would be in contradiction to the "customer choice" WIOA mandate.

Patricia Williams moved to approve the recommendation for the utilization of funds for Information Technology, which was seconded by Valorie Hughes. The motion passed with no audible objections.

Staff Recommendation

Approve renewal of manufacturing training contract for Preeminent Training Specialists, LLC – Cindy Read

Preeminent Training Specialists LLC provide short-term training (MTEC and CPT) at the Kentucky Manufacturing Career Center. They are certified by the Manufacturing Skills Standards Council to provide these trainings, which result in industry-recognized credentials. KentuckianaWorks competitively procured the training contract in 2017 for five renewable, one year terms and Preeminent won the contract. Cindy stated that they continue to perform beautifully in providing all the training at the KMCC and their pass rate is extremely high (90%). KentuckianaWorks is seeking approval to renew the contract, not to exceed \$150,000, to provide short-term training from July 1, 2019 through June 30, 2020. Cindy pointed out that KentuckianaWorks was awarded a \$300,000 grant from the Louisville Redevelopment Authority so funding is in hand.

Christy Ralston moved to approve the contract renewal for Preeminent Training Specialists, which was seconded by Valorie Hughes. The motion passed with no audible objections.

Staff Recommendations – Policy Revisions

Individual Training Account Policy – Mary Rosenthal

Mary explained that KentuckianaWorks receives both federal and state guidance on these policies, but the federal law allows much of the decision-making to be made at the local level, in terms of both how people access it and the type of training allocation the board chooses to provide. It has been a while since we have looked at these policies specifically.

People can access both short- and long-term training through KentuckianaWorks programs. Mary shared a graphic that showed the specific funding mechanisms for all of the programs. To access training in our system, there needs to be an employee need (i.e., not currently attaining self-sufficiency). Our current policy has several points around consumer access. For example, you can make up to \$25/hr. and still access training funding. We try to update your skills for your existing job sector before doing a full-fledged career change. Michael provided an historical context: back when we had more federal funding in previous years, we might have a budget \$2,000,000 WIA/WIOA targeted for training. Until you get to the last \$250,000, anyone could access training dollars. When we hit that point, then a priority of service method kicked in, giving training priority for individuals with substantial barriers (low-income, etc.). These days, with increasingly limited federal funding, we are now faced with considering priority funding all the time. The state has set a goal of at least 50% of those we serve as being adult priority workers. With this background, Mary provided a couple of options: 1) updating the upper-wage limit (300% of the LLSIL, or \$19.87); 2) updating the self-sufficiency policy (which we think is more closely aligned with our needs of balancing between job-seekers and employers). Michael pointed out that many of the people who come to Code Louisville have either an Associate's degree or a Bachelor's degree, but they're not attaining the wage level they would like. The higher you make the threshold, the more likely they're not able to be eligible for Pell grant or

Work Ready scholarships and the more likely they are to use WIOA money. The lower you set the priority limit, the more those people aren't going to be able to go through WIOA. That puts pressure on the organization to have an additional funding stream. Mary said it's a limited resource world, and the ultimate question is how many resources you have to utilize. It's also important to keep in mind what employers need.

Mary also shared that she had researched costs at JCTC, which is how we determine our ITA amount. Based on her research, we are recommending increasing the amount of a yearly ITA to \$4,100.

At this point, it was already past the cutoff time of 10:00 A.M.

Cindy emphasized we need a policy on this to start the program year. Michael pointed out, again, that in light of challenges caused by decreasing federal funding, the agency has not very much training money to offer customers. We're hoping to get \$1,000,000 from the state for healthcare, but it's still a challenge for customers.

Christy Ralston made a motion to increase the funding amount of ITAs to \$4,100. It was seconded by Valorie Hughes. A vote was taken with no objections.

On the question of access to training funds, Valorie Hughes said that our goal is to provide services to individuals who need them the most, and for consistency purposes, if \$18.01 is the self-sufficiency rate, we should align with that rate, which is 300% of poverty. Valorie made the motion to align access to training with the self-sufficiency rate of 300% of poverty and it was seconded by Rebel Baker Chreste. Motion carried.

Executive Director's Report – Michael Gritton

Michael thanked everyone for staying late and acknowledged Joyce Griffith upon her retirement as JCPS Adult Education Coordinator. She has been a long-term friend and partner (and occasional constructive critic!) of KentuckianaWorks.

The meeting adjourned at 10:12 A.M.