



Illinois Workforce Innovation Board

Bruce Rauner, Governor

John Rico, Co-Chair
Sean McCarthy, Co-Chair

Regional Planning and Design Center
315 N. Main Street
Rockford, IL 61101
June 16, 2016

IWIB Welcome/Roll Call

The meeting was called to order at 1:00 p.m. Roll call was taken and a quorum was present.

Present: John Rico, Sean McCarthy, Dr. James Applegate, Elba Aranda-Suh, Mike Conley, Julie Courtney, Debra Day, Elizabeth Dickson, Victor Dickson, John Donahue, Danielle Ferrari, Joe Forbes, Jennifer Foster, David Friedman, Thomas Hacker, Karen Hunter-Anderson, Grailing Jones, Alicia Martin, Angela Mason, Michael Massie, Barbara Oilschlager, Terri Payne, Michael Perry, Eloy Salazar, Juan Salgado, Margie Schiemann, Kris Smith, Andrew Warrington, Thomas Wendorf, Sylvia Wetzels, Terry Wilkerson, Michael Williams

Present by Proxy: Jeffrey Mays (Jeff Fulgenzi), Kirk Gadberry (Amanda Martin), Kris Smith (Francisco Alvarado), Tony Smith (Dora Welker)

Absent: Tom Ashby, Gena Atchison, Henry Beards, Leah Bolander, Melinda Bush, C.D. Davidsmeyer, James Dimas, Mike English, Pat Fabijanski, Norine Hammond, Marlon McClinton, Sandeep Nain, James "Jim" Schultz, John Sigsbury, Mike Smiddy, Aaron Tennant, Larry Walsh, Chuck Weaver, Grover Webb, Seth Wilson

Approval of February 25, 2016 Minutes

Co-Chair John Rico requested the board members to review the February 25, 2016 minutes as provided in the meeting packet. Ms. Barbara Oilschlager made a motion to approve the minutes as presented; Mr. Thomas Hacker seconded the motion. With no further discussion, the motion passed.

Opening Remarks

Co-Chair John Rico welcomed the board members and introduced Co-Chair Sean McCarthy, Acting Director of Commerce and Economic Opportunity.

Co-Chair McCarthy welcomed the board members and hoped the board members found the morning IWIB Retreat to be informative and to provide guidance and information on how each board member can continue to provide strategic direction in Illinois' workforce, education, and economic development system.

Co-Chair McCarthy thanked the Northern Illinois Workforce Alliance and its Chair, Karen Brown, and Rock River Training Corporation and its Executive Director, Mike Williams for hosting the day's retreat and meetings. He also thanked The Workforce Connection for providing the accommodations.

Co-Chair McCarthy stated that Jim Schultz transitioned from the Department of Commerce to a new role as the CEO of the Illinois Business and Economic Development Corporation at the beginning of April. The creation and

launch of the Corporation has been a priority for Jim, Governor Rauner, and the Department of Commerce staff. He stated the Corporation is a key part of the Governor's mission to turn our state around by bringing businesses and jobs back to Illinois. As CEO, Jim will be focused on getting the Corporation up and running as soon as possible in order to drive marketing and sales efforts in Illinois.

Co-Chair McCarthy provided a brief biography on himself including: serving as the Governor's Policy Advisor for Economic Development; working in economic development at a variety of different levels, in both the public and private sectors; working six years as the Community Relations Director at Nicor Gas; and serving at the Lake County Partners and the Department of Commerce and Community Affairs (now the Department of Commerce and Economic Opportunity).

Co-Chair McCarthy emphasized that Illinois' workforce is one of the state's most important assets and it is a critical part of attracting businesses and helping Illinois businesses to be more productive in order to grow Illinois' economy. Illinois has a phenomenal workforce, with some of the most well trained and well educated people our nation has to offer. The continued efforts of the IWIB in guiding the state's workforce development policy and services are important to keeping the workforce and the state competitive in the global economy. He continued to state that by connecting government with the private sector and encouraging collaboration, the state can ensure Illinois workers are being trained in high-demand fields and equipping the workers with the skills that employers need. Co-Chair McCarthy stated that he looks forward to working with all of the businesses, labor and education representatives, as well as continue working with all the state agency partners.

Co-Chair McCarthy stated that the Workforce Innovation and Opportunity Act (WIOA) provides new opportunities for the Board to support workforce efforts in Illinois. He thanked the board members for approving the state's Unified State Plan which has been submitted and waiting approval by the US Department of Labor and the US Department of Education.

Co-Chair McCarthy announced that Illinois has received a \$200,000 ApprenticeshipUSA Accelerator Grant to support planning strategies for registered apprenticeships. He stated Ms. Alicia Martin would be addressing the Board regarding this grant and a proposal to create an Apprenticeship Standing Committee of the IWIB later in the meeting.

Co-Chair McCarthy took a moment to acknowledge the recent passing of Ron Bullock. He stated that Ron was a champion for education, helping to found the Illinois P-20 Council to increase education opportunities for Illinoisans. Additionally, he served as the Chairman of the Illinois Manufacturing Association and their Education Foundation. He was a tremendous ally of Illinois' workforce development system and will be missed very much. Co-Chair McCarthy offered his condolences to those who knew and worked with Ron over the years.

Co-Chair Rico requested Sylvia Wetzel to say a few words about Ron. Ms. Wetzel shared kind words about Ron's passion and compassion regarding his work, his life, and him being the gentleman that he was.

Co-Chair Rico introduced the Rockford City Administrator, Jim Ryan. Mr. Jim Ryan welcomed the board members to Rockford and hoped everyone has enjoyed the opportunity to tour the Woodward Aerospace Facility and the hospitality of the City of Rockford has to offer. Mr. Ryan briefly mentioned the opportunities ahead in workforce development, as well as the economic development in the City of Rockford. He stated that being a part of the local workforce area for many years, he understands the importance of having a strong policies and guidance at the state level and thanked the board members for their involvement in continuing moving Illinois forward.

Ms. Karen Brown, the local Board Chair for the Northern Illinois Workforce Alliance, thanked the board members for holding the IWIB meeting in Rockford. Ms. Brown shared several prepared comments from Mr. John Strandin with regarding strategies of the local board to continue implement the new Workforce Innovation

Opportunity Act, as well as how to strengthen the working relationships among the education and business community to increase the opportunities for job seekers.

Co-Chair Rico reminded the board members that Illinois was selected to host the upcoming national Governors Association Summer Meeting in Chicago from July 31st through August 5th. Although the meetings were closed to only State board Chairs and Board Liaisons, he invited the board members to the reception which was held on the evening of August 1st at the House of Blues from 5 p.m. – 7 p.m.

Co-Chair Rico provided an overview of the agenda which included: updates regarding from the Executive Committee, Youth Standing Committee, TDL Task force, and Minimum Training Expenditure Workgroup and Illinois WIOA Implementation. Additionally, Ms. Jennifer Foster will address the Board regarding the process for formal communications to address cross-agency issues affecting local areas; and secondly, Ms. Alicia Martin will address the proposal of the formation of an Apprenticeship Program Standing Committee.

Co-Chair Rico thanked Beth Brinly and Lynn Majorek with Mayer & Mayer on facilitating the board member retreat which provided great discussion on helping the board to focus on the expanded roles and assist in moving forward in Illinois' vision for the workforce, education and economic development system. Co-Chair Rico stated that Beth Brinly would provide a presentation at the end of the meeting regarding high impact boards.

IWIB Executive Committee Update

Ms. Elizabeth Dickson, a committee member, provided an update of the Executive Committee's discussions and actions since the last quarterly board meeting. She stated that the Executive Committee convened a special session to provide final approval of the Illinois Unified State Plan. The plan was successfully submitted prior to the April 1, 2016 deadline. Additionally as part of the planning process the Executive committee approved a review process that will be a joint effort between partners in reviewing the regional and local plans.

Ms. Dickson announced that since the last quarterly board meeting, the Executive Committee has acted on establishing a working group, reconvening a task force, and follow-up on an IWIB approved convening of a standing committee to ensure implementation.

- Apprenticeship Workgroup – decided to form the workgroup based on the statewide interest and the nationwide focus on pre-apprenticeship and apprenticeship programs. Designated Alicia Martin to lead the efforts. She will be speaking more in a moment on this effort.
- Transportation, Distribution and Logistics Task Force – approved moving forward on this Task Force and selecting members. Tom Ashby will act as temporary Co-Chair.
- Youth Standing Committee – Followed-up on the forming of this committee to ensure they were moving forward. Mike Massie, the Chair of the group will provide a brief overview of their first meeting.

The Executive Committee has been working with the Governor's Office to get more appointments of business members to the board to ensure the business focus WIOA requires. Although the process has been slow, the Executive Committee is delighted to have some board members to receive their formal appointments; staff will continue to work with the Governor's Office to formalize outstanding appointments.

In conclusion, Ms. Dickson extended a thank you to Maher & Maher for their work during the board members' retreat. The Executive Committee provided a focus for what those meetings should include and with fantastic job in presenting and facilitating the message all walked away with more knowledge and insight of the Board's roles and responsibilities.

Process for Formal Communication to Address Cross-Agency Issues Affecting Local Areas – Action Item

Ms. Jennifer Foster emphasized the WIOA Interagency Work Group's belief for the need for a formal communication process by the IWIB Executive Committee to address cross-agency issues affecting local areas.

These formal communications would complement the required functions of the IWIB, as well as the WIOA policies that are issued. In general, these complementary, formal communications will be for the following:

- New or clarified guidance in significant areas that apply to or significantly impact multiple program partners (e.g., new guidance that flows from established authoritative documents such as the Governor's Guidelines), or
- Decisions about processes being put into place that apply to or significantly impact multiple program partners (e.g., the process used for review of regional and local plans and MOUs).

Ms. Foster emphasized that all identified needs for formal communications would be placed on WIOA Interagency Work Group meeting agendas. The WIOA Interagency Work Group will decide whether formal issuance by the IWIB Executive Committee is appropriate and if any corresponding changes need to be made to the draft communications included with the meeting agenda.

Additionally, the formal communications as approved by the WIOA Interagency Work Group will be included as an action item on the agenda. The action item will be provided seven days in advance of the upcoming conference call meeting of the IWIB Executive Committee. All approved formal communications approved by the IWIB Executive Committee will be issued on IWIB letterhead to the specific workforce delivery system stakeholders to which the communication pertains.

In exceptional circumstances when the need for formal communication from the IWIB Executive Committee is immediate, a special conference call meeting of the IWIB Executive Committee will be convened to obtain approval for the formal communications needed.

Ms. Foster made a motion to seek the IWIB's approval to accept the process between the Interagency Work Group and the IWIB Executive Committee issuing formal communications that will address cross-agency issues affecting local areas as she explained in her presentation. Ms. Elizabeth Dickson seconded the motion; Co-Chair Rico asked if there was any further discussion. A brief discussion was held among board members regarding the need for a formal communications process; however, the concern was how the formal communications and approval actions will be shared with the board members. It was stated that the Executive Committee, which is made up of board members including: Co-Chairs of the Executive Committee (John Rico and Tom Ashby), educational partners (Jennifer Foster and Terry Wilkerson), business members (Margie Schiemann, Elizabeth Dickson, and Alicia Martin), will ensure that the board members are kept up-to-date with important actions and decisions. With no further discussion and one board member voting no, the motion passed.

Committees/Task Forces/Workgroups Updates

Youth Standing Committee – Mr. Mike Massie provided a brief overview of the purpose and focus of the Youth Standing Committee. He stated that the Youth Standing Committee was a result from the board's approval of the final report of the Disadvantaged Youth Task Force report which used the vision and principles of the WIOA Unified State Plan to frame recommendations for creating sustainable career pathway for youth throughout the state with a focus on the needs of young people, 16 to 24 years old. The Youth Standing Committee members recognize the need to provide opportunities for youth to connect to meaningful education, training, and employment through various facets. Mr. Massie stated the committee members met prior to the June board meeting and will plan to meet prior to each of the quarterly board meetings and will provide updates to the Board as needed.

TDL Task Force – Deputy Director Julio Rodriguez of the Illinois Department of Commerce and Economic Opportunity, Office of Employment and Training provided a brief overview including a synopsis of the Task Force meeting that was held on June 15, 2016. He stated that the task force members identified the focus of the

group; it was decided the main focus would be on trucking industry by analyzing national and state data pertaining not only entering but retaining talent within the industry. A brief discussion regarding the information the Task Force members already has compiled should be beneficial for the future work to be done.

Minimum Training Expenditure Workgroup – Mr. Terry Wilkerson provided a brief history of the minimum training expenditure rates in Illinois was: in 2006 – 31%, in 2007 – 40% rate was implemented, and in 2012 – 44% was the average across the state. He stated that under WIOA, it is allowable to have the adult funding and the dislocated worker funding to be shared. The members of the workgroup will continue to review the data, which currently represents approximately 50% training expenditure, regarding the number of individuals being trained, what are the costs of training, etc. He thanked the workgroup members for the efforts thus far and stated that the workgroup would provide its recommendation to the Board by the quarterly meeting in September or at the latest, the December 2016 meeting.

Apprenticeship Program Standing Committee Formation – Action Item

Ms. Alicia Martin, Chair of Apprenticeship Work Group, stated that in the spring of 2016, the Executive Committee established the Illinois Apprenticeship Work Group, which includes leaders representing all key state apprenticeship stakeholders: business and industry, training providers, local workforce innovation boards, labor, philanthropies, community colleges, vocational rehabilitation services, and employment exchange services. She stated that apprenticeships were prominently featured in Illinois’ WIOA Unified State Plan as a major strategy for providing career pathways for economic advancement.

Ms. Martin stated that the Work Group met in May and assigned two ad hoc groups to look into apprenticeship definitions and “quick win” criteria. She explained that the purpose of the Work Group was to recommend a plan to the IWIB to establish a comprehensive and integrated apprenticeship system in Illinois, oversee its implementation and performance, and recommend improvements.

The Work Group’s focus was to design a comprehensive system of apprenticeship (traditional and non-traditional) that meets the needs of employers for workers with certified skills, competencies, and credentials while providing individuals with access to good jobs that offer career growth potential. Strategies to be considered included, but were not limited to:

- aligning apprenticeship supply and demand,
- organizing and engaging employers and industry partners,
- fostering apprenticeship program innovation and expansion,
- expanding access to under-represented populations, including women, minorities, and people with disabilities,
- promotion and branding, and
- other issues and opportunities to be identified by the work group

Through the Illinois Department of Commerce and Economic Opportunity, and with the input and guidance of the Illinois Apprenticeship Work Group, the State of Illinois applied and received a federal ApprenticeshipUSA State Accelerator Grant in the amount of \$200,000. With the support of DOL Accelerator Grant funds, the Illinois Apprenticeship Standing Committee would undertake a 24- month planning process that will enable them to leverage, connect, expand, and diversify Registered Apprenticeship opportunities in Illinois.

Ms. Martin made a motion to have the Apprenticeship Work Group become a Standing Committee of the IWIB due to the strategic importance of apprenticeships, to the Illinois WIOA Unified State Plan, the detailed two-year planning process to which the Work Group has committed, and the need to monitor and assess the performance of the new apprenticeship system. Ms. Elba Aranda-Suh seconded the motion. The board

members held a brief discussion regarding the availability to serve on the Apprenticeship Work Group; Ms. Martin and Co-Chair Rico encouraged any board member to participate in the discussions and meetings. Deputy Director Rodriguez emphasized that the committee members will be identifying, defining, and analyzing apprenticeship definitions, existing programs, barriers and best practices of apprenticeships. Additionally, he stated that the committee members will review traditional DOL and non-traditional DOL apprenticeship models for example IT, financial services, and healthcare, as well as community college, CBO, and industry models. With no further discussion, Co-Chair Rico called for a vote; motion passed.

Illinois WIOA Implementation Update

Deputy Director Rodriguez stated the Unified State Plan was submitted and approved by DOL with additional information submitted to respond to several concerns; currently the state has been working to rectify those concerns. One of the challenges was that requirements were changed midstream in the process, requiring the plans to be submitted through an electronic portal and the physical document would not be reviewed. He continued to state that Illinois' Plan had many data links referenced that was not accessible in DOL's review process. He emphasized that staff has met with one of the primary reviewers which provided great guidance as how to rectify DOL's concerns. Deputy Director stated the data referenced by links would be actually inserted into the revised Unified State Plan. He mentioned that based upon how substantive the changes needed would determine if a public comment period would be required. Additionally, he stated that this year has been a transition year which allowed the state to work with the Governor's Office to get the Board's membership in compliance by July 1st; staff continues to work to ensure that compliance requirements are met to retain federal funding.

IWIB High Impact Workforce Boards Overview

Ms. Beth Brinly and Lynn Bajorek with Maher & Maher provided a presentation of the meeting materials entitled "Next Generation Workforce System: High Impact Boards" and "High Impact Workforce Development Boards Exercise." Ms. Brinley requested that the board members divide into small groups to discuss the exercise worksheet included in the meeting materials. Each group of board members were assigned a criterion subject matter to discuss which included discussion of possible activities a local workforce board could undertake to achieve the elements and what strategies to achieve those elements. At the end of the exercise, a member of each group briefly shared a few of the activities identified during their discussion. Ms. Brinly thanked the board members for taking an active role in the success of the state board.

Public Comment

Mr. Tom Wendorf asked about what preparations the local boards have received for the implementation of WIOA. Co-Chair Rico asked Ms. Julie Courtney to address his concern. She stated the Department of Commerce and Economic Opportunity's staff has kept the local board well advised, through various informational meetings, national speakers have addressed issues, and attending the Illinois Workforce Partnership meetings has assisted the local areas with the transition and implementation process.

Adjournment

Co-Chair Rico stated that the next meeting will be held on September 15, 2016 at Rend Lake Community College in Ina, Illinois beginning at 1:00 p.m. He asked for a motion to adjourn the meeting. Jeff Fulgenzi made a motion to adjourn the meeting and the motion was seconded by Joe Forbes. With no further discussion, the motion passed. The meeting adjourned at 3:00 p.m.