

SOUTHWESTERN OREGON WORKFORCE INVESTMENT BOARD
December 17, 2015

MINUTES

SOWIB Members Present:

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| Kelly Morgan, Chair | Jon McAmis (phone) |
| Joe Benetti | Dena Miles |
| Alex Campbell (phone) | Georgia Nowlin (phone) |
| Bryan Grumman (phone) | Patty Scott |
| Mike Lehman | Robert Westerman |

Others Present:

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| Jake McClelland, Executive Director | Frank Brown, OED |
| Cynthia Stewart, Transition Coordinator | Guy Tauer, OED |
| Susan Buell, UT&E (phone) | |
| Karen Domine, SOCC | |
| April Hamlin, UCC | |
| Susie Yeiter, SCBEC | |

The meeting was convened by Kelly Morgan, Chair, at Southwestern Oregon Community College. A quorum was present.

Minutes of October 22, 2015

It was moved by Joe Benetti, seconded and passed, that the minutes of October 22, 2015 be approved as circulated.

Executive Director Report

Jake McClelland described his first few weeks in this job. He has been meeting with many people, learning about the local area, key local people and organizations, and how the workforce development system operates here. He has been preparing for the upcoming strategic plan activities and for moving ahead with co-location/service integration discussions with a broad range of partner agencies. Some of the work of the last few weeks will be covered in the subsequent agenda items.

Consensus Agenda: Ratification of Decisions Made by Email

It was moved by Patty Scott, seconded and passed that the consensus agenda be approved. This included ratification of the following decisions previously made by email:

- Selection of Hough, McAdam, Wartnik, Fisher & Gorman, located in North Bend, OR for accounting services.
- Selection of ANI insurance coverage through the broker company of Nasburg Huggins, located in Coos Bay, OR
- Approve execution of a contract with InCite, located in Salem, OR, for the Rethinking Job Search project.

Proposed Policy Revision – Criteria for Additional Assistance for Youth

Cynthia Stewart explained that changes to the previously adopted policy for Additional Assistance for Youth had to be revised to remove duplicate criteria that overlapped other categories being tracked in the I-Trac system. She also indicated that the revised policy was sufficiently consistent with the original intent that staff recommend its adoption.

Patty Scott moved, and it was seconded and passed, that the revised Criteria for Additional Assistance for Youth policy be adopted and replace the previously adopted policy. The policy as approved is attached.

Authorization for Check Signing

Cynthia Stewart explained that SOWIB's checking account at Umpqua Bank currently has four authorized signators. These include Kelly Morgan, Chair; Connie Stopher, Vice Chair, Dena Miles, Board Member; and Cynthia Stewart, Transition Coordinator. Although SOWIB policy authorizes the Executive Director to sign checks, Umpqua Bank requires approved meeting notes that authorize the change in signators.

Patty Scott moved, and it was seconded and passed, that Executive Director Jacob McClelland be added to the authorized signators of the SOWIB account at Umpqua Bank and that Cynthia Stewart, Transition Coordinator, be removed; and other signators remain the same.

Proposed Grant Acceptance Policy

Cynthia Stewart explained that it is mandatory that the Board approve any grants awarded to SOWIB. However, the opportunities to convene the Board are limited. In the meantime, the procedures for providing the funding to SOWIB involve multiple small grant awards which cumulatively comprise the budgeted amounts committed by OED. Additionally, there are occasionally other small awards that are not included in the adopted budget. For this reason, it is proposed that now that there is a permanent staff, the Executive Director be authorized to sign grant contracts that are assumed within the budget and all additional federal and state grants, provided that the Board is notified of the grants at the following meetings. If a grant that is outside the normal parameters, specific Board action should be taken prior to acceptance.

Patty Scott moved, and it was seconded and passed, that Policy #12, Grant Acceptance, be adopted and presented. The policy as adopted is attached.

Presentation Re; Jobs/Skills Gap, Guy Tauer

Guy Tauer, Regional Economist, OED, for Coos and Curry Counties presented information to follow-up on the question raised at previous meetings about the basis for the apparent gap between jobs available and job-seekers. While there are many jobs being advertised that are not being filled, there are also many job-seekers who are unemployed; so the question is why there is this gap.

A task force including Alex Campbell, Connie Stopher, Annette Sheldon-Tideman, Guy Tauer and SOWIB staff met and discussed the need for more information. Graham Slater, Research Division Director at OED, was contacted about the possibility of doing specific business research regarding the reasons they cannot fill certain positions. The pros and cons of doing additional business surveys were explored in the subcommittee and with Graham, and ultimately it was proposed that OED analyze the business data they already have to determine if they can at least partially answer the question. Guy's presentation was to inform the Board of what was discovered.

Guy explained that there is not a rich data set for the Coos, Curry, Douglas area, so that what OED was able to use was not a full statistical representation of the area. Of 5,374 businesses surveyed in the Winter, Spring and Fall of 2015, only 340 responded. Also, the data are aggregated into a larger area that includes Josephine County, so Coos, Curry, Douglas could not be isolated.

Of the approximately 2000 vacancies identified, half were from the leisure/hospitality and health care industries. Of those, 1300 were deemed hard to fill. The most common reason employers gave for not being able to fill vacancies was the lack of applicants in the area (25%; this corresponds to approximately 1/3 statewide). About 20% were because of unfavorable work conditions, 13% because of a lack of qualified candidates, 11% for a lack of soft skills needed, and 15% for lack of work experience.

From 54 of the 340 responding businesses, it was gleaned that the occupations with the highest rate of difficult to fill jobs were cooks, truck drivers, maids and nursing assistants. It was noted in discussion that these jobs are not ones that require advanced education or training.

Guy explained that other sources of data provide additional background. Lack of qualifications includes poor quality work, lack of experience, lack of necessary skill set and a small talent pool. Other jobs are hard to fill because they are temporary.

Online help-wanted data provides a richer and ongoing source of data. Although in OED surveys, the employer identification is anonymous, help-wanted ads clearly identify who the employers are. These postings could be used to plan how to address training needs in the area. In November, the top Coos County jobs being advertised were RN, retail sales, physical therapists, truck/tractor drivers, with RN at the top. Additional information is available from OED at www.qualityinfo.org/pubs.

Jake mentioned that he and Alex Campbell have been talking with the Ford Family Foundation about the possibility of funding to do further research in this area, including from the job-seeker perspective. If this appears to be a likely prospect, a blueprint for moving forward with it will be one of the strategies in the SOWIB strategic plan.

Strategic Planning: Preliminary Vision, Goals and Planning Focus

Staff presented a discussion paper preliminary to the strategic plan that highlighted three questions for Board discussion. Answering these questions will help to short-cut the planning process, which has been abbreviated by State deadlines. The strategic plan has to be completed by March 1, 2016 for public review and comment and finalized by April 1, 2016.

Vision

The following points were made about the staff-suggested vision statement.

- Emphasis on people already in the community who are long-term unemployed as previously discussed was not reflected.
- The draft vision appears to focus on family-wage jobs, in contrast to the low-wage jobs that are currently in demand.
- The vision statement should reflect the direction that is desired, not necessarily where the area is now.
- Are “family-wage jobs” a fiction that will never happen? We are not likely to be able to attract new industries.
- SOWIB controls the funds used in this area and the question is where can those funds best be used?
- Other partners will be integrating with the workforce development staff and that may help to address the long-term unemployed.
- The vision could be considered from the perspective of in which sectors growth is desired.
- There is a struggle with generational poverty, and the thought that school is not needed for the jobs that are available now.
- We need to create a work ethic and desire for education.
- There is nothing wrong with the jobs that currently are available, what is missing is not seeing that there could also be something more.
- The population of young adults, 18-24, who have never worked is growing.
- Suggested vision: emphasis on the realities of or existing workforce and regional employer needs.
- We are really talking about family income. We are 25% below the state median family income. Are there creative ways to establish incentives for part-time work?

- DHS, OED and other departments are meeting at the state level to try to figure out how to reconnect people with employment.
- It's not a goal to move people into other jobs; it's a goal to get them to work.
- The workforce participation rate is a problem.
- Work in this area is paid less than the same jobs in other areas. Businesses here are living on the edge and can't pay higher wages. So much of the business is seasonal, and they are failing. Until businesses can pay more, what can be done?
- We've survived in the past on the low cost of living, but now housing is impossible to attain. We can't find it for new employees and low and middle-income local people can't find housing. This is not sustainable.
- The perfect storm is higher cost of living, less opportunity to work and no increases in wages/salaries.
- We need to get the structure in place to change this environment.

Staff will work with this discussion and redraft the vision statement.

Business Sectors

Jake McClelland explained that the purpose of sectors is to be able to prioritize areas of investment; identifying target sectors provides a method of beginning the work that is needed. Comments on the proposed sectors included these.

- Health services are burgeoning in this area; we should target those hard to fill jobs.
- A single business alone cannot have an impact; but in aggregate, a sector can achieve the needs of many of the businesses in the industry.
- The categories suggested already have 60-70% of the employment in this area.
- We should target the workforce categories and sectors that support the realities of the population.
- We should add apprenticeship programs, joint ventures between the industry and the workers. This model can be applied in many other cases.
- Education should be its own sector; we can't even hire teachers here.

The sectors that were preliminarily approved are:

- Manufacturing
- Trade, Transportation and Utilities
- Health Services
- Leisure & Hospitality/Tourism
- Education and Human Services

Other Areas of Emphasis

Emphasis should be placed on generational poverty, sustainable family income levels, youth (16-18) and advancement of education; and soft job skills.

Budget Update

Cynthia Stewart reviewed the budget and funding model. No decisions were needed. These updates will be provided at each meeting.

Update on Rethinking Job Search Project

Jake McClelland announced that Meredith Howell was selected to be the facilitator for the Rethinking Job Search project and that her contract has been executed and she has completed the first set of training. She hopes to initiate the first series of sessions in early February.

Proposed Contract Extension – Cynthia Stewart

A contract extension as proposed was approved with Cynthia Stewart. She will assist with strategic planning, support the financial transition, develop financial procedures, and provide additional administrative support pending new employees.

Next Meeting Dates

It was agreed that the Board would meet in person quarterly, beginning in February 2016, with monthly meetings by electronic means if needed. The possibility of an Executive Committee to handle business in the interim was mentioned but no action was taken.

The meeting was adjourned at approximately 1:45 p.m.