

State Workforce Development Board Meeting

Thursday, October 8, 2020

10:00 a.m.

Zoom Virtual Meeting

Topic: State Workforce Board Meeting

Time: Oct 8, 2020 10:00 AM Mountain Time (US and Canada)

Join Zoom Meeting

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Meeting ID: 920 2226 8407

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One tap mobile

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Meeting called to order: (10: 03 a.m.) Tracey Bryan, Board Chair

Roll Call: Roll was called, quorum was not met.

Attendees:

Tracey Bryan, Board Chair
Secretary Bill McCamley, NMDWS
Ezra Spitzer
Councilor Gill Michael Sorg
Benjamin Woods
Carla Kugler
Director Greg Trapp, Comission for the Blind
Carlos M. Romero
Nancy N. Sauer
Representative Antonio Maestas

Mark Chisolm, Higher Education Department
Deputy Secretary Angela Medrano, Human Services
Department
Mayor Victor Charles Snover
Bryn Davis
Dale Dekker
Deborah L. Moore
Debra "DJ" Heckes
Daniel Schlegel, Governors Office
Philip Ingram

Absent:

Bobby Ehrig
Rick Davis
Joanna M. Anaya
Bob Grassberger
Senator Michael Padilla
John Rockwell
Rene Lowden

Deputy Secretary Jon Clark, Economic Development
Richard Meyer
Dale Armstrong
Deputy Secretary Gwen Perea-Warniment
Public Education
Johannius Chemweno
Vince Alvarado

Minutes

Welcome, Introductions, and Opening Remarks (Agenda Item I): Tracey Bryan

Board Chair introduced a new board member Philip Ingram from Hobbs. Mr. Ingram is CEO of IPS Services, and employs ~ 200 New Mexicans.

Agenda Item II: Motion to approve agenda

Board unable to approve agenda, quorum was not met.

Agenda Item III: Motion to approve State Workforce Development Board Meeting minutes from August 13, 2020

Vote on approval of Special Meeting August 13, 2020 minutes

Action:

- Item was tabled to next meeting; quorum was not met for meeting.
 - Board will vote to approve minutes from August 13, 2020 & October 8, 2020 at next scheduled meeting.
-

Agenda Item IV: State Workforce Development Board Open Meeting Act Addendum Proposal

Vote on the proposed integration of recommendations for meetings held during times of state emergencies into the SWDB bylaws

Action:

- Item was tabled to next meeting; quorum was not met for meeting.
 - Board will vote on the proposed integration of recommendations for meetings held during times of state emergencies into the SWDB bylaws at next scheduled meeting.
-

Agenda Item V: Local Area Designation Discussion with Local Board Representatives

Discussion with Local Areas Representatives on Subsequent Local Designation Requests and Financial Documents

- **Northern Area**
- **Eastern Area**
- **Southwestern Area**
- **Central Area**

The Local Area Restructure Evaluation Committee Chair, Daniel Schlegel, led a discussion between the sub-committee and designated Local Area Board representatives. The local area representatives requested to be present were CEO, Board Chair, AE and fiscal agent.

The discussions focused on Local Area Designations requests submitted by each board and PY 2020 Financial Expenditure reports recently submitted to NMDWS. Upon review of submitted documents, the sub-committee prepared questions to guide the discussion: The following were the questions asked by members from the sub-committee:

Questions

1. Please explain the process you follow in establishing and authorizing your annual budget.
2. Please explain the process you follow in establishing your annual performance metrics.
 - a. What process do you follow in evaluating your service provider against those metrics?
3. What strategies are you currently using to engage communities when planning for your local area?
 - a. How do you measure and report your impact on these communities?
 - b. How do you gather feedback/input to improve your efforts?
4. How much funding do you estimate is directly paid to **training providers or employers for OJT**, work experiences, tuition, supplies and supportive services in your local area versus direct/indirect costs for case management and administration of services to your contracted providers?
 - a. Does the board set a specific targeted split? If so, what is it for your area?
 - b. How do you manage when projections are not met?
 - c. Do you offer incentives and/or negotiate profit for each provider? If yes, what have you paid in your area?
5. What are your goals to deepen engagement of businesses in your local area to help them recover and gain the staff they need in the current environment?
 - a. How are you connecting this support to your Sector Strategies?
 - b. How do you hold your providers accountable to meet these goals?
 - c. How is this reported?
6. How does your proposed local area designation align with Sector Strategies?
 - a. If necessary, how can the local area designations be restructured to better support your efforts?
7. What do you need to strengthen your capacity to serve your local area?

The questions were asked in the order presented for consistency to each local area; follow-up questions were asked based on the responses from the local areas. See attached Local Area Designation Summary that embeds responses as well as review of designation plans submitted for review.

Board Chair Bryan concluded the Q & A session with appreciation for all representatives of each local workforce board, addressing the important roles both the local area boards and the state board have in this critical time of the state economic opportunity and emphasizing the desire of SWDB to become efficient, effective and innovative.

Action:

- Designation Restructure Sub-Committee will re-convene to evaluate the information received from each Local Area; Sub-Committee will submit recommendation(s) to State Board for approval. Approved recommendation(s) will be forwarded to Governor's office for review.

Agenda Items VI: Public Comment

- No public comment was submitted.

Meeting Adjournment at 12: 21 p.m.

Local Area Designation Summary of Proposals

Requirement	Northern	Southwest	Eastern	Central
<i>Proposed designation consistent with labor market areas in the state</i>	Propose no change in local area designation. Indicate counties are contiguous and consistent with labor market	No Change proposed for local area designation. State current designation is consistent with labor market areas within region.	No proposed change for local area designation. Notes area shares multiple labor market areas with west Texas due to seven of the twelve counties sharing a border with Texas	<p>Recommends no changes for local area, however, indicate interest in adding urban areas to support overall coordination across labor market (ie, national laboratories, UNM – NMSU – NMTech). Socorro office is currently supported by Central staff even though it is aligned with SW area.</p> <p>States Central LWDB is consistent with labor market areas within the state.</p>
<i>Notes</i>	<p>Overall the quality of the responses from each of the LWDBs was vague. The responses seemed to be perfunctory in nature to meet a compliance requirement. Not enough history or context provided describing HOW the current designations are consistent with the labor markets they serve.</p> <ul style="list-style-type: none"> Central Area includes four counties: Bernalillo, Valencia, Sandoval and Torrance. It's the largest serving MSA. Northern Area includes 11 counties: Cibola, McKinley, San Juan, Rio Arriba, Taos, Mora, Santa Fe, San Miguel, Mora, Colfax and Los Alamos Southwest Area includes 7 counties: Catron, Socorro, Grant, Sierra, Hidalgo, Luna and Dona Ana. Eastern Area includes 12 counties: Union, Harding, Guadalupe, Quay, Curry, DeBaca, Roosevelt, Lincoln, Chavez, Lea, Otero and Eddy. 			
Requirement	Northern	Southwest	Eastern	Central
<i>Proposed designation is consistent with regional economic development areas in the state</i>	Shares EDD Region with East and Central. EDD places Sandoval as part of northern	Current geographical area is consistent with economic development map.	<p>Share EDD Regions with Northern WDB.</p> <p>Union, Harding Guadalupe and Quay counties</p>	<p>Share EDD Regions with Northern area.</p> <p>Central area is not well aligned with EDD mapping. Current EDD map includes Santa Fe in central region and places Sandoval in northern area.</p>

	regional development. Santa Fe is placed in Central region.		are aligned with northern area.	
Notes:	<p>Overall responses from LWDBs fell very short. Proposed designations lacked a coherent view of how the local area aligns and coordinates with EDD region. For instance there was little to no mention of commuting patterns, types of industries, or mix of industries served in each local area. Sandoval county although served by Central WDB, services seem to be limited to Rio Rancho. Overall there seems to be very poor alignment with the “map” of Economic Development. Proposals lacked depth about how regional economies are tied to local board strategy and investment.</p> <p>Responses lacked connection with economic development strategy and business engagement. Belief that somehow our system has “lost its way” – totally focused on social service approach only. One customer at a time vs. a sector strategy approach focused on partnership with local industry within each EDD region.</p>			
Requirement	Northern	Southwest	Eastern	Central
Description of gaps and/or challenges with current designation, along with a proposal of changes to address those gaps and/or challenges	<p>Currently two MSA’s within designation – Santa Fe and Farmington; Majority of service area includes rural communities with sparse resources.</p> <p>No proposed solution to address gaps / challenges</p>	<p>One MSA within designation – Las Cruces; majority of service area includes rural communities with sparse resources.</p> <p>No proposed solution to address gaps/challenges</p>	<p>No MSA within designation. Predominantly rural counties. Largest communities include Roswell, Hobbs and Carlsbad</p> <p>Primary gaps identified are access and outreach for rural areas. Addressed some strategies to meet gaps.</p>	<p>Largest state MSA within area - Albuquerque.</p> <p>No gaps/ challenges with current area in terms of access to resources or services.</p> <p>Report gaps in service delivery for youth</p>
Notes:	<p>LWDBS all identified service delivery challenges for the youth program statewide. Gaps include: shortage of funds (Central), difficulty recruiting out-of-school versus in-school youth; concerns with federal funding requirement of 75/25 split between out of school and in school programming; difficulty with sustaining engagement, job placement. Overall response from LWDBs was limited to service delivery versus strategic planning for designated area. There is a general lack of understanding of role/responsibility for strategic planning across regional areas.</p> <p>DWS Staff identify the following gaps/challenges:</p>			

	<ul style="list-style-type: none"> • Governance challenges as a result of designation: ie, lack of engagement with CEOs and board representation from all counties, leading to poor overall quality of strategic planning, design and implementation of programming. • Lack of comprehensive planning with regional markets within designated areas resulting in little to no coordination of sector strategy or career pathway development for designated area. • Lack of coordination across local areas with shared economic development regions more than likely resulting in poor outreach, access and quality of services for the customer. 			
Requirement	Northern	Southwest	Eastern	Central
<i>Are there available federal and non-federal resources, including appropriate education and training institutions, to effectively administer activities under the Youth, Adult and Dislocated worker programs under title I of WIOA for the proposed designation;</i>	<p>18 providers on Eligible Training Provider List (ETPL); Includes both public and private entities.</p> <p>Only one Title I provider: HELP –NM for adult, dislocated worker and youth programs (non-profit organization)</p> <p>PY19 (07/01/19 – 6/30/20 Adult = 604 DW = 136 Youth = 238</p> <p>Planned FY21 – 500 adults 205 youth</p>	<p>10 training providers on ETPL; includes both public and private.</p> <p>Three Title I providers: Equus – adult and dislocated worker (* for profit organization)</p> <p>Youth Development Inc, - youth services (non-profit organization)</p> <p>Alamo Navajo School Board - youth services</p> <p>PY19 Adult = 409 DW = 144 Youth = 225</p> <p>Planned FY21 – Total 705 between adults, DW and youth</p>	<p>8 training providers on ETPL; includes both public and private entities.</p> <p>One Title I provider: Eastern University, adult, dislocated worker, and youth programs (higher education institution)</p> <p>PY19 Adult = 476 DW = 72 Youth = 103</p> <p>Planned FY21 – Goal is 1,400 <i>*stretch goal</i></p>	<p>22 training providers on ETPL; includes public and private entities</p> <p>Two Title I providers: SER for Jobs – adult, dislocated worker (non-profit)</p> <p>Youth Development Inc, (non-profit organization)</p> <p>PY19 Adult = 1036 DW = 283 Youth = 554</p> <p>Planned FY21 – 2,700 total participants <i>*stretch goal</i></p>
Notes	SWDB recommends a comprehensive review/analysis to determine overall quality and impact of training programs offered. Are training programs consistent with labor market			

	<p>industry? What's the overall alignment with regional economic development strategies and industry needs? Need to fully understand gaps and if so, what's planned. Are ETPL programs meeting performance/outcomes – how effective are the training programs (ie, certificates, degrees, completion rates, etc....)</p> <p>LWDBs did not clearly present impact of services to local area. Presentation before SWDB did not provide in-depth information if services, as organized and delivered are actually meeting the demands of the area. It is unclear if the ETPL for each region is sufficiently meeting training needs of region. Also unclear how LWDB facilitates/implements planning with training providers to meet needs of local/regional sectors.</p> <p>Additional analysis required to determine if number of individuals served through each area is the best we can do with the federal funds received. Unclear if LWDBs have a plan/target to measure/evaluate overall impact.</p>			
Requirement	Northern	Southwest	Eastern	Central
<i>Submission of service delivery plan that includes description of resources available to the area to provide services; coordination of multiple resources;</i>	<p>Service delivery plan meets WIOA policy requirements for Title I funds. Comprehensive coordination of multiple resources, ie via One-Stop Operator is emerging. Partnerships with key workforce entities is an area of improvement identified by DWS Staff.</p> <p>Sector work is led by Board members, is emerging but is not fully developed.</p>	<p>States delivery plan that is centered on a business-driven system, not comprehensive about coordination.</p> <p>MOU with various partners to provide services is mentioned.</p> <p>One-Stop Operator attends several meetings – coordination across partners ie emerging and is identified as an area of improvement by DWS staff.</p> <p>Sector strategy efforts needs improvement.</p>	<p>Descriptive, no supporting information on execution.</p> <p>Overall coordination with multiple partners is emerging. One-Stop Operator is actively engaged with coordination at local level, strategies to adopt referral/follow up practices underway.</p> <p>Overall emerging, but not fully developed. Sector Strategy efforts underway, but needs further work.</p>	<p>Service delivery provided with examples of resources and service delivery methods.</p> <p>One-Stop Operator actively engaged with partnership with multiple organizations and agencies. Have sustained a quarterly meeting with partners to organize/plan and execute activities to meet demands of employers/job seekers and to share resources/knowledge of tools. Sector work is defined and emerging. Sector Strategy work, other areas continue to emerge.</p> <p>Organized a county job council within local area to identify job demands.</p>

Notes:	<p>Overall read as a description of “what is supposed to be in place” versus vision for service delivery. Some acknowledged concerns about overall delivery, did include where they are failing and but no discussion about what is intended to address gaps.</p> <p>Members were interested in knowing more about what is planned for upskilling workforce, strategies for engaging business in a meaningful way, SECTOR STRATEGIES and career pathway plans. Seemed like an obligatory process – you are going to give us the money anyway. Eastern area did share information about activities underway to help displaced oilfield workers to focus by focusing training opportunities in healthcare and education. Northern area noted attention on new provider as a key to helping to improve their outcomes and need for more diverse approaches to meet the needs of their area. Central board shared strategies focused on improving partnerships with their core and postsecondary partner (ie, CNM) to diversify training. Again, as stated above, unclear about regional/local planning to align training programs with industry and sectors. There is also a very clear gap in “career pathway” planning/coordination across all areas.</p> <p><i>SWDB requested additional information about credentials/skills gains for each local area. This information will be included with upcoming Annual Reports due 10/30/2020</i></p>			
Requirement	Northern	Southwest	Eastern	Central
<i>Demonstrate support for designation by chief elected official, including, but not limited to county commissioners, mayors, city council, or other applicable board.</i>	<p>Submitted designation that included signature from lead CEO.</p> <p>Review of CEO meeting minutes do not include reference to review or approval of Local Plan prior to submitting.</p>	<p>Submitted designation that included review/approval from CEO Board, June 10, 2020</p>	<p>Decreasing involvement from CEOs; single support letter from Tatum Mayor. No CEO Board meetings found on website.</p>	<p>CEO Agreement submitted; Rev. Jan 2019. No CEO Board meetings found on website. Last minutes posted are dated 11/13/2018. Unclear if plan was submitted for review/approval</p>
Notes	<p>The overall engagement with CEO’s is weak and in seriously out of compliance with WIOA requirements. While there was mention of outreach and engagement, there are inconsistencies statewide and participation of CEOs is missing in the planning, development or implementation of local area and regional planning.</p> <p>SWDB recommends this as a first step/focus area for DWS. Recommendations include:</p> <ul style="list-style-type: none"> • Review/revise policy regarding membership requirements and engagement to strengthen work at local level and engagement. • DWS lead CEO education about roles/responsibilities • Provide technical assistance to assist with local area designation/regional planning process 			

	<ul style="list-style-type: none"> • Develop CEO agreements, bylaws, LWDB appointment, fiscal agent designation • Ongoing monitoring to assure compliance with meeting requirements and to deliver technical assistance to enhance overall engagement 			
Requirement	Northern	Southwest	Eastern	Central
<i>Demonstration of local capacity to manage funds per federal and state guidelines, and capacity to provide oversight of programs.</i>	<p>Santa Fe accounting firm is current fiscal agent, name not given.</p> <p>Fiscal Performance:</p> <p>PY18 = 100% on all categories except 86% youth PY 19 = 93% admin, 72% youth, 67% DW</p> <p>Recaptured and redistributed youth funds 7/1/2020</p>	<p>No mention of capacity to manage funds, other than no findings on last audit.</p> <p>Fiscal Performance:</p> <p>PY18 = 100% on all categories PY 19 = 100% on all categories</p> <p>No risk of recapture.</p>	<p>EAWDB is its own fiscal agent; resulting in concerns about checks and balances?</p> <p>Fiscal Performance:</p> <p>PY18 = 100% on all categories PY 19 = 12% admin and 35% DW</p> <p>Balances carried forward – potential risk for recapture of admin. DW funds can be transferred to adult population</p>	<p>15 yrs. With Mid Region Council of Gov't; audits in good standing. Successful expenditures of funds provided for region.</p> <p>Fiscal Performance:</p> <p>PY18 = 100% all categories PY 19 = 80% youth, 87% Admin, 92% DW</p> <p>Balances carried forward. No risk of recapture.</p>
Notes:	<p>Another area of great concern and potential risk for noncompliance due to lack of overall planning with and accountability back to CEOs. Clear that although some of the LWDBs have good accounting practices, discussion about accountability for fiscal performance, review and report back to CEOs was missing in all proposals.</p> <p>WIOA staff identify the following areas in need of improvement:</p> <ul style="list-style-type: none"> • Northern – Remains on administrative oversight with focused technical assistance to strengthen fiscal operations. Concerns raised by lack of capacity of fiscal agent to fully execute duties/responsibilities as defined by WIOA. CEO's recently engaged and there is an emerging understanding of roles/responsibilities. • Eastern – Recent independent audit includes findings related to checks/balances; concerns about firewalls between Board Administrator/staff and fiscal agent, also serious lack of engagement with CEOs in development/oversight of budget. Major concerns raised about validity of Eastern Area as a "local public entity" as claimed. 			

	<ul style="list-style-type: none"> • Southwest – Weakness in budget planning and fiscal monitoring; DWS team has monitored and provided technical assistance for low spending; Strength includes consistent and transparent engagement with CEOs. • Central – no significant concerns regarding fiscal performance; major area of improvement includes engagement and reporting to CEOs. 			
Requirement	Northern	Southwest	Eastern	Central
<i>Evidence that the proposed entity, in the two program years for which data is available prior to the request, met or exceeded the adjusted levels of performance for primary indicators of performance, successfully met state and federal fiscal requirements, and was not subject to the sanctions process per NMDWS and USDOL guidelines.</i>	Met or below goals for Adult, DW and Youth PY18; Improved performance in PY19. Currently on administrative oversight with NMDWS due to fiscal finding for PY18 for disallowed costs and lack of fiscal controls.	Provided data for PY 17 & 18, indicating performance measures from “Not Met” to “Exceeded” in Adult, DW and Youth categories	Exceeds performance for Adult, struggle with Dislocated, declining performance on Youth	Meet or exceeds performance metrics with Adult & DW; Did not meet one goal with youth; Youth performance increases in PY19.
Notes:	<p>Members want more clarity on what performance measures mean, for example, what do the % mean in performance measures of the local board reports? It was not clear to the members what impact each board actually has in their region/local area – Are the measures meaningful? Are performance measures linked to overall fiscal investments – are the funds being well utilized? Members want more information about performance. Not a single board mention goals/targets and how these are measured against performance, goals, vision or expected outcomes for the area served.</p> <p>Members all agree this is an area of concern; as well as concerns related to youth performance. None of the boards are meeting targets. None of the boards could clearly discuss impact of services in their local area.</p>			
Requirements	Northern	Southwest	Eastern	Central
<i>The proposed designation must address how the proposed new area designation will impact other local workforce areas/regions. It</i>	<p>No new designation proposed.</p> <p>Recommend to keep local area as is.</p>	<p>No new designation proposed</p> <p>Recommend to keep local area as is.</p>	<p>No new designation proposed.</p> <p>Recommend to keep local area as is.</p>	<p>Proposed no recommendations to expand or decrease territory, unless the SWDB moves for transformation.</p> <p>If changes made, suggest to consolidate Nat’l Science Laboratories, 2 major</p>

<p><i>should be understood by any county, city or combination of such seeking the designation, that the new area will secure formula allocated funds for each WIOA funding stream, (ie, adult, dislocated worker and youth) based on the formula factors defined by USDOL</i></p>	<p>Unclear position of CEO's regarding designation. Only lead CEO approved.</p> <p>Designation submitted with signatures from Administrator, Board Chair and Lead CEO.</p>	<p>Clearly the CEO's are in agreement with the proposed plan. Was an agenda item for discussion and action</p> <p>Designation submitted by Lead CEO. No signatures</p>	<p>No position from CEO's other than one letter of support from Mayor of Tatum. Unclear position of CEO's regarding designation.</p> <p>Designation submitted/signed by local board chair</p>	<p>universities and MSAs in same territory.</p> <p>Propose Central region add Santa Fe, Los Alamos and Rio Arriba</p> <p>Unclear if CEO's agree with proposed recommendations. No minutes reflecting plan was presented or discussed. No letter of support from CEO's. Agreement is submitted with signatures from all CEO's – but no signature from Lead CEO or Board Chair. Designation submitted/signed by Administrator for Central Board.</p>
<p><i>Summary Reflection Notes:</i></p>	<p>Overall, proposed local area designation requests are incomplete. Immediate attention is needed to engage local chief elected officials to assure they understand their fiscal responsibilities under WIOA. The SWDB has directed DWS – WIOA team to immediately implement efforts to engage with CEO's to provide a comprehensive orientation, ongoing technical assistance to facilitate CEO meetings, develop By-Laws and designation of lead CEO for each local board, facilitate decision making, review/approval of local board membership, review/approval of fiscal operations.</p> <p>Local area designation will remain as described, ie, Northern, Southwest, Eastern and Central. The SWDB is undergoing a comprehensive review of the entire workforce system, to include local/regional designations. Letters to each of the LWDBs will be issued acknowledging designation of local area, along with recommendations for improvement and notice that SWDB will continue to review entire workforce system.</p>			