Employment Security Department
WASHINGTON STATE

	EMPLOYMENT SECURITY ADVISORY COUNCIL (ESAC)		
Meeting Date:	**Date: 12 November**	**Time: 1:00 PM**	**Location: DES, 1500 Jefferson Street, Room 2208**
Attendees:	Gary Chandler Larry Brown, by phone Pamela Crone Teresa Mosqueda Robert Battles Dale Peinecke Lisa Marsh Tim Probst Cathy Hoover Janelle Guthrie Neil Gorrell Carole Holland Cynthia Forland Chad Pearson Scott Wheeler Guests		
Absent:	Lee Newgent Mike Gempler, excused Ollie Garrett, excused Sridhar Sukemaran, excused		
Scribe:	Cheryl Flynn		

Welcome and Introductions: Dale Peinecke, Commissioner

➢ Document #1, Remembering Bob Craves

    ➢ The committee recognized the work and contributions of Bob Craves

State of Washington's labor economy: Cynthia Forland, LMPA Director

➢ Document #2, "ESAC state of the state Nov 2014"

    ➢ Public sector jobs were included in the information provided.

    ➢ Lisa Marsh stated that ESD does not maintain age based wage data because date of birth is not required when employers file quarterly UI wage reports.

➢ Slide #10, Minimum wage jobs by county reflects data based on the location of the job, not the location of the job seeker's residence.

➢ More people are entering the system via the web. This is the reason for a high focus on web updates.

➢ Job seekers/Jobs ratio at the peak of the recession was 7:1. Currently it is 3:1.

UI Highlights: Neil Gorrell, Director Employment System Policy & Integrity Operations

➢ Neil Gorrell provided updates on current integrity grants, grants seeking and stopping UI fraud.

    ➢ Rulemaking reviews are in progress.

    ➢ Elimination of mailing the UI Handbook for Unemployed Workers saves ESD approximately $400,000 per year. The handbook is available at WorkSource locations and on-line.

        ▪ Currently there is not data tracking the number of web hits the online version is receiving.

        ▪ The link to the online version was moved to the top of the esd.wa.gov home page and is being marketed with postcard mailings.

    ➢ There is a review in progress to change the new call hours for Claims Centers. The goal is to reduce the wait time, and reduce overtime costs. The proposal is to stop accepting new calls at 4:00 pm. This allows staff to clear their queue before COB.

    ➢ **AI – Neil will provide data on the current wait times for Claims Center calls.**

    ➢ Chad Pearson presented information on Shared Work.

        ▪ Video Presentation: http://www.youtube.com/watch?v=E6gcRntYOqg

        ▪ The implementation plan for Shared Work includes two primary categories: 1) promote & enroll (marketing) and 2) implement and improve (technical).

        ▪ Shared work does market to disasters (e.g. Osso slide). Shared work is part of the ESD Rapid Response package.

        ▪ Although Shared Work can extend into multiple years, it is not a cyclical program for seasonal employees. Once Shared Work starts, the job search requirement goes away for the employee, but employer tax rates will rise with use of the program.

    ➢ Lisa Marsh provided an update on the Next Generation Tax System (NGTS)

        ▪ The internal portions of the system went live in March 2014. The external portion is expected to go live spring of 2015.

        ▪ There has been a normal amount of IT challenges. The most significant was a lock down of tax accounting data to make the system GAAP compliant. Some human error resulted in inaccurate employer penalties.

Workforce Innovation & Opportunity Act (WIOA): Tim Probst, Director Workforce Strategic Initiatives

> ➤ Document #3, "Governor WIOA letter to Workforce board."

>> ➤ WIOA is the first rework of WIA since 1998. Most required changes are minor, but it was an opportunity to research and implement changes that better assist our customers.

>> ➤ Governor Inslee addressed three goals in his letter to the Workforce boards.

>>> ▪ Help more people find and keep jobs that lead to economic self-sufficiency, with a focus on disadvantaged populations.

>>> ▪ Close skill gaps for employers, with a focus on in-demand industry sectors and occupations.

>>> ▪ Work together as a seamless team to make this happen.

> ➤ As a result the WIOA strategy includes working more closely with Temporary Assistance for Needy Families (TANF), Division of Vocational Rehabilitation (DVR), Adult Basic Education (ABE) and others; defining natural economic regions in the state; directing series at the local level; and tracking outcomes and combined efforts; improving the Workforce infrastructure; and being internally prepared and externally supportive of the WDC's and our other partners.

> ➤ Dale Peinecke commented we have more than 195,000 job seekers that can't find jobs. We have 66,000 open jobs. We need to determine the skills gap and determine what customer focused programs are needed to fill the gaps. He posed the question, "how can we better describe kills and abilities for employers. Gary Chandler and Bob Battles have agreed to lead this effort.

> ➤ Gary Chandler recommended to the committee this effort be a top priority. He and Jeff will be seeking a holistic approach using combined funds. He seeks to elevate the Workforce training boards in the eyes of the governor's office and improve the partnership with DSHS. He noted the importance of focusing on increasing youth in manufacturing with internships, exposure, and improving skills in high school that will result in high paying jobs.

> ➤ Further comments about WOIA and the steering committee include:

>> ▪ Agreement for a focus on providing greater visibility of manufacturing opportunities to youth

>> ▪ A need for jobs with upward mobility

>> ▪ Creating a framework that will incentivize an actual living wage

>> ▪ Build stackable training programs (technical certification > apprenticeship > etc.)

>> ▪ Not encouraging employment that is a dead end

>> ▪ Start with a current baseline and we can build on

>> ▪ Research what the data shows us about career paths/living wages

>> ▪ Need for a one-stop, "collocated," shop

- Appreciation for ESD oversight, and a hope they retain oversight resulting in greater continuity of services, focus on both employers and job seekers; and a focus on broad array of transferable skills
- Making TANF integration more seamless
- Tracking the specific demographic of TANF clients
- Add advocates of TANF clients as partners
- A request we track 2-years out job progression of clients

➢ Gary will be meeting with business leaders on all workforce boards, reengaging them.

➢ Gary will include DSHS, WDCs, cities, and agencies in the planning.

Governor Inslee's workforce events: Tim Probst, Director Workforce Strategic Initiatives

➢ Work Start

  ➢ Document #4, "Washington Work Start – Briefing Paper."

  ➢ Document #5, "Governor visits Hexcel article," was distributed.

➢ Career Readiness for a Working Washington/YouthWorks

  ➢ Document #6, "Career Readiness for a Working Washington," Document #7, "Career Readiness for a Working Washington/YouthWorks – Briefing Paper," and Document #8, "Career Readiness for a Working Washington/YouthWorks Background and Next Steps."

- The YouthWorks Application Review Team will be completing reviews on 19 November. They will be reviewing dollars spent to numbers served when recommending funding approvals. Dale will be looking at dollars spent to numbers served when determining awards. Governor Inslee will announce the awards 20 November in Spokane.

- The mode for investing money is tied to anticipating outcomes and monitoring performance.

  ➢ ESD is seeking to create permanent changes and leveraging the school system funding in the long run of these programs.

  ➢ Both paid and unpaid internships will be included. Schools are partnering on internships.

Quarterly performance report input: Cynthia Forland

➢ Document #9, "ESAC November 2014 Performance Data."

> ➢ We are currently tracking number of employers served; number of customers served, noting that individual job seekers numbers declined post-recession; numbers exiting services and placed in jobs. Cynthia asked for feedback on if this data was helpful to the committee. Responses include:

- The current process improvement is internal to ESD

- What are partners tracking?

- Is there a narrative and is there a map of UI data?

- Is it possible to obtain data based on the age ranges of population? There was consensus on the request for age based data.

- Are we tracking numbers by the program and if so, are we removing duplicative data?

- What are the numbers helped by training programs?

- With a theme of longitudinal career development, can we collect data in a way to encourage clients stay engaged with our system during their job progression?

- Clients do not need to be UI recipients to have full use of WorkSource services.

- There are many jobs available that our customers are not trained for and we need programs that result in long term employment.

ESD's budget & legislative requests: Carole Holland, Assistant Commissioner/CFO

> ➢ Document #10, "ESAC Budget Presentation"

- ESD has been engaging the union regarding all potential budget reductions and has implemented short term reductions. Long term reductions are identified. Options are being presented to employee to minimize the impact: Shared Work, voluntary termination, vacant positions help as layoff options. Currently funded FTEs have been reduced by 350.

- Three budget packages have been submitted. Decision packages can be viewed on the Office of Financial Management (OFM) website.

- Dale reported on the contract awarded to Monster.com. ESD ran 2 dozen focus panels with employers asking what they need it to look like and what they need it to do before the decision was made.

- Every effort is being made to minimize our facilities footprint and associated expenses.

- We are moving forward with UTAB. We are now looking at applications in use at other states, and off the shelf options (COTS).

Roundtable:

> ➢ Pam Crone

- There was a good exchange of information and conversation
- Good format
- Looking forward to the WIOA direction
- Offered to help connecting partners

➢ Teresa Mosqueda
- Good format
- Helpful meeting
- Seems to be coming together nicely
- Is supportive of the UTAB funding

➢ Bob Battles
➢ The staff are doing a great job and it shows in the work product.

➢ Janelle Guthrie
➢ Janelle suggested we send a request for agenda items to members prior to the next meeting

The next meeting of the ESAC Committee is TBD.