

WORKFORCE CENTERS
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Workforce Alliance Local Workforce Development Board (LWDB)
Executive Committee Meeting Minutes
August 10, 2022 – 11:30 AM

1. Welcome and Introductions

The Workforce Alliance (WA) LWDB Executive Committee assembled via ZOOM. Vice Chair Jeff Longwell welcomed Committee members. Keith Lawing introduced the meeting attendees. The meeting was called to order.

2. Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth Program Policies: Self-Sufficient Wage Increase

The WA is reviewing adoption of an economic self-sufficiency standard for the Local Area; WIOA tasks the LWDB with setting this standard. The self-sufficient wages of \$12.02 per hour for the Adult and Youth programs and \$15.38 per hour for the Dislocated Worker (DW) program for Local Area IV (LAIIV) have not been updated since 2010. The Program Operations and Performance (POP) Committee and LWDB discussed this issue at their most recent meetings and directed staff to conduct additional analysis. Staff has reviewed tools available to provide data for use in determining this standard and is using the MIT Living Wage Calculator, which estimates the cost of living in a community or region based on typical expenses.

The self-sufficient wage impacts customers' ability to access training services. Customers who are employed at wages that are higher than the self-sufficient wage are not eligible for training services. Increasing the self-sufficient wage would allow more customers to take advantage of training services. Additionally, when customers are reviewing training options, one of the factors considered is if the employment opportunity at the completion of the training will lead to a self-sufficient wage. Training services include post-secondary training, occupational skills training, registered apprenticeship, and on-the-job training. In Program Year 2021, 365 customers attended training that considered the self-sufficient wage when determining whether a customer can participate in training services. The majority of these customers were Dislocated Workers and One Workforce customers. There were 15 WIOA Youth customers enrolled. A review of current Work Based Learning (WBL) contracts was conducted to determine the potential impact of increasing the self-sufficient wage. There are 22 active WBL contracts. The review found that if the self-sufficient wage was increased to \$15.60, four companies would not meet the criteria, eight would meet the criteria, and 10 might meet the criteria depending on the occupation. The self-sufficient wage also impacts WIOA performance in regard to the Median Wage performance measure. This measure evaluates the median wage of customers in the second quarter after exit. If the self-sufficient wage is set too low, the Local Area will not meet the Median Earnings measure. Kansas just received performance goals for the next two program years and the Median Earnings goal increased for both Adults and Dislocated Workers.

Staff developed two options based on feedback from the POP Committee and LWDB as well as research of the topic and presented them for consideration. Option One is to increase the Dislocated Worker self-sufficient wage to \$15.60 per hour and increase the self-sufficient wage incrementally over the next couple of program years for Youth and Adult programs for Program Year 2022. Option Two is to increase the self-sufficient wage for all programs to \$15.60 per hour for Program Year 2022. Both options include authorizing exceptions to the self-sufficient wage and revisiting the standard during the annual review of Demand Occupations. Both options would provide for an administrative exception on a case by case for participating in certain training programs for entry level positions that lead to higher wage jobs, and work experience or transitional jobs targeting a specific demographic population. Staff recommend the adoption of Option Two.

Longwell asked how this change would affect existing contracts with employers. The new policy would not impact current customers. Blackburn noted that the next agenda item was approval of a contract application for employer BG Products for on-the-job training and that the average wage listed on the application was \$15.00 which is lower than the proposed increase of \$15.60. Staff explained that they feel comfortable offering this contract for approval as staff were working with them prior to proposing this change and an administrative exception could be granted as explained above. This and other OJT contracts,

can be granted exceptions because the training will result in entry level positions that are on a career pathway that will lead to positions that will exceed the \$15.60 an hour wage. Under the circumstances, Blackburn suggested that the Committee take up the item of approval for BG Products application for On-the-Job Training prior to further discussion or taking action on an increase to the self-sufficient wage for WIOA programs. At the direction of Longwell, the Committee addressed Item #3 on the agenda.

3. On-the-Job Training Contract for the Eligible Training Provider List (ETP) – BG Products

BG Products submitted an application to be added to the ETP list for On-the-Job training. They would receive training funds under the One Workforce grant.

Michele Gifford (Kathy Jewett) moved to approve the addition of BG Products to the OJT ETP list. Motion adopted.

The Committee returned to addressing Item #2 on the agenda. It asked if detailed guidelines could be added to the policy that would assist staff, employers and board members to determine when an administrative exception should be granted, define what the pathway would be to meet the wage criteria and also add specific examples of cases that would qualify. Staff will make these additions and provide this language to Committee members at a future meeting. Peterson asked if it was necessary to increase the wage for the Youth program to the same wage as the other programs. Due to current economic conditions staff feel comfortable making the change across all programs; most of the youth in the program are 18 years or older. Youth provided a work experience by the WA or summer internship jobs would not be affected by this change.

Rod Blackburn (Michele Gifford) moved to adopt Option Two, increase the self-sufficient wage for all programs to \$15.60 per hour for Program Year 2022 with authorization to provide exceptions to the self-sufficient wage and revisit the standard yearly with the annual review of Demand Occupations, with the caveat that staff add detailed guidelines for and examples of administrative exceptions to the policy and how those exceptions would be managed. Motion adopted.

4. Other Discussion / Announcements

There was no other discussion or announcements.

5. Adjournment

The meeting was adjourned at 12:00 PM.

LWDB Executive Committee Members

Rod Blackburn
Michele Gifford
Kathy Jewett
Jeff Longwell
Tony Naylor
Matt Peterson
Gabe Schlickau
Amy Williams

Attendees:

Staff/Guests

Denise Houston
Keith Lawing
Shirley Lindhorst
Mary Mann
George Marko
Faith Martin
Chad Pettera
Laura Rainwater
Kennisha Rolfe
Tisha Cannizzo, Eckerd Connects
Jon Cressler, Butler Community College
Jennie Heersche, Cowley College