

MINUTES
SPOKANE WORKFORCE COUNCIL
EXECUTIVE COMMITTEE

July 16, 2020 – 12:00-1:30 PM
Spokane Workforce Council – 140 S Arthur St, Suite 300C
(Meeting held electronically via Zoom)

MEMBERS PRESENT:

Robert Duron	Dan Evans	Staci Franz	Commissioner Josh Kerns
Tina Morrison	Mayor Nadine Woodward	Ron Valencia, designee for Commissioner Kerns	Diana Wilhite

MEMBERS ABSENT

Alan Hart	Machelle Johnson
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GUESTS PRESENT

John Dickson

STAFF PRESENT:

Jessica Clayton – Program & Development Director	Jeanette Facer – Finance Director	Dawn Karber – Chief Operations Officer	Angela Maioriello – Office Assistant
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Mark Mattke –
Chief Executive Officer

Chair Dan Evans called the meeting to order at 12:08 PM with a quorum of members present.

ITEM #1 – REVIEW MEETING MINUTES

Review of June 17, 2020 meeting minutes.

Action: Motion and Second to approve the June 17, 2020 meeting minutes. Approved Unanimously.

ITEM #2 – MONTHLY FISCAL REPORTS

Jeanette Facer, Fiscal Director - SWC

The SWC needs to obligate 80% of WIOA program funds by June 30th of each year or risk re-capture of funds by the state. Our office has met this target and WIOA Formula Funds Expenditures and Obligations as of May 31, 2020 are as follows:

- Adult – 73% Expenditures, 82% Obligated
- DW – 66% Expenditures, 83% Obligated
- Youth – 69% Expenditures, 83% Obligated

The SWC PY19 Active Grants Under Management:

- WIOA Formula Grants – 53%, \$5,876,320
- WIOA Competitive Grants -36%, \$4,043,412
- Other Grants – 12%, \$1,206,663
- Total Funds Under Management - \$11,126,395

Mark indicated that the board has a goal of diversifying our funding to 50% WIOA Formula and 50% other grants and that we are at 53%/47% this year and at a new high point in total funds under management. He also mentioned that the SWC was in a strong fiscal position last year, spent funds appropriately all year long and achieved targets by the end of June 2020. He thanked the committee members for working through all the details to ensure the money gets obligated and spent in a timely manner so do not risk recapture or any corrective actions from state or the federal funders.

ITEM #3 – GRANTS AND CONTRACTS

Mark Mattke, CEO – SWC, reported out on the following grants for consideration and approval:

Tenant Based Rent Assistance Grant (TBRA) from the City of Spokane.

- The TBRA-CV Rental Assistance grant is a HUD-funded grant passed through the City of Spokane to assist customers who have been economically impacted by COVID-19 pay for rent dating back to March 1st, 2020.
- HUD has encouraged HOME program funding recipients like the City of Spokane to quickly implement limited time Tenant Based Rent Assistance rent payments to low-income renters temporarily unable to pay rent due to financial hardship due to COVID-19.
- The grant total is \$500,000 which includes program delivery, admin, and direct rental payments.
- The grant will terminate on December 31st, 2020 unless funds are exhausted before that date.
- The rental assistance will be determined by a priority system that will be evaluated weekly with top priority going to customers who have been able to pay a portion of the rent from March – June.
- The SWC requests to subcontract \$490,000 to Career Path Services to deliver services at the Spokane Resource Center.
 - The subcontract will include two new staff positions funded through the grant period ending December 31st, 2020.

COVID-19 Disaster Recovery Dislocated Worker Grant

- Washington State was a successful bidder for an emergency grant from the US Department of Labor to address the COVID-10 emergency.
- Funding is being dispersed to all 12 Local Workforce Development Boards in Washington and managed by the Employment Security Department.
- Disaster employment grants are traditionally deployed to enable areas to quickly hire humanitarian aid workers after natural disasters.
- COVID-19 is a different type of disaster, but there is still a need to support agencies that are providing humanitarian aid, and in our area, we plan to partner with local food banks to hire emergency workers to help meet the increased demand for food aid.
- This grant can also be used to support more traditional services for Dislocated Workers.
- The grant term is back dated to May 1, 2020 and runs through March 31, 2022.
- The total grant is \$626,743, and the SWC is requesting to bring in the funds as well as subcontract \$564,069 to the WorkSource Consortium to support staff and services at WorkSource, the SRC, and the Talent Solutions Center.
- We will allow Career Path Services and Employment Security Department to decide how they would like to split that amount between the two agencies.

Action: Motion and Second to accept \$500,000 Tenant Based Rental Assistance grant award from City of Spokane and subcontract \$490,000 to Career Path Services from the Tenant Based Rental Assistance grant from the City of Spokane. Approved Unanimously.

Action: Motion and Second to accept \$626,743 Disaster Recovery Dislocated Worker grant from WA Employment Security Department and subcontract \$564,069 to Career Path Services and Employment Security Department. Approved Unanimously.

Northeast Community Center

- The SWC will enter into a vendor contract with Northeast Community Center on behalf of Spokane County MacArthur Grant as fiscal agent for \$50,000.
- Northeast Community Center will collect referrals, conduct needs-based assessments, assist clients with accessing appropriate housing, provide information on tenant rights and responsibilities, as well as, assisting with securing long-term housing solutions.
- The provider may also provide information on and referrals to appropriate community-based services and resources to assist with stabilization.
- The MacArthur Foundation's Safety and Justice Challenge CE/PNTP Initiative is a community-led initiative that focuses on the development of innovative, trauma-informed training programs and service delivery models that reduce recidivism rates, improve stabilization, increase employability, and remove barriers to success for justice-impacted individuals and communities.

Executech

- The SWC has elected to extend the existing contract with Executech for IT services at the SWC administrative office until December 31, 2020 in order to allow time to issue a new RFP under the current COVID circumstances.
- This contract was increased by \$7,560 for a total of \$33,560.

Intrinium

- The Spokane Workforce Council has elected to extend the IT services contract with Intrinium for one year as allowed in the existing contract.
- Intrinium provides IT services at the NGZ facility.
- The current contract will be increased by \$38,000 for a total of \$72,000.

ITEM #4 – ACTIVITIES AND UPDATES

NAWB Conference

- Mark thanked staff and board members who took part in accepting the Trailblazer award and participating in the conference.
 - It was their first foray into a full on virtual NAWB conference
 - Dawn presented a couple of times, to much acclaim.
 - Mark also found some good workshop sessions and shared that we have access to all the content for 90 days after the conference so attendees can catch up on things that were not able to attend live.
 - Overall, it was very successful and it was great have the opportunity to recognize the staff, our board, and all of our partners for the Trailblazer award for a national audience.
- Robert congratulated everyone on the award and asked if going virtual might be the direction this conference goes in the future or would that miss the whole point of getting to see your colleagues around the country?
 - Staci replied that she is on the NAWB board and they have been having conversations but there is not an intent to transition this to a virtual conference moving forward.
 - They will discuss what the 2021 conference forum looks like at the October 2020 meeting.
 - Staci mentioned that Mike did an amazing job with the video about the SWC receiving the Trailblazer award.

- Mark shared that there is high value in being there in person, networking with the workforce development community from across the country and having that level of exchange.
 - This is a relationship-based business between our customers and each other.
 - The level of learning that goes on face to face taking part in these sessions is a dimension that is missing from a virtual forum.
- Staci also mentioned that advocacy work that happens when meeting with our representatives is not an option in the virtual forum.
- Mark stated that one good part of the virtual forum is having the content available to watch whenever you have the time.
 - He will recommend to the national board to keep recording sessions and have them available for future playback for individuals that would like to repeat it or had to choose between several sessions occurring concurrently.

Local Plan Update

- Mark included a letter that he received on June 29, 2020.
- We submitted our final plan for the year after a lot of work.
- As we have talked about, the economy has changed significantly and things will continue to change, but we still wanted to get our plan in at this point in time since it was done and have that count toward our board certification.
- It has been submitted and is now in the hands of the State Workforce Board and it does satisfy the requirements of the state for us to continue receiving funds – which is critically important.
- The SWC has received the WIOA formula funds allocation from the state this year and continue to contract. The WTB indicated that they will be looking to the approval process later this year and determining what changes might need to be considered in our plans, as we all learn more about where the economy is heading and where services need to change to adapt.
- While we did submit the plan, it may be subject to revisions in order to in order to keep pace with what's happening out there.
 - It is definitely not ever a static plan that just sits on the shelf, but rather has to keep pace with the changing economy.

Facilities Reopening Status

- Dawn and her team have been working very hard making sure that we are getting everything ready and ensuring the state of preparedness of the facilities for possible reopening and also thinking about the staff and what they need to know to be competent to come back into a safe environment.
- We had thought last month that we would be moving more quickly, perhaps into the next phase of reopening under the Safe Start plan – but that is not occurring very quickly right now.
 - We are very prepared to open the Spokane Resource Center and the Next Generation Zone, both sites are smaller in size than WorkSource.
 - We could also reopen Talent Solutions and our office.
- At all four sites, excluding WorkSource, staff have been coming back on a rotating basis, making sure to keep social distancing following mask-wearing protocols and all safety rules.
 - Staff have obtained all of the necessary PPE at those sites.
- The experience thus far has been that as soon as staff come back, there have been exposures occurring at home, so management is being very proactive in monitoring the situation, shutting down the facility and keeping other staff safe, and getting the space thoroughly cleaned.
- WorkSource is a bit more challenging because of the number of individuals that go through there each day.
 - The staff has done really a great job making the transition to virtual services, although we are ready to start bringing some staff back.

- It is a bit more difficult because 40% of staff at WorkSource work for Employment Security Department (ESD) and have transitioned to working for the unemployment insurance division.
- Mark is currently working with ESD now to see when we might be able to get staff back into WorkSource.
- One of the factors that goes into the decision making around reopening is that the state, along with most other states in the country, have temporarily waived the work search requirements so individuals receiving UI benefits do not have to make three employer contacts a week or come into a center and conduct a work search activity.
 - There are not many vacant jobs in our economy currently.
 - The average ratio is about five unemployment insurance claimants to every open job right now.
 - This waiver is set to expire and send people back into work search on August 3, unless it is extended again by the Legislature.
 - The challenge is that if it is allowed to expire, people will come seeking services from us, and we do not have the capacity to serve them currently as WorkSource Spokane is missing about 30 or so ESD staff that would normally be there but have been pulled aside for other duties in the unemployment insurance division.
- Until Spokane County goes into phase three, and then into phase four, there is just not a lot of economic activity and the resumption of job search requirements will likely result in a lot of people who are butting up against the inability to conduct job search and probably end up clogging a lot of HR people's inboxes with applications that are just to satisfy the unemployment insurance requirement to look for work.
- Our leadership has been working with a state team to try and figure out what we could do to mitigate the effects if works search goes away, how can we count a variety of other activities for job search so individuals can satisfy that requirement for looking for a job, and still remain engaged in our system.
 - We are hopeful that we can get some flexibility around that and work with the state to change the regulations.
- Mark will be asking the board to support the reforms that are going to be helpful for our system.
 - Much can be done if the resources and decision-making can be driven to the local level, rather than the state level, to help streamline and align the services and resources.
 - Mark will be developing a position paper on this and circulate it with the Executive Committee for adoption along with other local boards in our state.
 - Mark is working on this with a couple other colleagues from the state to develop the vision for the system and our objectives and use this as a platform for reform.
 - This is an opportunity for us as a system to take a quantum leap as opposed to incremental changes that occur slowly over the course of time.
- Staci asked if we have heard anything about extending the CARES Act for that additional funding (\$600 per week in FPUC payments to unemployment insurance claimants) that is set to expire near the end of this month?
 - Mark indicated that there is conversation at the congressional level about extending that or reducing it or somehow phasing it out but right now it just goes away at the end of July.
 - This is another factor that is impacting the needs to figure this out because when that payment ends, people will suddenly have \$600 less per week to spend on their bills and they will need something to replace that – namely a job and/or income stream – which

means they will come to the workforce system seeking reemployment services. We need to be ready with the tools, services and resources to respond.

- There is movement in Congress to examine that and perhaps take it down to \$450 a week, and then phasing it out over the course of time.
- Some states are experimenting with thinking about having incentives for going back to work, one-time payments and such, but no one knows what the next CARES Act package will contain. The House passed an earlier version of it, but the Senate has to take it up and develop a bill of their own.
- Staci asked if there has there been any discovery on what the total percentage of fraudulent claims have been both out of state and then locally? And then correlating that to what the actual unemployment rate was with the removal of those fraudulent claims?
 - Yes, they are working on that and revising those numbers and revised down the April numbers when the fraud started and going through May when they got a real handle on it, so they are going to go back and revise the numbers.
 - We have not seen those numbers yet, but at this moment in time ESD believes they have eliminated most of the fraud that is out there, so we are not seeing new fraudulent claims come in, or continued fraudulent claims persist.
 - The numbers now on a weekly basis of initial claims being filed, and then two new claims that are continuing to go on, are accurate numbers of who is actually claiming benefits.
 - There is also better granular information about people who are applying for unemployment insurance, not just the regular claim, but also the pandemic unemployment insurance, those workers who were 1099 gig workers and those without enough hours for a regular claim.
 - We are getting a better idea of how many of those are actually in Spokane County in addition to the folks that are receiving the \$600 per week.
 - We think we have a pretty good idea now of what the numbers actually look like in Spokane County, what their occupations were and what industries they came from.
- U.S. Department of Labor Roundtable
 - Mark participated in a roundtable earlier this week to help address some concerns about the system and the need to improve our ability to respond adequately to the current crisis.
 - He reached out to the Assistant Secretary of Labor and the head of Unemployment Insurance for USDOL National Office and asked to set up a time to meet about this and they were kind enough to set up a meeting that also included the Assistant Secretary of Education, the Deputy Undersecretary of HHS, and a number of other senior level leaders from USDOL and the U.S. Department of Agriculture. Mark brought the voice of the local system and a number of requests for modifications to the federal and state regulatory environments that would allow us to better serve individuals and businesses during and beyond this pandemic.
 - They have asked Mark to provide them with recommendations at the federal level as to what he would like to see change so it is a very rare opportunity to reach senior level leadership at these national agencies to provide them with what he and his colleagues think might be some good ways in which we could transform the system, change the policy environment and be able to deliver services more effectively.
 - He is going to submit recommendations by COB tomorrow and then keep the dialogue going around that because it helps to have help at the federal level with shaping some of this.

- Mark is very engaged at the state level with the State Workforce Board and agency leadership and we also have our own leadership around this table to help us move policy and implementation on every possible front.
- He is hopeful we could get some changes to occur that would significantly help our system serve our community at this point in time, be sustainable for the long term, including policy changes that could positively impact the workforce system going forward.
- Consulting Enterprise
 - Dawn reported that the Executive Committee has been interested in our starting a consulting division to leverage our subject matter expertise and support diversified revenue generation and this work continues to evolve.
 - The SWC applied to be consultants and trainers to the state of California in response to an RFP and we have been notified that we have been selected to be on the approved vendor list.
 - This does not mean that we will be contacted, but it means that any of the 45 workforce boards in the entire state of California have our offerings made available to them, they know our pricing and should they want to reach out, they do not have to go out to bid to work with us.
 - We are just finalizing the contract with the California Workforce Association right now and looking forward to generating some business in the state of California.
 - Staff are also working with the state of Montana and as soon as this meeting is over Dawn will have a call with them.
 - They may be interested in our consulting for their entire state.
 - They are particularly interested in business services.
 - We have other boards that we are working with, not just entire states but smaller boards, and we have a plan to begin putting together some marketing materials and creating a few online tutorials that we will offer it at no cost so we do not have to continue repeating them, and we will get those added to our website.
 - Services and Oversight Committee Chair Robert Duron said that every time the committee has asked our team to do something new, we seem to make it happen and he thinks we learn really quickly which makes him proud of the team, our entrepreneurial spirit, and the work we've been doing.
 - Dawn thanked Robert and mentioned that we are currently working on a price structure right now and if this generates significant level of business, then we will need to develop addition options for how to staff and perform this work.

Meeting adjourned at 1:00 PM.