**MINUTES**  
SPOKANE WORKFORCE COUNCIL  
EXECUTIVE COMMITTEE  

May 20, 2020 – 12:00-1:30 PM  
Spokane Workforce Council – 140 S Arthur St, Suite 300C

### MEMBERS PRESENT:
- Robert Duron  
- Dan Evans  
- Staci Franz  
- Machelle Johnson  
- Tina Morrison  
- Ron Valencia, designee for Commissioner Kerns  
- Diana Wilhite

### MEMBERS ABSENT:
- Alan Hart  
- Commissioner Josh Kerns  
- Mayor Nadine Woodward

### GUESTS PRESENT:
- John Dickson

### STAFF PRESENT:
- Mark Mattke – Chief Executive Officer  
- Dawn Karber – Chief Operations Officer  
- Jeanette Facer – Finance Director  
- Jessica Clayton – Program & Development Director  
- Andrea Hixson – Program & Operations Coordinator  
- Angela Maioriello – Office Assistant

Chair Dan Evans called the meeting to order at 1:00 PM with a quorum of members present.

**ITEM #1 – REVIEW MEETING MINUTES**
Review of April 15, 2020 meeting minutes.

*Action: Motion and Second to approve the April 15, 2020 meeting minutes. Approved Unanimously.*

**ITEM #2 – BUDGET REVIEW**
Jeanette Facer reported out on changes to the SWC PY19 budget.
- Over the course of the year, the SWC receives new funds from a variety of sources and approves their receipt and disbursement on an ongoing basis without formally adopting a new budget each time.
• Since we cannot anticipate all the new grants that will be awarded or the expenses associated with them, the State Auditor’s Office recommended that we true up the budget at this time each year.

• New grants included:
  o Rapid Response Increase Employment PY19 - $50,000
  o Economic Security for All - $642,000
  o Career Connected WA Intermediary - $183,739
  o Opportunity Partnership - $42,500
  o JP Morgan Chase - $200,000
  o United Way NGZ - $15,000
  o United Way SRC - $15,000

• Increase or carry-in for current grants and funding sources:
  o Rapid Response Mitigation PY18 - $32,919
  o Career Connected Learning - $63,964
  o Labor & Industries - $9,941
  o City of Spokane SRC - $50,000
  o County Community Engagement - $199,172

**Action:** Motion and Second to approve the SWC budget. Approved Unanimously.

**ITEM #3 – GRANTS AND CONTRACTS**

• **WIOA Formula Funds – Increase Spokane Workforce Consortium Award**
  Mark Mattke reported out on funds that need to be obligated to our subcontractors in order to meet the 80% obligation for this program year.
  o Federal WIOA rules require that we obligate 80% of funding each year.
  o Due to the increase in other funding offsetting the need to spend federal funds, less WIOA funds have been utilized to date and these funds can be re-deployed as needed.
  o These funds will be awarded to Career Path Services for direct client dollars.
  o Funds that remain will be carried over into the next program year and allocated.
  o Recommended amounts to be obligated to subcontractor:
    ▪ WIOA Dislocated Worker - $75,000
    ▪ WIOA Youth - $50,000

**Action:** Motion and Second to approve increasing the award for CPS Dislocated Worker by $75,000 and Youth by $50,000. Approved Unanimously.

• **Building Changes Grant Award**
  Jessica Clayton reported that the SWC has been awarded $20,000 from Building Changes to provide additional support to young adults experiencing homelessness during COVID-19.
  o These funds will primarily support housing stability (rent and utility assistance, homelessness prevention), hygiene items, and technology needs for students in this virtual learning environment.

**Action:** Motion and Second to accept $20,000 grant award from Building Changes. Approved Unanimously.

Mark reported that the Employment Security Departmented awarded additional WIOA Statewide Rapid Response funds to local areas in order to respond to the COVID-19 emergency.
- The SWC is receiving an additional $39,752 bringing the total two-year contract total to $467,412.
  - $19,000 will be kept at our level to assist with technology upgrade purchases.
  - We are subcontracting $20,000 to the Washington Workforce Association (WWA) for capacity building to help with statewide emergency response efforts.
    - Other Local Boards are also contributing funds to the effort to increase capacity at the WWA for scheduling statewide meetings, establishing an information-sharing website, and coordinating multi-agency projects and initiatives.
- The SWC awarded a Dislocated Worker increase of $3,400 to Career Path Services to support ongoing BFET contract work at the Spokane Resource Center for May 20 – June 30, 2020.

**ITEM #4 – WIOA FORMULA CONTRACT EXTENSIONS**

Robert Duron reported that we are required to put our WIOA formula funding out to bid at least every three years. The last time we completed this process was in spring 2019. We are authorized to extend these contracts up to two times.

- In April and May, the Services and Oversight Committee discussed extending the contracts and voted to recommend to the Executive Committee an extension.
- As the PY20 (July 2020 – June 2021) funding levels are not yet known, staff are seeking the board’s approval to notify the operators and consortia that we will be extending contracts to avoid unnecessary layoffs.
  - Staff will seek Executive Committee approval for the contract amounts once the state releases the allocation levels.
  - Current WIOA program funding contracts for PY19 are for a total of $3.4M.

Dawn Karber provided an update of the sites and stated a majority of what the Committee has asked for has been implemented and what has not been is in the works. Staff are seeking the board’s approval to extend the following contracts:

- **Talent Solutions:**
  - Service Delivery – Contracts with Career Path Services and Employment Security Department to offer services for businesses out of the new Talent Solutions Center.
    - The team is functioning better than it ever has under the leadership of the One-Stop Operator and the new Talent Solutions Manager.
    - The entire team has been professionally certified as business consultants.
    - They have done an amazing job transitioning to virtual services.
    - Staff are really impressed with the work they have been doing the last few years and have worked to blend funding support to grow the team and expand and innovate services.
- **The Next Generation Zone:**
  - Site Operator – Awarded to Career Path Services.
    - They have been a good partner to work with and are working hard to achieve success.
  - Service Delivery – Contracts with Career Path Services, Goodwill, and NEWESD101.
    - We have been impressed with how the team has pulled together during COVID-19 and goals are on track.
    - Even during the pandemic, Next Gen staff have successfully helped over 100 young people graduate, many of them virtually, and earn their GED.
- **Spokane Resource Center:**
  - Site Operator – Awarded to Career Path Services.
The leadership is top notch and they have done an outstanding job with this contract to coordinate about 25 staff across 16 different agencies.

The site operator has done an incredible job getting the center stabilized and running well with additional agency partners and high customer volumes.

They provide ancillary services to all the sites to help people connect to health insurance, housing, food and professional clothing.

The SRC was even able to finish construction and launch the Apprenticeship and Skilled Trades Center in the middle of the pandemic.

They have also worked to launch and Equity and Inclusion Center and Financial Stability Center within the facility.

Since launching in April 2019, the SWC has brought in over $4 million dollars to support this center’s operations and helped close to 4,500 individuals.

• WorkSource:
  o Operator – Awarded to Career Path Services.
    ▪ This has been a key role for us, and they have done an excellent job with the position.
  o Direct Services – Awarded to Career Path Services, Employment Security Department and Goodwill.
    ▪ The team is functioning better than we have seen in our history and the SWC is extremely pleased with their performance.
    ▪ WorkSource Spokane has been recognized nationally as one of the best American Job Centers.
    ▪ Prior to COVID-19, our center served approximately 9,000 individuals annually.
    ▪ Since closing on March 17th, over 9,000 individuals have been served in the last nine weeks.
    ▪ The Employment Security Department desperately needed assistance to handle the historic volumes of people seeking unemployment insurance benefits and our center lent a large number of our staff to the unemployment insurance division to assist.

*Action: Motion and Second to extend contracts. Approved Unanimously.*

**ITEM #5 – MEMORANDUM OF UNDERSTANDING/INFRASTRUCTURE FUNDING AGREEMENTS UPDATE**

Dawn reported out on the MOU and IFA.

- Under WIOA, the SWC is responsible for creating and reaching agreement with partners on the Spokane WorkSource System MOU and IFA.
  - The current MOU/agreement expires on June 30, 2020.
  - The partners have agreed under the IFA that they will each contribute $500 per FTE, which provides the SWC with $40,000 of unrestricted funding.
    ▪ Those funds will go into the One-Stop Operator contracts.
  - A draft version for 2020-2023 has been created and is currently out for comment.
  - A few comments have been received, but none that will hold up the process, and we will have it available for this committee’s vote next month.
  - Dawn asked the committee to review it in advance and let her know if they have any questions when it goes out for final approval.
    ▪ It needs to be voted on and implemented by June 30th.
    ▪ We were a little stalled because of the pandemic but we are currently on-track to meet the deadline.
- The SWC has used the following process to draft the 2020-2023 version:
The SWC compiled budgets for each site, facilitated meetings and worked with partners to come to consensus regarding the basis for allocation costs.

- The SWC identified and applied potential bases for allocation of costs to the partners, facilitating a discussion regarding which base(s) would be acceptable to the partners.

Partner participation to reach agreement is as follows:

- September 2019-April 2020:
  - SWC shared current Compact, MOU and IFA for review and comment in preparation for 2020 agreement updates.
  - SWC held public/partner discussions in preparation for the MOU to be signed and effective by July 1, 2020.
  - Partners provided feedback and recommended changes.
  - Local partners agreed on Other Shared Costs category.
  - SWC held multiple discussions with individual agencies, as needed.
  - Final draft for review of the Compact, MOU and IFA shared April 2020.
  - Final Compact, MOU with IFA distributed for signature in May/June 2020.

The documents provide an overview of our system including: The Spokane workforce system — consisting of the Spokane Workforce Council (SWC), one comprehensive American Job Center (WorkSource Spokane), one affiliate site (Next Generation Zone), 19 connection sites (WorkSource System), one specialized site (Fairchild Air Force Base) and a network of community partners — is committed to providing effective, accessible and high-quality career, talent pipeline development, and skills acquisition services for all individuals and businesses in the Spokane region.

The document has three components:

- The Community Compact that describes how all those who wish to partner for regional workforce development services will interact to create opportunities for job seekers and businesses in the region.
  - The partners invited all those who are interested in supporting the mission, vision and goals of the Spokane Workforce System to join the compact.
- The federally-required Memorandum of Understanding (MOU), which is a subset of the agreement and describes how the partners at the federally-required American Job Center (WorkSource Spokane) will provide services and share resources through the region’s WorkSource System and how job seekers and business customers are to be served and referred among WorkSource partners.
  - The MOU includes the WorkSource System budget and the required Infrastructure Sharing Agreement (IFA) that shows how the cost of operating the WorkSource System will be shared by the required partners.
- The WorkSource System operating budget, known as the Infrastructure Funding Agreement (IFA), has been developed via consensus with the required and other partners in the Spokane Workforce Development Area.
  - The purpose of the IFA is to establish the terms and conditions under which the partnership will share infrastructure resources in performance of workforce development services at each site.
  - Through this agreement, the partners have identified those costs related to the infrastructure of the Spokane WorkSource System that are mutually beneficial and agreed upon as shared costs.

The budget consists of:

- Non-personnel infrastructure costs necessary for the general operation of the One-Stop Center, including but not limited to:
Applicable facility costs such as rent (those contributing to facility costs must continue to pay for such costs in the event of staff turnover or staff working temporarily at another location)
- Costs of utilities and maintenance
- Equipment (including physical modifications to the center for access, assessment-related products, and assistive technology for individuals with disabilities)
- Technology to facilitate access to the One-Stop Center, including technology used for the center’s planning and outreach activities

Additional costs:
- Applicable Career Services – Including the costs of the provision of career services in WIOA section 134©(2), as applicable to each program.
- For the purpose of this IFA, applicable career costs were defined to mean the costs of staff delivering any Career Services, including providing access to training and business services.
- Other Shared Costs – A portion of the costs of employing the Spokane One-Stop Campus Operator who will coordinate with and on behalf of the SWC and partners to ensure system-wide effectiveness.

The SWC MOU/IFA has been recognized by the Department of Labor as a best practice. It is posted on the U.S. DOL technical assistance website with others being encouraged to use it around the country.

Robert thanked the SWC for creating what seems like such a trouble-free process and the effort put into building the relationships to make it look easy.

Dawn replied that we have great partnerships and trust from our partners that helped to accomplish this relatively easily. Montana’s Department of Labor reached out to ask how we get everyone to sign it. She offered to consult with them on how to manage this process and come to agreement upon an MOU/IFA.

Mark added that the MOU/IFA is one of the elements of WIOA legislation that was passed and has resulted in a lot of contention across the country with partners unable or unwilling to reach agreement. It continues to plague many states and local areas, with people having a hard time coming to an agreement around this. The fact that we were able to do it so readily, thanks to a lot of work on the part of Dawn, Jeanette and others to negotiate these things and get people to understand that we are really trying to build a system using this as a system capacity building mechanism that has been really successful. It is a national and state model. Many of our colleagues have yet to be able to reach agreements on this themselves. This is another good example of our ability to work in partnership in our community for the greater good of all.

**ITEM #6 – PY20 WIOA PROGRAM PERFORMANCE TARGETS**

Mark reported that the State Workforce Board is responsible for negotiating WIOA program performance targets with the U.S. Department of Labor for the state level targets and with the 12 local workforce development boards to set each area’s targets for the Adult, Dislocated Worker, and Youth programs.

It is very challenging right now to even think about performance in the future given what we’re experiencing with the pandemic and the many unknowns that exist. No one knows what it will look like
to get people into jobs, get them across the finish line with credentials and to increase their income. Those are our primary targets and goals.

The State Workforce Board and the 12 local boards started this process earlier this year and then COVID-19 happened but the process continued as is required under federal WIOA law. Locally, our staff ended up coming to agreement with some preliminary numbers and then negotiating with the state workforce board on others. The next step is that the State Workforce Board will take the figures to U.S. Department of Labor and negotiate with them, then come back to local boards with the final targets in June.

Given the overarching challenges and what is happening with the economy, things are not progressing as they normally do, making target setting very challenging. At the end of the day, there is a statistical regression model that is applied by the Feds and the state that helps to account for some of the economic impact of the population that we served and economic factors. This should offer some relief if these targets turn out to be too high, as staff feel some of these are higher than they should be given what we are experiencing right now.

The most recent SWC performance comes from PY19 Q2 and provides a baseline for when negotiations started based on current experience. Staff believe our performance will be in line with that or a little below it. The proposed state target is what the State Workforce Board used as a starting point. We negotiated down to get to the WTB/SWC negotiated targets and that is what is going forward to DOL. The performance difference is the delta between what the final targets are at their current stage and what local actual performance is. There is a negative value expressed when the state target is actually below how we are currently performing – if all things hold that would be satisfactory for our program as we are already meeting that level of performance and it should not be an issue continuing into the future. If there is a positive value, then there is a delta between where we currently are and what the state is asking us to do that we need to make up.

There are two targets that are significantly higher. The first one is the credential measure in the Adult program at 15.7% higher than our current performance, that one raises a flag for us. There are several things going into that measure that we are examining very closely in terms of how our system and our staff are recording performance in the MIS. There could be a data entry issue, we have had a lot of issues with our data MIS system over the last couple of years as we have discussed a lot with the committee. We are always working on ensuring the data is accurate and that staff are putting it in the right place to be counted. We will continue to scrutinize this.

The other one that is a significant difference is under the Dislocated Worker program and it is the credential measure there as well. That is 5.5% over what our current performance is. We are looking very closely and watching those particular measures and again, given COVID-19 and what we are seeing, we are not sure what performance in achieving the credential rate will be, how many individuals will be going into school, how many we can get across the finish line and earn a credential. We will be watching this closely over the next couple years as the performance for the program is measured.

Mark will come back to the committee with what the final targets are once the state board negotiates with U.S. DOL and let them know where we ended up and what the delta is between where they ended up and what they said they were going to do and also where we are currently performing.
If we do not make performance across multiple targets, it is possible that the state can be sanctioned, and their funding can be negatively impacted. The state watches this closely and has conversations with us about it to make sure we meet our targets.

**ITEM #7 – ACTIVITIES AND UPDATES**

Mark discussed the following:

- Economic Snapshot
  - We are monitoring what is happening to the economy very closely.
    - Unemployment insurance claims.
    - Claimants that are coming in to seek services from us.
    - Broad impact across the entire system.
  - We put out a newsletter each week providing an update on what is happening in the labor market with more detail about the customers we are seeing and what sectors they come from.
  - We are engaged in multiple groups across the community and planning for mitigation of what is happening out there to help people as well as businesses navigate through this with an eye towards what happens as we get into Phase 2 of the reopening plan.
    - How can we help ensure businesses have what they need to be thinking about reopening?
    - What are the boundaries and protocols required?
    - How can workers get back into the labor market?
  - We are having our first virtual job fair tomorrow, which is new for us.
    - The online platform connects businesses and job seekers.
    - We have over 30 employers signed up.
    - There are 300 plus job seekers that have pre-registered for interviews.

Dawn provided an update on:

- Current Campus Operations
  - Dawn and Kevin have been working out of the Workforce Center to provide low key/low touch services to customers that come into the parking lot.
    - They have served about 300 individuals in the last 9 weeks.
    - They are trying to help answer unemployment insurance questions and connect these individuals to resources.
    - They have handed out boxes of food as one of their primary service offerings.
    - There has been a steady tapering of individuals coming to WorkSource.
    - There is an increase in customers asking directly for employment or calling our staff about wanting to go back to work.
    - Talent Solutions Team staff have helped about 600 businesses primarily with layoff conversion strategies, how they can reduce their staff and then ramp back up.

- Phased-in Reopening
  - A draft of the reopening plan will be sent over to Mark today for review.
  - WorkSource is unable to reopen in Phase 2 for two reasons:
    - Without prior notice, Employment Security decided it was time to have all the bathrooms on the first floor remodeled.
      - There is no plumbing on the first floor, and it is not acceptable to reopen a site without bathrooms and handwashing stations.
    - There are 65 staff and normally see about 200 individuals daily, so the plan is to reopen in Phase 3 for the WorkSource Center.
• Our best guess is that WorkSource will be closed until July but will reopen as soon as possible.
• Staff are ordering plexiglass barriers and working on customer flow mapping, so everything is ready for reopening.
• We will continue to provide information and updates through our newsletter.
  o For the Next Generation Zone, staff believe we can reopen with reduced staff onsite and very reduced customers.
    ▪ The order for PPE will be submitted this afternoon.
    ▪ The SWC is working with every agency to see if they are willing to send staff back.
    ▪ Next Generation Zone may be able to reopen under the new conditions in the middle of June.
  o The Spokane Resource Center is our most important site to open back up due to the urgency of customer needs.
    ▪ Staff are seeking to reopen in Phase 2 with reduced staff and reduced customer flow.
    ▪ We have been recognized as an essential business, so we are allowed to reopen, however, we do work with agencies that are reluctant to send staff back.
    ▪ We will be offering all partners a review of the policy and procedures along with the PPE we have in place.
    ▪ Staff would like to open the SRC around the same time as the Next Generation Zone, if not sooner.
  o Talent Solutions works virtually and has not been particularly impacted by working off campus.
    ▪ When we open the other centers, they can continue to work from home but certainly they will be welcome to come back on campus.
• Committee members discussed new protocols such as taking employee temperatures at their work sites.
• Machelle Johnson offered help with barrier materials.
• Tina Morrison complimented staff on the newsletter and said the information was appreciated.
• Dawn and Mark thanked Andrea Hixson for helping with the newsletter.
• Mark reported that our locally integrated workforce plan deadline has been pushed back to sometime this fall. However, we have the plan completed and it is in our interest to submit it now and make updates to reflect new economic conditions in the future.
  o We need to submit a couple of updated attachments on the plan
    ▪ One is membership and certification of board members.
    ▪ The other is a checklist of the different assurances.
  o Mark will get this ready for approval by the Full Council and submission.
• Mark sent the committee a copy of the Value of Community Award from SNAP to the SRC.
  o SNAP is a partner to the SRC, and they normally use this award to recognize departments within their own agency, but they decided to award it to the SRC.
  o This has not been publicly announced yet.
• Conflict of Interest Disclosure/Policy
  o It is time again this year to sign the Conflict of Interest/Disclosure Policy so we can be in compliance with our bylaws and the requirements of the state.
• The June full council meeting is coming up and it will be a virtual meeting.
  o We have a new member to appoint and several reappointments.
• Mark discussed unemployment insurance fraud, what a major problem it has become and that we are working to ameliorate that by letting businesses and job seekers know what to do about it.
  o Staci Franz mentioned she liked the one-page flyer outlining what to do if you are a victim of imposter fraud.
  o An international crime syndicate based out of Nigeria was able to hack personal information such as social security numbers, birth dates, home addresses and emails from Experian and use the data to open fraudulent unemployment insurance claims.

ITEM #8 – OTHER BUSINESS
• Staci Franz asked if anyone wants to help us honor the graduates from Next Generation Zone, we are delivering signs and small gifts to the graduates.
  o We have about 115 graduates we need to get to, so if you have a couple hours in your day over the next week, we would appreciate the help.
• Mark announced that we are going to be the recipient of approximately $659,000 from a national grant that we applied for as a state and received about $12 million across the state.
  o We have not received it yet or negotiated for how we are going to use it, but you may see a press release about that.
  o We plan to use that money for Disaster Assistance to help individuals directly impacted by COVID-19, placing some into emergency jobs dealing with this situation, food banks or other similar services, as well as getting people into training, preparing for jobs as the economy recovers.

Meeting adjourned at 2:05 PM.