

Program Oversight Committee Meeting
Friday, April 16, 2021
9:00 a.m. – 10:30 a.m.
Zoom Meeting

Members Present: Caitlin Blair, Christine Tarquinio, Jenny Lampton, Lisa Thompson (proxy for Sadiqa Reynolds), Mike Hesketh, Patricia Williams, Valorie Hughes

Staff: Aleece Smith, Angella Wilson, Bailey Preston, Christopher Locke, Cindy Read, Elizabeth Davis-Terhune, Katie Elliott, Lori Hiser, Mary Rosenthal, Michael Gritton, Patrick Garvey, Regina Phillips, Sarah Ehresman, Stacy Roderick, Tobin Williamson

Contractors/Guests: Angela Wells-Vereb, Ashley Janicki, Eric Hicks, Kimberly Boyd-Lane, Linda Witt, Marsha Berry, Martha Stephenson, Regan Wann, Renee Walters, Sara Dodeci

Welcome and Introductions – *Mike Hesketh*

Mr. Hesketh began by recognizing KentuckianaWorks staff and contractor staff for their consistently great work. Ms. Read announced the removal of the last item of today’s agenda (agreement with Shelby County), to be discussed at a future meeting.

Review & Approval of Minutes from the February 19, 2021 POC Meeting – *Mike Hesketh*

Ms. Thompson mentioned she attends meetings as proxy for Ms. Sadiqa Reynolds, which should be noted in the minutes. She also referenced a conversation on the bricklayers’ union, and said to give them a more formal title (i.e., Bricklayers’ Union #1). A motion to approve the adjusted minutes was made by Ms. Hughes and seconded by Ms. Williams. There were none opposed.

Labor Market Update: Construction Jobs – *Sarah Ehresman*

Ms. Ehresman provided an overview of construction jobs in Louisville’s region. The construction training RFP is currently out for bid, with the initial review of applications set for next month. Some fast facts: there were 3,000+ unique establishments pre-COVID with 28,000+ jobs (5% of all private sector jobs, about 12% lower than national average). One reason for this: Louisville’s construction industry never fully rebounded from the 2008/09 recession. However, there is a big infrastructure bill being tossed around Congress, and we expect more demand soon. Construction laborers have a median entry-level wage of \$18.25, which skews toward the higher end of entry-level jobs in Louisville. Women and Black workers are underrepresented as construction laborers (96% male, 78% white); there is an overrepresentation of Hispanic workers, though. Construction industry staffing patterns indicate construction laborers are the largest, followed by carpenters, electricians, and plumbers/pipefitters/steamfitters; but construction laborers are also the lowest paid. To get to the next rung of pay, a common pathway is to go from entry-level to skilled trades. This usually requires an apprenticeship. That segued to a discussion on the skilled trades (electricians, plumbers/pipefitters/steamfitters, carpenters, bricklayers, millwrights, stonemasons, etc.). Over the next ten years, demand for skilled tradespeople is expected to increase by 9%, almost double the rate of other occupations in Louisville; some skilled trades have even higher expected rates of growth. The majority of

individuals in skilled trades do not have a four-year degree; only 22% have some college, just 5.9% a bachelors. These jobs, then, are attractive for people who do not want to go to college. Almost all job postings for skilled trades require 3-5 years of experience, so apprenticeships are needed. Almost half of all current skilled trades workers are age 45+ (which skews older compared to other sectors). There are projected to be over 12,000 construction job openings in the next ten years, most of those from replacing people who will be retiring. As with construction laborers, women and Black workers are underrepresented as skilled tradespeople (98% male, 88% white). Turning to wages, the data shows skilled tradespeople earn more than the region's median wage (for example: millwrights, plumbers, and electricians earn more than \$60k, on average). Skilled tradespeople in unions earn a wage premium compared to non-union workers.

After her presentation, Ms. Ehresman opened the floor for questions and discussion. Ms. Witt asked what solar installers are; Ms. Blair said they are usually considered electricians. Mr. Hesketh asked about underrepresentation of certain groups. Mr. Gritton said KentuckianaWorks has been reaching out to trades unions through our labor-focused Board members, and have gathered a list of how to apply for apprenticeships. An old labor economist friend of Mr. Gritton's said these professions often employ the "FBI" method of recruiting: Fathers, Brothers, and In-laws. For generations, it has been a pretty closed system. KentuckianaWorks has also been working with the Urban League to rebuild old partnerships, but it has proven to be tough. When you look at rules for letting people in, testing and dates are usually not standardized. KentuckianaWorks has encouraged them to standardize their recruitment processes so their numbers better represent the community. There are some big projects coming up (new VA hospital, etc.) that create optimism; generally, though, this is an example of structural racism. Ms. Thompson echoed these concerns of structural racism, and praised KentuckianaBuilds for its intentionality on improving representation. She wanted to lift up Neal Cotton, Caitlin Blair, and Harold Reynolds for their work on the KentuckianaWorks Board. Mr. Gritton provided another piece of history, saying when KentuckianaWorks ran the construction pipeline project the first time (10-12 years ago), we had more federal money and placed graduates into specialized pathways; as funding declined, we had to let that program go away. We might experiment with that again in the future, depending on new funding. Mr. Hesketh asked if the Academies have construction pathways; Mr. Gritton said yes, in fields like electrical, carpentry, etc. Some of the local schools do, as well. However, this morning's discussion was focused on adult workers.

Staff Recommendations: Contract Renewals – *KentuckianaWorks staff*

- **Adult Career Services: Equus – *Angella Wilson***

Ms. Wilson asked to renew the Equus contract as adult career services provider not to exceed \$2,400,000 for the upcoming year (July 1, 2021 – June 30, 2022). This is the largest contract KentuckianaWorks has. It includes management of the Cedar Center, the Nia Center, KMCC, some of the regional counties' staff, sites, and services. There are five business service teams and a mobile team. It also includes staffing for Code Louisville and Tech Louisville. Back in 2019, the Board approved a five-year contract with Equus. These contracts are renewable year-by-year. The majority of this contract's funding is funded by WIOA, though there is also some JP Morgan Chase funding and some from the Louisville Redevelopment Authority. COVID-19 has caused a huge loss in foot traffic. In the first quarter of the program year, career center staff worked with the state's unemployment office on some unemployment insurance issues. There has also been

general uncertainty. Staff came to the Board in February to discuss moving from the Cedar Center to the Nia Center, which we are currently in the process of certifying as a comprehensive one-stop center. Ms. Wilson wanted to be transparent about the current status of Equus. In January, she and Ms. Read had some discussions about metrics. At that time, Equus was placed on corrective action for being behind on some metrics (including total overall job placements). Since then, there has been significant progress after some readjusting and realigning. The next overall job placement goal is 500; Equus have placed over 320, so they are moving in the right direction. Still, the story is not just in the numbers; the people who encounter the staff at our centers have great things to say in customer satisfaction surveys (with an average score of 96%).

Mr. Hesketh asked what to expect in the upcoming year; Ms. Wilson said a lot of flexibility and uncertainty. Following healthy-at-work guidelines, KMCC will be opening in a limited capacity. There is also the process of moving to the Nia Center, which enhances our intentionality. Mr. Gritton said that like manufacturers, KentuckianaWorks has more employers looking for people than people looking for employers; but, as vaccines roll out, schools reopen, childcare reopens, etc., those dynamics change daily. He was not sure when the tipping point will be, but it will be coming. Ms. Blair felt excited about the Nia Center decision after she saw a news report with KCC signage. Ms. Hughes asked if, was Equus the vendor for adult career services before 2019. Ms. Wilson replied yes, they just had a different name (i.e., ResCare). Mr. Gritton added this was the sixth or seventh year that ResCare/Equus has had the contract. Ms. Read then emphasized Equus competed again, and won again. Before ResCare/Equus, it was JCTC with the contract.

A motion to approve recommendation to renew the contract was made by Ms. Blair and seconded by Ms. Lampton. It passed with none opposed.

- **One Stop Operator: Equus** – *Angella Wilson*

Ms. Wilson pointed out this contract is renewed every four years, and KentuckianaWorks will be beginning negotiations for the third year. This project is also funded primarily by WIOA, with some added funding from JPMorgan Chase for the Project Welcome Back coordinator position. This contract is small but mighty, according to Ms. Wilson. The One-Stop Operator looks at the system as a whole and makes recommendations about what could be better, for improving customer service. They bring together MOU partners at quarterly meetings (Ms. Read later clarified this meant workforce partners gathering together to prevent duplication of services and improve collaboration between partners). They have been working on the referral tool UniteUs, and offering lots of professional development. There is currently has a staffer who is great at that, and those offerings continue to rise. The position also involves maintenance (ADA compliance, career center certification, etc.). Finally, the Project Welcome Back Coordinator's primary focus is to provide feedback on customer service for the region's immigrant and refugee population. Currently, the contract is doing really well and hitting all of its deliverables. Ms. Wilson was excited to start the negotiation process, recommending a contract not to exceed \$225,000 for July 1, 2021-June 30, 2022. She added the One-Stop Operator was also instrumental in adjusting well to the COVID-19 pandemic.

Ms. Thompson made a motion to approve Ms. Wilson's recommendation, Ms. Blair provided the second. The motion passed with none opposed.

- **WIOA Regional Youth Program: Goodwill** – *Cindy Read*

Ms. Read said members who have been on the POC for a while would remember there have previously been years with renewal after renewal after renewal. There are fewer this year, though, because three contracts are currently up for bid; next month's meeting will have a real packed agenda (approving RFPs for youth programs, construction pipeline, career center certification, etc.). That being said, there were three programs to cover today. For the regional youth program, Goodwill is finishing its first year as the provider. The current contract is for \$376,000. This program is 100% funded by WIOA, and we are expecting a 10% cut to WIOA programs; this will hit youth programs especially hard. With that in mind, we are trying to protect the amounts of contracts by trimming costs elsewhere (saving money on center space, etc.). Right now, the regional youth programs are operating out of two facilities – the Hope Center in Henry County and a new site in Bullitt County – with lots of mobile work. The programs are struggling this year because, well, all youth programs everywhere are struggling without one-on-one interaction. Still, there have been some successes that will carry over to the future. Outside of Louisville, many folks who do not have cars also do not have bus access; staff have that found if they do the sign-ups in-person – even meeting at a Dairy Queen parking lot! – they have better success with clients. Online registration seems to be a big hurdle. Most importantly, though, participants are still getting outcomes and making progress: 54 new participants have enrolled (the goal is 95), there have been 51 job placements, 18 GEDs have been obtained. The internship program is running behind, but there have been some job shadows. Staff feel very good about this program's results, so the recommendation was to renew the contract with Goodwill not to exceed \$380,000 for July 1, 2021 – June 30, 2022, knowing the exact contract amount may vary as we get further into negotiations. Mr. Hesketh referenced a large meeting space that was available in Shelby County; the Equus team has been proactive in utilizing it, and he noted real evidence of the mobile team getting out into the community.

A motion to approve Ms. Read's recommendation was made by Ms. Lampton and seconded by Ms. Hughes. There were none opposed.

- **TANF (Power of Work) Program: Goodwill** – *Cindy Read*

Ms. Read said KentuckianaWorks has partnered with Goodwill on the TANF program for almost 14 years, per Ms. Boyd-Lane. Its origins were with the Kentucky Cabinet for Health and Family Services, who have changed the way they have done the program over the years. The WIOA law loves the partnership of TANF and workforce. This contract is not bid out, as the state has said Goodwill has it. We (KentuckianaWorks) are their fiscal agent. (Mr. Gritton added the state required us to respond to an RFP about a decade ago, and we bid together with Goodwill; it complied with procurement back then). Ms. Read said that like everything else, it has been a very tough year for the TANF program. Goodwill has worked to negotiate their numbers, which have been lower than normal. We do not recruit for the program; you **MUST** be referred in by the Department of Community-Based Services. The state has something called "good cause," where CHFS has recognized some people cannot do the work experience placements they typically do (due to the pandemic), so their benefits will not negatively be affected. The numbers are down, but nevertheless, there are still numbers, and many people have been helped. Staff are doing some things online, and they have definitely served more people and helped more people get jobs than Ms. Read would have expected given the circumstances of COVID-19. Ms. Read's recommendation was to renew the Power of Work contract with Goodwill for \$1,017,160 for

July 1, 2021 – June 30, 2022. Mr. Gritton said attendees have probably heard him mention the “Texas model” before, where all funding streams about getting people back to work flow through the workforce boards. Kentucky has never made this decision. TANF funding is really episodic and happenstance, and not all WIBs do this program. Mr. Gritton praised the Goodwill team for helping people get into training and jobs, connecting participants to employers. Mr. Hesketh also gave kudos for TANF’s role in getting over 70 people off financial assistance this year even amidst the pandemic, acknowledging enrollment is down due to fewer DCBS referrals.

A motion to approve Ms. Read’s recommendation was made by Ms. Blair and seconded by Ms. Lampton. The motion passed with none opposed.

- **SNAP E&T Program: Goodwill – *Cindy Read***

Ms. Read said this program originated with the work requirement for Medicaid that was proposed by the previous Bevin administration. KentuckianaWorks had a robust procurement process, which was won by Goodwill. Then a judge basically blocked the program, and it never went forward. Nevertheless, we had already bid out the SNAP E&T program for \$165,000 for the program year as part of that. This program has the same issue TANF has: they are not getting as many referrals. SNAP E&T is a program for able-bodied adult without dependents transitioning off food assistance, and (as with TANF) the state has extended “good cause” on this, too. Participants do not have to come in, it has been extended each month. Still, Goodwill has served 673 customers who have completed 170 “tasks.” They have done a good job overall, considering the tough circumstances. Ms. Read’s recommendation was to renew the SNAP E&T contract with Goodwill not to exceed \$165,000 for the year from July 1, 2021 – June 30, 2022. Mr. Hesketh added that Goodwill has met all contractual requirements since it began in 2018.

A motion to approve the recommendation as stated was made by Ms. Blair and seconded by Ms. Lampton. There were none opposed.

Program Reports: Time for Questions from the Committee – *Cindy Read*

Prior to each POC meeting, staff send committee members a thick file of reports that have been reviewed with the contractors prior to the meeting. We often get squeezed and do not have a lot of time to review them during the meetings. Mr. Hesketh is particularly interested in these reports, and would like to make them more of a priority. Moving forward, we will be sure to add time to open up the floor. Mr. Hesketh encouraged service providers to share anything they did not want the committee members to miss, to help the staff and committee see what the key issues were. Ms. Read said one thing she loved was how the reports always feature fantastic success stories; she reads these success stories when she is feeling down in the dumps about society. She emphasized it was important to celebrate when people have success and turn their lives around.

Director’s Report – *Michael Gritton*

Mr. Gritton had just a couple of things to discuss in his Director’s Report. First, circling back to SNAP/TANF programs: SNAP funding comes from the U.S. Department of Agriculture, TANF comes from the U.S. Department of Health & Human Services, WIOA funding comes from the U.S. Department of Labor, and they all have different rules and regulations. Part of why he has kept encouraging Kentucky to move to the “Texas Model” is that when an issue is connected to workforce, he feels the programs should run through the workforce board. In the same way that

Congress extended U.I. benefits, they have similarly allowed states to not kick people off these programs. Eventually, the rules will change for participants in these programs, but at different times. Many of the policy levels will move at about the same time, though, and cause a big change in the (un)employment picture.

Next, Mr. Gritton pointed out that KentuckianaWorks has been dealing with some budget dissonance as an organization. The U.S. Congress creates the overall amount of WIOA funding. It then goes out by a formula to all fifty states. It then goes out by a formula to the various WIBs within the states. It looks like KentuckianaWorks is going to get over a third less than what we got five years ago, even before adjusting for inflation. Because the state made so many staffing changes at career centers during the Bevin years, it has created additional chaos. Wagner-Peyser is yet another federal policy with different sets of rules that impacts this; it has been tough to make cuts to contract staff because the state made cuts to Wagner-Peyser staff. Mr. Gritton has been in conversation with the Mayor and the Council about the large amount of American Rescue Plan money the city is expecting to receive (~\$450m of relatively flexible money); the ARP means the city is getting 75% of its normal budget unexpectedly! KentuckianaWorks has been advocating for job training money – for both short-term (e.g., CDLs) and also long-term things (e.g., healthcare) – and will provide future updates at both the POC and Board levels. Mr. Gritton was not sure how quickly the Mayor and Metro Council will make their decisions, but we are asking for \$20m from the city (compare that to the current annual budget of \$12m). As it stands, we have everything we need... except more funding. We have the infrastructure, the employer connections, the career centers, the labor market information, a training providers list. We will also be trying to get the word out particularly to Black and Brown people about our opportunities if we do get some additional funding.

Mr. Hesketh said one of his questions was that barriers continue to be important. Money for training is important, but so is overcoming barriers like lack of daycare; he wondered if those issues would be addressed. Mr. Gritton said our friends at Goodwill run a nice Cars to Work program, for one example, but the challenge from a policy perspective is that everything becomes more expensive the more barriers you try to remove, and a large portion of state and federal lawmakers do not believe the government should play any role in this (e.g., transportation or childcare vouchers). Mr. Gritton would love to get some flexible monies to experiment on how to solve some of these barrier problems. Ms. Read pointed out that last year, KentuckianaWorks increased its supportive services amount for things participants need to support them to get a job; still, for things like childcare, \$1,000 is just a drop in the bucket relative to the overall need. Mr. Gritton agreed, saying that even at the higher level of incomes, childcare (especially quality childcare) can be prohibitively expensive.

The meeting adjourned at 10:27 A.M. The next meeting is scheduled for Friday, April 21, 2021.