



Wednesday, November 10, 2021
Cisco WebEx Meeting Webinar | 1:00 – 2:00 P.M.

Raleigh, NC

Minutes

Present:

Chairman Tom Rabon, Broxton Ashburn, Shawn Brown, Sherry Carpenter, Chris Egan (Secretary Mandy Cohen), Jeff Frederick, Christopher Gergen, Byron Hicks (Peter Hans), Steven Hunt, Suzanne Johnson, Jessica Englert (Governor Roy Cooper), Maureen Little (Thomas Stith), Candace Lowry, Secretary Pamela B. Cashwell, Bruce Mack (Thomas Stith), David Miller, MaryBe McMillan, David Miller, Mike Okun, Stan Sherrill, Tammy Simmons, Ronnie Smith, Pam Townsend, Kristie VanAuken (Superintendent Catherine Truitt), Leslie Walden, Secretary Mabelle Baker Sanders, Chief Deputy Secretary Jordan Whichard, Hope Williams, and Annie Izod

Absent: Josh Arant, Rodney Carson, Osceola Elliss, Himanshu Karvir, Paul Lawler, Marti Matthews Martin, Olalah Njenga, Gilda Rubio-Festa, Kim Toler, Jim VanCamp

Opening Business

The last quarterly business session for 2021 began with a welcome to commission members and attendees from Chair Tom Rabon. He introduced Secretary Mabelle Baker Sanders who provided workforce and economic development updates from the Department of Commerce.

Secretary Sanders congratulated everyone involved in the planning of the virtual NCWorks Partnership Conference in October. The conference coincided with the celebration of *North Carolina Workforce Development Professionals Month* and included recognition of the winners of the *Governor's NCWorks Awards of Distinction*. Secretary Sanders participated in the opening session of the conference, which included a conversation with Chris Chung, the CEO of the Economic Development Partnership of North Carolina, where they discussed the "First in Talent" strategic plan.

Secretary Sanders recognized *Employ a Veteran Week* in North Carolina. Governor Cooper proclaimed the week and challenged employers to honor veterans by hiring them. Many of our NCWorks Career Centers and local workforce boards are holding events, both in-person and virtually, to help connect veterans to new job opportunities.

Secretary Sanders shared that the National Governors Association recently announced that North Carolina and five other states were selected for the second phase of the Workforce Innovation Network (or WIN). North Carolina will receive up to \$100,000, plus technical assistance, to help NC identify and implement strategies to ensure more North Carolinians have the digital skills they need to participate in work, education, or training.

Secretary Sanders discussed the new business pulse survey, which is a collaboration between the NCWorks Commission, the Labor and Economic Analysis Division of the NC Department of Commerce (LEAD), myFutureNC, and the Duke Energy Foundation. This is the first survey of its kind undertaken by the state of North Carolina. Participating businesses will complete a short survey once per month, for six months to provide real time data which will help economic development, workforce development and education agencies make informed decisions about how to support post-pandemic recovery for employers, jobseekers, and communities.

In conclusion, the secretary remarked that North Carolina is in a much better place with the pandemic than we were a few months ago, but we still must be vigilant. She recently spoke at a regional economic summit in Elizabeth City where she emphasized how important getting vaccinated is to North Carolina's shared prosperity. Furthermore, the workforce fallout from the pandemic continues to be felt, with a tight labor market affecting many sectors of our economy. Members of the commerce leadership team are prioritizing finding ways to increase employment among populations most disproportionately impacted by the COVID-19 pandemic— both for jobseekers and for employers.

After the secretary's remarks, Chair Rabon recognized five new members to the commission:

- **Gilda Rubio-Festa**, the associate vice president of college and career readiness and state director of adult education for the North Carolina Community College System. She will serve on the commission as the WIOA Title 2 program manager representative.
- **Cynthia Speight**, the director of the Division of Services for the Blind at the North Carolina Department of Health & Human Services. She will serve on the commission as the WIOA Title 4 program manager representative.
- **Rodney L. Carson** is the principal engagement manager at the SAS Institute. He also serves as president of the North Carolina Association of Workforce Development Boards.
- **Nikki Nissen** is chief nursing officer and vice president of clinical operations for Novant Health Medical Group.
- **Cheryl Richards** is the CEO of Catapult, a brand-new statewide employers association which serves over 2300 members.

He then thanked Anita Bachmann for her two years of service on the commission.

August 2021 Minutes Approval

In moving the meeting to more formal business, Chair Rabon asked for a motion to approve the minutes from the August 11th meeting. The motion to approve the minutes as written was made by Christopher Gergen and seconded by Jeff Frederick. There being no corrections, the minutes were unanimously approved as written.

Presentation from LCI

Patrick Lindsey, president of LCI, provided an informative presentation to the commission. LCI is one of the largest employers of Americans who are blind or visually impaired (BVI). Chair Rabon noted that LCI manufactures over 2,000 products across America and distributes and sells thousands more. Additionally, LCI, operates 50 base supply centers serving U.S. military service members with over two million products. Many of the commission members toured the Durham production facility on November 9th. Mr. Lindsey explained that LC Industries was founded in 1936 in Durham, N.C., as *Lions Club Industries* to promote employment for people

who are blind. There are more than one million square feet of operations in 13 states and their primary business units are manufacturing, retail, distributions, and ecommerce. LCI has more than 750 employees and more than 320 of them are legally blind. LCI produces 2500 products in the categories of tactical, lodging, safety, cleaning and breakroom, and office. They make everything from mattresses, file folders, mops/mop refills, locks, shredders, glue sticks, stamps, tissues, toilet paper, paper plates, napkins, brooms, metal key cabinet, plastic cutlery to belts, mattress covers, slings and holsters, plat carriers, hydration, and vests and chest rigs. Their base supply center program has 49 retail locations in nine states and includes the Army, Air Force, Navy, Marine Corps, and Homeland Security. The program supports the warfighter with access to two million items, everything except fuel, food, and ammunition. Retail locations are in New York, Pennsylvania, Indiana, South Carolina, Georgia, Florida, Mississippi, Nevada, California, and North Carolina. For distribution, there are 4,800 items in stock, 1,400 customers – including base supply centers, government resellers, and wholesalers – 495,000 orders processed, and 835,000 lines processed annually. LCI products can be purchased online at BuyLCI.com.

Hearing no questions, Chair Rabon thanked Mr. Lindsey for his presentation and moved to the next order of business – reports from the commission committee chairs.

Committee Reports

Skills and Education Attainment Committee - Chair Sherry Carpenter reported that the committee last met on November 3rd. The committee recently has focused on a disconnected youth initiative. The committee partnered with Piedmont Triad Regional Council and other workforce development boards in a collaborative effort to develop the ambassador program of the *Dream It Do It* model. The objective is to connect more youth to NCWorks NextGen services, especially the hard-to-reach youth, 16 to 24 years, and encourage high-school completion and career pathway opportunities. A planning subcommittee was formed to develop the **NCWorks Commission Youth Focus Group Series – Paving Pathways to Success**. There were three sessions held virtually on October 26-28th. Participants, representing various areas of state, shared about their struggles and successes, especially in the last 18 months of the COVID-19 pandemic, their experiences in the NextGen program, ideas for program improvement and promotion, and the best ways to reach other young adults. Other committee business included an update on the state-level workforce indicators that were set in collaboration with myFutureNC over the summer. Recommendations were made for opportunity youth and family-sustaining wage, which will be incorporated into the next version of the dashboard release. For the labor force indicator, updated information is needed but the data is delayed due to the impacts from COVID. At the most recent meeting, committee member Candace Lowry, spoke on the challenges of WIOA Youth Programs.

Employer Leadership Committee – Chair Jeff Frederick informed the commission that the committee last met on October 27th. The committee welcomed their new committee member, Cheryl Richards, CEO of Catapult, the statewide employer’s association in October. The Employer Needs Survey is currently underway; the Center for Urban Affairs and Community Services at NCSU has completed all the phone interviews to achieve the desired sample size and will be forwarding this information to LEAD. LEAD will start running descriptive analysis of 2,200 responses and report their findings at the February 2022 NCWorks Commission Quarterly Business Session.

In addition, the committee is tracking the progress of the Business Pulse Survey, which was launched in mid-October with a goal to gather 400 monthly responses from businesses across North Carolina each month for six months. Dr. Jenni Harris, executive director of business services for the Division of

Workforce Services, provided the committee with an overview of sector partnerships, which are effective ways for workforce systems to conduct business moving from a program administration focus to a more data driven strategic role in collaboration with employers, building regional talent pipelines, addressing skills gaps, and creating impactful career pathways for a range of workers. The committee will continue to expand its focus on sector partnerships. Chair Frederick commented that the committee is still exploring EDA Grants to fund the first two years for the NC Workforce Development Academy.

Local Innovation Committee - On behalf of Chair Olalah Njenga, Jade Manley, director of the NCWorks Commission local innovation committee, announced that the Local Innovation Committee last met on Tuesday, October 12th. The committee discussed updates on the NCWorks Spotlight on Local Innovation Webinar Series. The committee hosted its second webinar in the series on Wednesday, September 22nd highlighting GuilfordWorks Adult Apprenticeship Program. The purpose of the program is to prepare young adults and adults for in-demand careers and for employment in the Guilford County area. GuilfordWorks is the first workforce board in the entire Piedmont Triad Region to sponsor a registered apprenticeship program. The webinar had participation from all over the state which included 10 local workforce board areas. The committee looks forward to their next webinar in the series which will take place early next year.

For new business, the committee welcomed new member Cynthia Speight. In addition to welcoming a new member, the committee heard from committee member Leslie Walden, who shared her experience of participating at the Clean Energy Pilot Apprenticeship Event at Halifax Community College with Governor Cooper. Furthermore, new business included a discussion on the workforce observer and rural innovation.

Governance and System Alignment Committee - Chair Chris Egan reported that the Governance and System Alignment Committee last met on October 26th. The committee welcomed three new members to the committee: Nikki Nissen, from the health care sector, works as the chief nursing officer and vice president of clinical operations at Novant Health Medical Group; Rodney Carson, works as the principal engagement manager for U.S. Government and Education for the SAS Institute, as well as being the current president of the North Carolina Association of Workforce Development Boards; and Pat Sturdivant, who will serve on the committee as an ad hoc member, is the executive director of the Capital Area Workforce Development Board.

The committee discussed a recent federal finding with the FNS E&T Program (Food and Nutrition Services—Employment and Training Program) operated by the NC Department of Health and Human Services (DHHS). The DHHS federal project officer indicated that the FNS E&T program must ensure a stronger coordination with the *Workforce Innovation and Opportunity Act (WIOA)* Core Programs and the State Workforce Board. Recommendation that future coordination will be coming through the Governance and System Alignment Committee as they wait to discuss the issue with their program coordinator after they meet with the federal representative from US Department of Agriculture.

CPS 11-2021, Eligible Training Provider Guidelines, Penalties, Appeal Process, and Performance Reporting

Chair Chris Egan reported the committee reviewed and voted on Commission Policy Statement CPS 11-2021, Eligible Training Provider (ETP) Guidelines, Penalties, Appeal Process, and Performance Reporting. The purpose of this policy is to provide eligibility criteria, biennial certification procedures, penalties,

and appeals processes for implementing ETP requirements in accordance with the WIOA. These guidelines are applicable to all providers of occupational skills training services as defined by WIOA Title 1-B. Final drafts were sent to all commission members prior to the quarterly business session.

Chair Rabon asked if there were any questions before the vote. There being no questions or corrections, the commission then voted to unanimously approve Commission Policy Statement CPS 11-2021 as written.

New Business

Chair Rabon thanked everyone for their reports and then announced that he recently met with Governor Cooper, who is not just our state's Chief Elected Official, but also specifically the head of our workforce system and an ex-officio member of the commission. In discussion about the state's workforce system, the Governor asked the commission to explore whether the current service areas of local workforce development boards are organized to serve North Carolina effectively and efficiently—which may include moving from the current arrangement of 23 local workforce development boards to a system that is more closely aligned with economic development— while also meeting the goals set forth in federal and state law.

Chair Rabon directed the commission members' attention to the map of eight prosperity zones, which was created by the North Carolina General Assembly in 2014, with a focus on collaboration and improved efficiency and to be more responsive at the regional level for economic, education, and government agencies. Chair Rabon stated many agencies use the prosperity zones to channel resources throughout the state to meet the needs of our citizens and businesses. In fact, almost all the NCWorks system partners use the prosperity zones for one purpose or another. Our current workforce development system does not align geographically with the prosperity zones. There are some workforce boards that serve a single county, whereas other boards serve five or more counties. Several boards' local service areas fall into two prosperity zones. Two of the boards' local areas even fall into three prosperity zones. With a few exceptions, the current map of local workforce areas has been in place since the 1990s, and much of it dates to the 1980s. North Carolina had a very different economy back in the 1980s and even the 1990s, and it is possible that North Carolina is due for an update — a new arrangement for the economy of today and tomorrow.

Chair Rabon elaborated that many employers today obtain great services from NCWorks, but even more can do so in a system that is simplified. Many businesses don't just operate in one county, they operate across an entire region or across a state. He concluded by stating the Governor supports this commission in studying realignment. This is a weighty matter that will require a significant amount of work and consultation. The Governance and System Alignment Committee will immediately begin reviewing, considering, and studying a realignment and re-designation of local areas. The committee will provide a report at the next commission meeting on February 9th. Due to the amount of work required, Chair Rabon called for an additional virtual commission meeting on March 30th. More details about that meeting will soon be released. The commission has an important leadership role to play in this process.

Closing Business

NCWorks Commission Executive Director Dr. Annie Izod noted that the next commission meeting on February 9th will be a hybrid format with the opportunity for members to attend in person or virtually at the NC State McKimmon Center in Raleigh. In addition, she shared that the (virtual) joint meeting

between NCWorks Commission members and the workforce development board chairs and directors will be on December 17, 2021, from 8:30 a.m. – 10 a.m.

With no questions or comments, Chair Rabon closed the meeting by thanking everyone for their participation and patience in the virtual setting. The next NCWorks Commission meeting will be in person with virtual access on February 9, 2022. There being no more business, the meeting was adjourned.

Respectfully submitted,

Dr. Annie Izod

Approved by the NCWorks Commission on February 9, 2022