

Alaska Department of Labor & Workforce Development
The Alaska Workforce Investment Board
Business Meeting at University of Alaska, Fairbanks
Butrovich Building, Suite 109
Fairbanks, Alaska
August 12, 2004

DRAFT MINUTES

The meeting began at 8:19 a.m.

Chair Andy Baker called the meeting to order and welcomed everyone to the meeting.

Roll Call

Dick Cattanach, Dr. JoAnn McDowell (via teleconference), Wendy Redman, Susan Denison, Chris Hayes, Dr. Alice Galvin, Andy Baker, Kristen Forrester, Mona McAleese, Rose Ellis, Neal Foster, Colleen Ward, Ginger Stock-McKenzie, Tim Sunday, Rod Betit, Jim Laiti, David Stone, Rachael Petro (Lt. Governor's designee), Indra Arriaga (DCED designee)

DOLWD Staff: Fred Esposito, Paula Scavera, Guy Bell, Chris Miller, Patti Swenson, John Pratt, Chris Allridge, Tara Jollie, Nikki Adams

Guests: Click Bishop, Mike Andrews, Donna Scott, Whit Hicks

Alice Galvin moved, and Kris Forrester seconded, that the minutes be approved as written. The MOTION passed unanimously.

Neal Foster moved, and Ginger Stock-McKenzie seconded, that the agenda be accepted as written. The MOTION passed unanimously.

Executive Director's Report

Fred Esposito introduced himself as director of AVTEC, acting director of the Division of Business Partnerships, and acting executive director of the AWIB. He has been serving in the last two capacities since late June of this year. It has been a very busy summer for division and board staff.

His opportunity to serve on the Operating Council has been very encouraging; the group's focus has been primarily on working with the One-Stops to develop full integration of services. The Ops Council is also working with the Division of Vocational Rehabilitation on issues relating to the Customized Employment Grant. Their next meeting will be in Wasilla on August 18 when they will be reviewing the plan the job center there has crafted regarding remodeling and integration.

The third round of grants for the *Investment Strategy* this Spring resulted in approximately \$6.5 million of the \$7.2 million allocated for this round being recommended for funding of

sub-grants. These are currently being negotiated and executed, bringing the total number of sub-grants to about 48.

DOLWD is undergoing a formal review of all federal programs, for which staff has been busily preparing. John Lampman from USDOL will begin the two week monitoring process next Monday in Juneau. Mr. Lampman will also be coming to Anchorage as well as visiting the Bethel job center.

Acknowledging that this may be his one and only opportunity to address the board as its executive director, Mr. Esposito reflected on the six he sat on the board, remarking that he didn't feel that the AWIB (at that time) took sufficient action with respect to the need for vocational education and training in Alaska. Approximately 70% of our youth are not going on to complete 4-year college degrees. Along with that, 70 to 80% of the jobs in Alaska do not require a 4-year degree. Therefore, a robust vocational education system is essential to the AWIB's vision of Right People, Right Skills, Right Job, Right Time.

Selection of New Executive Director

Board member Dick Cattnach stated he did not see the notice that Fred Esposito had been appointed as acting executive director and asked what influence the board has in the selection of a permanent replacement. Chair Baker replied that no clear direction has been forthcoming from the commissioner's office yet. Commissioner O'Claray's designee indicated that the commissioner would be interested in receiving input from any or all board members. The position has not been formally listed to the general public; such positions generally are not. There is no formal job description, no specific process, and no deadline to fill the post. The governor must approve the appointee.

Dick Cattnach moved, and member Susan Denison seconded, that the AWIB asks the Executive Committee to be involved in the selection of the executive director and communicate its opinion to the Commissioner of Labor and Workforce Development. The MOTION passed unanimously.

President Mark Hamilton's designee, Wendy Redman, felt slighted as a board member by not being notified of former Executive Director Farnham's resignation or Mr. Esposito's designation as acting E.D. She feels strongly that such momentous actions should be shared with the board in a timely fashion.

Recognition of Former Executive Director

Ms. Redman said she felt Ms. Farnham did an excellent job as executive director and that she should be recognized for her good work. Board member Kris Forrester explained that, in the past, executive directors have been honored with a resolution passed by the Executive Committee and signed by the commissioner and governor accompanied by an engraved plaque. Chair Baker declared that the Executive Committee would discuss the matter at its next meeting.

Public Comment

Chair Baker noted that a period for public comment regarding the State Unified Plan as well as general comment was scheduled at this time even though the topic had not yet been discussed by the board. He called for public comment from the audience. An audience

member inquired if they would be permitted to ask questions later in the meeting as relevant topics arise. The chair responded in the affirmative and indicated that public commentary should be reserved until after the board has finished its discussion at future meetings.

Member Alice Galvin asked if notice had been given of public comment for this meeting. Staff supervisor Patti Swenson replied that appropriate notice had been given, specifically, via the state's public notice system on the Web.

Committee Membership

Chair Baker explained the importance of participation in committees as that is where the bulk of the board's work is accomplished. Much commotion ensued regarding changes to the roster of committee assignments in the binder. Ms. Swenson stated that a revised roster had since been distributed via e-mail. Most board members were unaware of this. The substantial update was the inclusion of Tim Sunday and Terry Miller on the Workforce Readiness Committee and the removal of John Sargent from Employment & Placement.

The chair asked who was still not tasked to a committee. Tim Sunday joined the Legislative Committee. Rod Betit joined the Workforce Readiness Committee. Committee chairs briefly summarized each of their duties. Rose Ellis will serve on Employment & Placement. Mr. Betit also volunteered for the Youth Council. Chair Baker concluded that all board members have been assigned.

Wendy Redman questioned whether the Employment & Placement Committee had too many state employees serving as members. Committee Chair Susan Denison stated that they are building an *ex officio* list representative of the state's regions. Mr. Baker asked staff that all *ex officio* members be added to the roster.

Lt. Governor Leman's designee, Rachael Petro, reported that the Assessment & Evaluation Committee is could use more actively participating members; the problem is not a lack of members, but a lack of meeting attendance. The chair reiterated how critical committee participation is and asked for volunteers to bolster A&E's roster. Ms. Ward warned of the dangers of spreading board members too thin with service on multiple committees and encouraged A&E to build a strong *ex officio* membership. Mr. Baker advised that if a board member is assigned to a committee he/she needs to attend the meetings and participate in the work. He then requested that committee chairs e-mail the board at large regarding meeting times.

Alice Galvin asked if the directors of DPA, DVR, and ESD (due to their work on the Ops Council) are *ex officio* members of the Employment & Placement Committee. She was concerned about One-Stop operators serving in an oversight capacity for themselves. Likewise, the commissioner is concerned about state employees outnumbering private sector board members on committees. Tim Sunday asked for clarification on the purpose of the Ops Council.

Committee Meetings

The board broke into committees for fifteen minutes for informal discussion about relevant issues. In light of the discussion regarding filling out committee rosters Mr. Cattanach inquired what the status is of the unfilled positions on the board. Ms. Scavera indicated that would be a question for the commissioner.

Commissioner's Address

Commissioner Greg O'Claray apologized for his unforeseen absence and the uncertainty surrounding the organization of the Division of Business Partnerships and AWIB staff. He explained that the goal behind the creation of the division was to garner greater private sector involvement in how Alaska's workforce development system serves the current and future needs of business and industry in the state. Unfortunately the bureaucratic side of government consumed enough of the former director's time that the outreach aspect was not significantly achieved. One of the driving reasons Commissioner O'Claray appointed Fred Esposito acting director is due to the governor's charge to him and Commissioner Sampson to create a vocational education plan for the state. Governor Murkowski's focus is on family wage jobs that are sustainable in the economy.

The commissioner stated that if private sector individuals are going to continue being involved in the workforce development system we need to streamline the process and become more efficient. He cited board meeting as an example. The AWIB is a key advisory group to the governor on workforce issues and pursuing his goal of good jobs for Alaskans. The commissioner asked for the board's input on how the elements of the division should be structured. He is inclined to revert the organization of the board staff back to its previous configuration under the commissioner's office with its own executive director and dedicated staff. He asked the board members to provide him with what they believe the role and duties of the executive director position should be as well as recommendations for potential appointees. He assured that the AWIB's recommendations will receive the governor's full consideration.

Commissioner O'Claray would like to see a change of direction from the AWIB. Private sector participation is the core of the board's effectiveness. Government employees should not have a substantial impact on directing the board's decision. He invited questions from those present.

Rachael Petro raised the topic of the unfilled board positions. The commissioner stated that a number of applications are pending and it is a matter of Lorraine Derr (Boards & Commissions) being able to secure time with the governor to evaluate candidates. The governor has told Commissioner O'Claray that he thinks the AWIB is too large and has too many bureaucratic members. The commissioner assured that all he can do at this point is to continue urging the governor to make the appointments for the unfilled positions. Chair Baker pointed out that 4 or 5 board members' terms will expire shortly and inquired what the process is for those who are willing to continue to serve. The commissioner responded that they need to reapply via a letter of interest with the Office of Boards and Commissions. Those whose terms are about to expire are Mona McAleese, Dick Cattnach, Alice Galvin, JoAnn McDowell, and Terry Miller.

Wendy Redman had never heard about a state vocational education plan and asked for more details. It should focus on what programs work best in Alaska. Historically, many people have seen AVTEC as a competitor with the University for workforce investment dollars; he and Mr. Esposito don't believe that needs to be the case. He is considering creating a Division of Vocational Education within the department and naming Fred Esposito its director. The purpose would be to coordinate a dialog between the University and private sector training providers, thereby defining long-term and near-term goals to present to the

governor for endorsement and funding. He cited the Community Youth Mapping project as an example of an excellent program, housed within UAA, that relatively few people even know about. The commissioner would like to bolster nursing programs in the state, supplementing the excellent work UA and AVTEC are doing, working together to build the system rather than compete for exclusive funding. He insisted that a gas line will be built in Alaska and emphasized the importance of the building trades. Planning and preparation must begin now. Targeting rural training and placement is going to be a significant element of the state's strategy. The vocational education plan is to be action-oriented and results-driven. Ms. Redman opined that what Commissioner O'Claray described to be the vocational education plan is, in fact, the role of the AWIB. She agrees that there are too many public representatives on the board; she has been a proponent of making the board smaller and leaner. The commissioner said it can be done; there are WIBs around the country with as few as six members plus a chair. He agreed with Ms. Redman's assessment of AWIB's role and asked for a recommendation from the board arising from the discussions at this meeting if there is time.

Ms. Redman asked if the AWIB would continue to be housed within the Department of Labor & Workforce Development or return to reporting directly to the governor due to the interaction with the broad array of executive level agencies under this vocational education plan. Though the Commonwealth North study recommended the latter, Commissioner O'Claray stated that the governor wanted the board to continue to serve as his designee in the department until he could observe how the newly created Division of Business Partnerships functioned. Incidentally, a key source of disappointment surrounding the concept of the division was due to the director being unable to serve in the envisioned capacity. The idea was to have the director visit businesses anywhere in the world who were considering an investment in Alaska and discuss with their HR people how we can tailor our training resources to prepare the workforce for their project; in other words, a salesperson. Ms. Redman said she could potentially see value in returning the AWIB to the governor's office.

Dr. Galvin agreed with everything Ms. Redman said and offered her opinion from a private sector standpoint. In order to retain quality private sector people on the board they must have real, substantive issues to work on and their work must matter. She indicated there is not sufficient staff support to handle the volume of work that must be done between meetings. Lastly, if the board is to be separated from the division, Dr. Galvin recommended reverting the AWIB to its original location in the governor's office, but strongly cautioned against allowing the old barriers to return (e.g. timely access to data, inability to streamline, etc.). Commissioner O'Claray acknowledged that complete transparency of data is essential and, as all such performance and demographic data is kept by the department, he affirmed that it will occur as long as he is commissioner.

Chair Baker suggested that a follow-up to the construction industry forum with even greater involvement from the department. The commissioner agreed and suggested holding it at one of the industries training facilities such as the electrical workers' or pipefitters' school in Fairbanks. Mr. Cattanaach stated that Associated General Contractors is already planning the next meeting.

Agenda Amendment

Mr. Cattanaach recommended amending the agenda to limit the committee chairs to twenty minutes each for their reports in order to provide sufficient time to discuss other important

issues and concerns that have been raised. The board unanimously agreed to the change and adjourned for a ten minute recess.

Committee Reports

Assessment & Evaluation

Chair McAleese began by recognizing Jackie Bisbee, director of Tribal Vocational Rehabilitation and chair of the Governor's Committee on Employment and Rehabilitation for People with Disabilities, who was in the audience after the mornings introductions were made.

Eligible Training Provider List

Ms. McAleese reported her committee has been considering the effect of instituting a standard for the completion rate of training programs being evaluated for inclusion on the Eligible Training Provider List (ETPL). A minimum rate of 40% completion was the first option assessed. This level of performance would result in removing a substantial number of programs from WIA funding eligibility. Completion rate is not a performance standard required as part of the AWIB's annual mandatory Federal reporting. There is sufficient evidence to indicate that many programs would be penalized due to their students becoming employed prior to successfully completing the training. Therefore, the committee does not recommend establishing a completion rate requirement of 40% at this time unless performance in other categories such as job placement and wages increase could mitigate low completion rates. If such a scheme were introduced it would be necessary to grandfather in students of programs already depending on WIA funds, but not meeting the standards, until those students exit.

Ms. McAleese commented on the Dashboard Indicators and expressed the need for information reflecting post-training placement (i.e. what occupations exiters are being hired into relative to the training received). Chris Miller of DLWD's Research & Analysis section indicated during the morning's committee meeting that such data should be accessible and staff will follow up on this. The committee feels this measure is an important piece in evaluating the outcomes of the system.

The awards program will recognize a training provider for its exemplary performance at lunch.

Employment & Placement

Committee Chair Susan Denison reminded the board that her committee's focus is "People and Employers Connecting." She advised everyone to refer to the materials in the binder for details on the committee report and Unified Plan update.

Labor Market Information

Chris Miller distributed a draft of R&A's Labor Market Information (LMI) plan and addressed the board at Chair Denison's request. Mr. Miller explained that the Employment & Training Administration provides grants to states for dissemination of labor data gathered. The plan includes six core products: the ALMIS database, industry and occupation projections, career information via AKCIS (in conjunction with the University of Oregon), economic consultancy, the R&A website, and LMI training for One-Stop and board staff. Mr.

Miller requested the board's acceptance and approval of this plan for submittal to the ETA as part of the grant application.

Board member Dick Cattanach moved, and member Colleen Ward seconded, to accept and approve the draft of the LMI plan received from the Research & Analysis section of the Alaska Department of Labor & Workforce Development. The MOTION passed unanimously.

One-Stop Re-certification

Ms. Denison referred the board to a draft resolution distributed at the meeting regarding the re-certification of the One-Stop job centers. She asked Vice-chair David Stone and Tim Sunday to share their thoughts on the process. They both stated they were very impressed with the Juneau job center, in particular, and the great improvement in the seamless delivery of services. Mona McAleese was part of the team that review the Muldoon Job Center. She was impressed with the number of agencies located there; eighteen in all. Ms. Denison reminded the board that re-certification is required biannually.

Committee Chair Susan Denison moved, and Chris Hayes seconded, that the AWIB pass *Resolution 04-11, Re-certification of One-Stops*. The MOTION passed unanimously.

Eligible Training Provider List

Ms. Denison referred the board to the draft of the ETPL policy revision distributed earlier. She reported that the policy was cleaned up significantly, removing a great deal of procedural language. She highlighted a provision regarding out-of-state training providers; all other training options in Alaska must be exhausted prior to allowing training dollars to be spent to send participants Outside for training. Furthermore, for an out-of-state training provider to qualify it must be on its own state's ETPL.

Colleen Ward inquired if there has previously been a policy in place regarding the ETPL or if this is the first formalization of such a policy. Ms. Denison confirmed that there is currently an ETPL policy in place and that the draft before the board is a revision, the two main differences of which are the out-of-state provider provisions and shift in focus of the content from procedure to policy.

Committee Chair Susan Denison moved, and Colleen Ward seconded, that the AWIB pass *Resolution 04-12, Eligible Training Provider List Policy*. The MOTION passed unanimously.

Unified Plan Update

Mona McAleese explained that June, 2005 is when the state must have its updated unified plan in place. This is a large project required a great deal of staff work and input from the board at large and the public. It is important to develop a plan with a viable timeline and commit to staying on task. Ms. Denison urged the board to read through the relevant material in the meeting binder and consider the timeline in their planning.

Workforce Readiness

National Skills Standards

Committee member Kris Forrester reported that the committee voted to have the VTEP group develop a plan for implementation of skills standards. To date, nothing has been accomplished. Committee chair Colleen Ward pointed out that the Department of Labor has already compiled a plan entitled *Keys to Success*, and the VTEP work would revisit that effort, getting it moving again. Sally Spieker (University of Alaska), joined by several VTEP participants, has applied for a tech-prep capacity building grant.

Acting Executive Director Fred Esposito added that another exciting aspect of VTEP's current activities is its coordination with the Alaska Distance Education Technology Consortium. The consortium, run out of President Hamilton's office, will be meeting for two days in Anchorage in September. Five members of VTEP will attend and examine alignment of distance delivery with skills standards.

VTEP Liaisons

The two liaisons to the AWIB from VTEP have made changes in their professional careers that have resulted in their departure from the VTEP group.

Industry/Occupational Priorities

Committee member Dick Cattanaach reported that the committee was deluged with data from R&A regarding all industries and occupations. To determine how to prioritize industries three elements must be considered: demand (forecasted industry growth), supply (where the workers will come from), and how the workers will be trained.

Ms. Ward distributed a results of a survey conducted by the AWIB staff regarding the baseline data on the status of skill standards in Alaska (with regard to *Resolution 02-15*). Staff received 29 responses and the committee will be giving direction as to whether or not to attempt a second survey.

Youth Council

Committee chair Kris Forrester reported that the Youth Council has finalized its strategic plan, operating procedures, and bylaws.

Community Youth Mapping

The Community Youth Mapping project is progressing well; Wasilla has recently been mapped and Ketchikan is currently being cataloged. This is a very important element of the Youth Council's work as it provides information on what resources are available as well as where gaps exist.

WIA Performance

Performance for the WIA youth programs is up and results are encouraging. The first workforce investment youth grant process was successful overall. A continual improvement effort has been undertaken to compensate for any shortcomings in the process.

Marketing Plan

Chris Allridge apprised the board of the marketing plan status. He reported that a marketing team is being formed to re-evaluate the purpose of the plan. When asked by Chair Baker if the plan was heading in the right direction Mr. Allridge responded that a "call to action" was necessary rather than merely an informative presentation of AWIB member bios. Due to the

change in direction and staffing reassignments it will not be ready by September. In-depth participation from board members is needed to ascertain what the AWIB expects from the marketing plan.

Colleen Ward stated that, as a board member, she would be much more comfortable addressing an audience with a presentation depicting opportunities to overcome problems facing Alaska's workforce than one that details the structure of the AWIB and its members' qualifications. Alice Galvin encouraged Mr. Allridge to review the Commonwealth North study *Alaska's Jobs For Alaska's People*; it is an excellent resource to determine how marketing efforts should be focused.

Paula Scavera offered that, if it will not be possible to prepare an appropriate presentation in time for "Workforce Development Month" in September, it might be possible to rewrite the proclamation to designate a different month to suit our timeframe. Mona McAleese suggested pushing it back to October. Dick Cattanaach recommended not putting staff on too strict a production schedule and risking an inferior presentation; adequate time should be permitted to ensure a quality product. David Stone echoed his position. Chair Baker hoped that board members would be diligent in their cooperation with Mr. Allridge's efforts.

Click Bishop addressed the board

Mr. Bishop said he is sick of hearing elected officials and government representatives talk about jobs for Alaskans. AWIB has a lot of influence on mandating training hours. We can do a better job of training Alaskans for work that is coming in the future right now; we have the resources and the people already. The interior region expect 8,500 jobs to be created in the next two years.

Break for lunch

Interior Regional Advisory Council

The council members are Jim Lynch (chair, not present), Linda Hulbert, Nikki Adams, Jake Poole, Kay Hoch, Donna Scott, Jasmine ?, and Bill Weaver. They each introduced themselves and gave a brief personal bio.

Ms. Hulbert explained that these are the remnants of former LAC under the previous state board and continued to meet after the consolidation. Mr. Hoch extolled the virtues of job training in Alaska and how well it works. Ms. Scott said it's too big a job for one entity to do for the whole state. The AWIB needs the regional councils.

Ms. Hulbert said they have applied for a capacity building grant, specifically for a half-time staff person. The Fairbanks Chamber of Commerce has agreed to house the position at City Hall. This person would be responsible for networking, pursuing economic development opportunities, and soliciting additional funding. They believe they have a strong chance of gaining some financial support from the Fairbanks North Star Borough Assembly if they can secure some seed money. The ultimate goal is for the IRAC to be the ARDOR for the region. The council is requesting \$45,000 for the next year as soon as possible. They will submit a written proposal and extensive job description to the Executive Committee of the AWIB very soon. The council is all volunteer with other jobs and needs a dedicated, coordinating person to get where they need to go. The position will identify resources and funding, evaluate programs, and recommend investment choices. The council does not want to handle money

and will have no budget; they will be asking for investment dollars in various categories to be earmarked for the Interior region. The hope is that the position would generate enough interest that the council would not have to request funds from the state beyond the first year. This is uncertain, however, as this is new ground and will be largely dependent upon getting the right person.

WIA money coming into the Interior is a fraction of what it has been in the past. The region needs the best bang for its buck. Where do the real needs lie? Donna Scott strongly encouraged the board to closely examine how workforce investment dollars are spent, especially STEP. Is it getting to the people who really need it?

The council admits it may be risky, but strong regional programs will make the best use of the money and prevent misuse in the long run. The borough has implied there may be some financial assistance with the position in the future.

The mining industry has great need at this time. Over 60% of the contract employees come from the Tok/Fairbanks area; they have diligently striven to concentrate on local hire. Only about 8% come from the Lower 48. The success of their activities of recent years has filtered out to the rest of the state as other organizations have seen what can be accomplished.

The priority industries the AWIB has designated are exactly what this regional council has been focusing on.

Exemplary Program Award

As chair of the Assessment & Evaluation Committee Mona McAleese described the purpose of the award. One of the elements of the committee's strategic plan is to recognize success. Rather than sponsor an elaborate, annual, broad-based award banquet, the members elected to recognize a single entity for exemplary achievement in their category at each AWIB meeting. Budgetary constraints were also a factor. The focus of this meeting's award is success of a training program. The committee has selected the Delta Mine Training Center to honor for their exemplary performance. Whit Hicks accepted the award on behalf of the facility and its program.

Committee Reports (cont'd)

Policy & Planning

Regional Advisory Councils

The committee has received six proposals to date: North Slope, Northwest Arctic, Interior, Southwest, Southeast, and Mat-Su. There will be a Kenai organizational meeting on August 19. Anchorage had an initial meeting last week.

A topic of upcoming debate: How does the Board know it is succeeding regarding the use of the RACs? How will the Board communicate effectively with them?

Bylaws Amendment

The committee is seeking board approval on a proposed amendment to the AWIB bylaws concerning ethics, specifically conflict of interest. There is a typographical error on the draft – it should read Article 16 rather than Article 11. Board Chair Andy Baker motioned, and Colleen Ward seconded, that the AWIB approve the amended bylaws.

The MOTION passed unanimously.

Board member Colleen Ward requested that all board members (especially new board members) be provided with the proper procedures for reporting a conflict of interest. Wendy Redman suggested that an annual report should be submitted by all board members. A vocal majority of those present indicated they all do already.

Marketing

Chair Cattnach's understanding is that the governor is willing to delay the proclamation of Workforce Development Month until a time that the AWIB marketing effort is ready.

AWIB Structure

A discussion followed regarding the role and selection of the Executive Director and the AWIB's relationship to the Alaska Department of Labor and Workforce Development. Previous Executive Director Mike Andrews recounted the history of the AHRIC/AWIB structure. Originally, the AHRIC resided in the governor's office. Eventually, it became a separate entity much like the railroad, permanent fund, etc. Prior to the creation of the Division of Business Partnerships the board reported to the Commissioner of Labor & Workforce Development.

It was suggested that Chair Baker will be able to find out at the upcoming NGA meeting he will be attending what the experiences of other states with board structures outside of the governor's office have been. Mr. Cattnach suggested that before determining where to locate the AWIB, the board anticipate potential problems arising from location. Mr. Andrews encouraged the board to consider whether problems are a factor of location or policy and recall the extent of the authority the AWIB has regardless of where it resides.

Chair Baker was concerned that being under the governor's office would present a staffing problem. Ms. Ward stated that under DOLWD staff have other duties to the DBP besides their AWIB work. Ms. Redman said that the AWIB's authority, in statute, does not change regardless of who it reports to and recommended an aggressive approach to asserting that authority. She pointed out that the AWIB does not, in fact, report to anyone, other than for the Federal performance measures. Rachael Petro indicated that there are no boards currently under the governor's office.

Ms. Redman clarified that there are only six AWIB staffers, the other staff the board has become accustomed to dealing with is DBP personnel. Ms. Ward opined that what works is having an AWIB staff that is focused solely on board activity.

Rod Betit motioned, and Mona McAleese seconded, in order to make the Alaska Workforce Investment Board effective and in concert with the governor's goals the board proposes the following six criteria for the AWIB:

1. A separate AWIB organization.
2. Housed in DOLWD with its executive director reporting directly to the commissioner.
3. The executive director is jointly recommended by the board and the commissioner for appointment by the governor.
4. A staff dedicated solely to board activities.
5. Memoranda of Understanding with other divisions for additional support and resources.
6. An adequate budget.

The MOTION passed unanimously.

Executive Director Responsibilities

In the interests of time the Policy & Planning Committee will follow up on the job description of the executive director and the responsibilities of the position.

Change of Direction

Vice-chair David Stone explained that the board meets in person to make decisions. A great deal of time is wasted going over the information sent to the board members ahead of time in the meeting binders. Everyone should be expected to have read the materials in advance and be prepared in time for the meetings.

In the future, committee reports will be limited to 15 minutes each. A method of bringing action items forward from previous meetings must be implemented. Notice of all committee meetings and supporting documents will be sent to all board members and posted on the web site. AWIB meeting agendas will be streamlined and made to conform more to standard business meeting procedures, including old business, new business, and consent agenda.

The next board meeting will be November 14 in Anchorage.

Budgetary Issues

Mr. Cattanach was concerned about the disconnect between committee actions and the way funds are expended. There is no correlation between how the board prioritizes spending and what money is actually spent on. A report on budgetary items should be included in every meeting.

Legislative Issues

Mr. Cattanach said he would like to see legislation passed to permit the AWIB to meet quarterly rather than only 3 times per year. The meetings should be important enough to schedule in advance and expect everyone to be present.

He went on to say that the pool of qualified candidates for the office of board chair should be expanded from *business & industry* to *private sector* members. The current situation is far too limiting.

Mr. Cattanaach related a concept that would work in the construction industry. Part of every contract AGC negotiates includes money for training. If a non-union contractor does not have a training program those funds should be remitted to the state rather than being added to wages. The question that remains is how should those funds be used? Strict guidelines would have to be implemented

Dick Cattanaach moved, and David Stone seconded, that the Legislative Committee pursue a change in statute to permit the AWIB to meet quarterly. The MOTION passed unanimously.

Colleen Ward suggested that the board begin to weigh in on issues it deems important by not only passing formal resolutions periodically, but also providing the governor with advisory positions more frequently.

Division of Vocational Education

Wendy Redman advocated the creation of a new Division of Vocational Education rather than making AVTEC a division on its own. All the regional training centers should be organized together under one entity. She also indicated it would be a mistake for the director of such a division to formulate a vocational education plan for the entire state. Kris Forrester emphasized the importance of building a statewide vocation education system. Alaska has seen the deterioration of its system due to unfunded mandates, the restrictions of *No Child Left Behind*, competition for limited funds, and no agency to raise the issue. The concept of the new division intrigued Fred Esposito because of the work being done by the Vocational Technical Education Providers (VTEP) group.

The board will require more information before supporting or not supporting the creation of a Division of Vocational Education. No decision will be made until the board has had an opportunity to consider it more fully.

Final Comments

Colleen Ward expressed concern over STEP fund expenditures and how much investment funds the state has in total. The Executive Committee will be provided with such information in future meetings and it will be included in AWIB meeting binders as well.

Dick Cattanaach indicated that he would like the \$45,000 request from the Interior Regional Advisory Council to be tracked as it moves forward through the Executive Committee. Chair Baker advised caution regarding the setting of precedent; if \$45,000 is given to one RAC the same will have to be done with the rest, resulting in expenditures of \$400,000 to \$500,000. Mr. Esposito advised that the RAC's apply for funding through the *Investment Strategy* grant application process.

The meeting ended at 3:04 p.m.