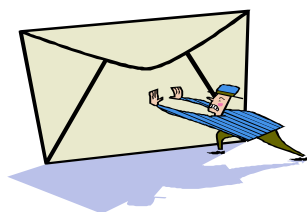


GOVERNOR'S WORKFORCE INVESTMENT BOARD

**Governor
Judy Martz**

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Let us know your preference for receiving our newsletter:

- 1) Your mailing address as it appears on this publication?
- 2) Your e-mail address to receive link to our website?
- 3) Your e-mail address to receive publication as an attachment?

Notify Marla Tilton (406) 444-9241 or mtilton@state.mt.us with the above option noted (1, 2 or 3). Thank you.

Official Website of our Montana State Work- force Investment Board:

<http://www.state.mt.us/gov2/css/boards/workforce/default.asp>

Check out the new link to our Newsletters and view our first issue in full color.

LETTER FROM THE CHAIRMAN

Dear State Workforce Board Members and Interested Parties;

First, I want to offer my sincere thanks to Marla and Gary for their willingness to take on the tremendous workload and to fill a big pair of shoes. Next, I want to thank you, the WIB Members, for the care and attention you have shown to Montana's workforce development system over the course of the last, very difficult year. The goals and objectives you developed reflect your dedication to meeting the needs of Montanans; this is the direction I hoped few would take when I was appointed to this position.

I would like to take this opportunity to outline my vision for the coming fiscal year. Certainly, I hope to discuss these issues thoroughly at our May, 2003 meeting. Your attendance and participation at this full board meeting and future committee meetings are critical in determining and guiding the course of action for workforce development in the future.

- ♦ *Review and update goals and objectives: The goals and objectives for the board and committees deserve periodic review and updating. We live in an ever changing economic and workforce environment and it is necessary that our goals and objectives reflect the changing needs. Each committee and the Board should assess the past and look at the future and then develop and submit revised goals for the year beginning July 1, 2003.*
- ♦ *Benchmarking Performance: At the outset, Governor Martz made the clear point that she expects us to measure and track performance. The Workforce Investment Act (WIA) and other programs have developed performance measures, on the federal level, to rate how well a program is performing. We must look at our system and how it is meeting the needs of employers and employees in Montana so we can be confident we are addressing and meeting the demands of our customers. Development of a high-level benchmarking process that other Boards and one-stops can replicate is important part of our mission.*

Continued on Page 5

LEGISLATIVE NEWS

HB 564 was introduced by Representative Monica Lindeen. This bill will create a Primary Sector Business Workforce Training Program that provides training funds for businesses to train and educate employees. It is intended as an incentive to promote job growth in primary sectors of the economy. This bill will provide access to loan funds for the purpose of offering training for new jobs and provides criteria for loan eligibility. This bill will be funded over time by utilizing the incremental income tax revenues generated by the new jobs created by this program. This bill has been passed by the House of Representatives and will be heard in the Senate during the coming month.

SB 271 was introduced by Senator Corey Stapleton. This bill will replace the Department of Revenue's computer system ("POINTS") with a different computer system for the collection of several state tax types and would allow for the responsibility for collection of unemployment insurance taxes to be returned to the Department of Labor and Industry.

NATIONAL ASSOCIATION OF STATE WORKFORCE BOARD CHAIRS SUMMARY DECEMBER 8-9, 2002, MEETING

The Chairs meeting was held in Washington, D.C. in conjunction with the Workforce Investment Act (WIA) State Liaisons and National Governors Association (NGA) policy forum.

The Chair meeting focused on the topics of:

- ◆ State Marketing Initiatives-
 - * How can State Boards change the image of the public workforce development system?
 - * How can the public workforce system position itself to be viewed by business as part for the solution to meeting their recruiting, hiring and training needs?
 - * How can effective public-private partnerships be used to change employers' perspective of the workforce development system?
- ◆ Advancing the Association's Policy Agenda
- ◆ Private sector investment in upgrading the skills of incumbent workers
 - * What are the most common types of training that private sector companies provide their workers?



Building strong relationships...

Continued on Page 6

Fact Sheet: ESA Account Funding Ramifications

What is the Employment Security Account (ESA)? The ESA supports services that enable Montana job seekers to find jobs and Montana employers to find qualified individuals to fill job openings. The fund provides services that help train the unemployed and provides employers with skilled workers. The ESA was established in 1983 to address federal funding shortfalls in employment services and to maintain delivery of employment services through rural Job Service offices.

The Department made, and has maintained, a commitment to employers that these funds would be used to keep local workforce services available through the local Job Service offices open for business and to maintain the full spectrum of employer services provided through Department programs.

How is the ESA funded? The ESA is funded by a 0.13% set aside of employers' state UI tax on employees' taxable wages.

What is the health of the ESA at this point? Based on the Executive Budget, the ESA fund balance is projected to be \$50,957 at FYE05 and is expected to be negative \$680,883 by the end of FY06. The Department expects to go to the 2005 Legislature to ask for an ESA tax increase to maintain current level of services.

What would be the effect of using ESA funds for other purposes? Diverting ESA funds for other purposes without a tax increase could result in the closure of several local Montana Job Service offices. If offices are closed, communities may be further affected by the loss of services from other funding sources currently delivered through local Job Services offices. Specifically, communities that lose their Job Service office will also lose:

- ◆ Human resource assistance for Montana's small businesses
- ◆ A delivery system to get welfare recipients into employment
- ◆ Re-employment services to get unemployed workers back on the job as quickly as possible
- ◆ The center and foundation of Montana's one-stop workforce delivery system, and the only state-wide access point to core services for job seekers, such as initial assessment of skill levels, aptitudes, abilities, and additional service needs; job vacancies; and accurate information about the local labor market

Continued on Page 3

Workforce Investment Board Members

Haley Beaudry

External Affairs Manager
Columbia Falls Aluminum Co
Columbia Falls, MT

Cristina Boyle

Mgr Sales & Marketing
Frontline Processing Corp
Bozeman, MT

Leroy Bingham

President
Tribal Planning Services
Billings, MT

Carol Brooker

County Commissioner
Sanders County Commission
Thompson Falls, MT

Dick Brown

Senior Vice President
MT Hospital Association
Helena, MT

Webb Brown

President
MT Chamber of Commerce
Helena, MT

Caroline Brown

Director, Planning Dept
Fort Belknap Tribal Council
Harlem, MT

Bill Case

Center Director
Anaconda Job Corps Center
Anaconda, MT

Susan Christoffersen

Executive Director
The Nurturing Center
Kalispell, MT

Vicki Cocchiarella

Senator
Missoula, MT

Jim Davison

Executive Director
Anaconda Local Development
Anaconda, MT

Bruce Day

Executive Director
Rural Employment
Opportunity, Inc.
Helena, MT

ESA *Continued from Page 2*

- ◆ Physical community locations for obtaining welfare and unemployment information and access
- ◆ Special veterans services
- ◆ Services for migrant and seasonal farm workers

Summary: The workforce system, represented by Job Service in many communities, is the first line of economic defense because it provides the right mix of services to help employers grow their businesses and to help job seekers find work. The administration of these programs is a critical function of the Department of Labor and Industry, and the services provided are needed in Montana's communities.

Without the ability to utilize the ESA for its intended purpose, Montana will be unable to continue to provide workforce services in many communities. The closure of local Job Service offices will have a negative impact on Montana communities, many of which are rural and already have limited availability of community services.



Our workforce system helping Montana communities...

-Created by the Department of Labor & Industry

Members Continued...

Jerry Driscoll
Executive Secretary
AFL-CIO
Helena, MT

Ellen Engstedt
Executive Vice President
Montana Wood Products
Helena, MT

George Erickson
Director
MT-Idaho Experience Works
Great Falls, MT

Becky Erickson
Owner
Sam's Supper Club
Glasgow, MT

David Gibson
Chief Business Officer
Governor's Office of Economic
Opportunity
Helena, MT

Gail Gray
Director, Dept of
Public Health & Human
Services
Helena, MT

Lew Grill
Co-Founding Partner
The Sage Corporation
Billings, MT

Diane Harkins
Safety Director
PPL Montana
Billings, MT

Cary Hegreberg
Executive Director
MT Contractor's Association
Helena, MT

Jim Hollenback
Manager—LAS
Superior, MT

Verdell Jackson
Representative
Kalispell, MT

Wendy Keating
Commissioner
Dept of Labor & Industry
Helena, MT

THANK YOUS:

To Senator William 'Bill' Crismore for his term on the Governor's Workforce Investment Board and we wish him the best in his retirement.

To Richard 'Dick' Crofts for his service not only as the Commissioner of Higher Education but also for his term on the Governor's Workforce Investment Board. We wish Dick the best in his retirement.

To Scott Mendenhall for his term on the Governor's Workforce Investment Board and as Chairman of the Economic Development & Business Retention Committee. Congratulations, Scott; we wish you the best in your new roll as Representative of House District 39 of the Montana Legislature.

Member Notes

Visit our website (front page) to verify address, phone and e-mail information. Please contact Marla Tilton (406) 444-9241 mtilton@state.mt.us with any updates or suggestions for the next newsletter.

UPCOMING EVENTS**National Association of State Workforce Agencies**

- ◆ February 26-28, 2003 in Washington D.C.

National Association of State Workforce Board Chairs

- ◆ March 1-2, 2003 in Washington, D.C.

National Association of Workforce Boards

- ◆ Forum 2003 March 2-4, 2003 in Washington, D.C.

State Workforce Investment Board

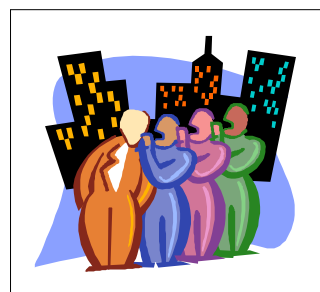
- ◆ Plans for a May 9, 2003 meeting in Helena

Executive Committee

- ◆ Plans for a conference call meeting March 11, 2003 & meeting May 8, 2003 in Helena

Accountability, Regulatory, Economic Development Committees

- ◆ Meetings to be scheduled in the near future



PRESIDENT BUSH'S PROPOSED WIA REAUTHORIZATION APPROACH (EXCERPT FROM USDOL ETA BUDGET BRIEFING)

The Workforce Investment Act of 1998 (WIA) provides workforce investment services and activities through statewide and local One-Stop Career Center systems that have at their core the goals of enhanced employment, retention, and earnings of individuals; increased occupational skills attainment; and improved national economic growth through better productivity and competitiveness. The authorization of WIA expires on September 30, 2003.

WIA reauthorization is an opportunity to strengthen and build upon the innovations that many states and local communities have developed to serve businesses and individuals with workforce needs. This proposal will continue to transform and integrate the One-Stop Career Center delivery system into a coherent workforce investment system that can respond quickly and effectively to the changing needs of business and the new economy; build on and improve what works; identify barriers and fix what doesn't work; and partner and connect with the private sector and with post-secondary education and training, social services, and economic development systems to prepare the 21st century workforce for career opportunities and skills in high growth sectors.

Governance

The role of the State Workforce Investment Board (State Board) should be strengthened through reauthorization, and the membership requirements streamlined. Board members representing the state's One-Stop partners would have an increased voice and authority to formulate policies and priorities governing the One-Stop Career Center system, with a business majority no longer required. Such policies would include the development of minimum service delivery standards, comprehensive outreach strategies, and economic development strategies, resulting in increased support for, and partner usage of, the system. It would also create a more global approach to addressing workforce needs in a community. Governors would have the authority to add additional members, such as business representatives, and the Board Chair would continue to be from the private sector.

WIA reauthorization should reconfigure the membership and functions of Local Workforce Investment Boards (Local Boards). New statutory language would ensure that Board members represent the leading industry sectors as well as the geographic areas within the local community. One-Stop partner officials would retain involvement in the local system through the local One-Stop memorandum of understanding process, but would be removed as required members of the Local Board. The Board Chair could appoint a management council of One-Stop partners. This would streamline membership of the Local Board and provide an increased voice for business representatives, community groups and worker advocates; therefore, enabling Boards to be more responsive to local needs. In addition, the functions of the Local Boards would be further focused on strategic planning and policy development activities.

Under reauthorization, Youth Councils should no longer be required; however, Governors and chief elected officials should retain the authority to create or continue Youth Councils if it is believed that Youth Councils add value in their states or local areas. Governors and local elected officials would be allowed to define the Youth Councils' function and purpose.

In order to achieve greater strategic implementation and opportunities for continuous improvements, under reauthorization, the planning cycle and submission of state and local plans should be reduced from five years to two years.

Note: Complete document on the National Association of State Workforce Agencies (NASWA) website - <http://www.naswa.org/sections/pdf/2003/etafinalfullboth.pdf>

Members Continued...

Susan Knedler
Vice President
Hi Heat Industries
Lewistown, MT

Dennis Lerum
Executive Assistant
to the Provost
Missoula College of Tech
Missoula, MT

Joe Mathews
Administrator
Dept of PIHHS
Helena, MT

Linda McCulloch
Superintendent
Office of Public Instruction
Helena, MT

John Musgrove
Representative
Havre, MT

Jon Oldenburg
Attorney at Law
Lewistown, MT

Chuck Olson
Vice President
James Talcott Construction
Great Falls, MT

Lyle Phillips
HR Manager
Columbia Falls Aluminum Co
Columbia Falls, MT

James Reno
County Commissioner
Yellowstone County
Billings, MT

Byron Roberts
Executive Director
MT Building Industry
Association
Helena, MT

Diane Ruff
President
Associated Employers of MT
Billings, MT

Jeff Rupp
Chief Executive Officer
Bozeman District IX HRDC
Bozeman, MT

LETTER FROM THE CHAIRMAN *Continued from Page 1*

- ♦ *Image: The State Workforce Investment Board—Who and what is it? We need to look at the image this body has with the public and how it can be viewed by business as a major part of the solution to meeting their recruiting, hiring and training needs. We need to promote the purposes and goals of the Workforce Investment Board within our communities and organizations.*
- ♦ *Strengthening Ties: Economic and Workforce Development should pursue closer ties with elementary, secondary and post-secondary education systems. We should look for opportunities to partner with and integrate education and economic development. We should look at how to make the systems responsive, at the local level, to new training needs. This is probably the keystone of the Workforce Investment Board.*

We are currently experiencing difficult economic times, not only within the state, but nationally, as well. The 58th Legislative Session is demonstrating how difficult it is to balance the needs and demands of Montanans with the shortfall in revenue we are experiencing. I have been working with the Ad-Hoc Legislative Committee to stay abreast of developments with economic and workforce development bills and we have included a brief summary in the legislative section of this newsletter. These are two of the bills that we are tracking closely and look forward to hearing your comments on other issues that we should track.

My comments here are but only a few of the many issues that I believe face us as we move forward in the coming year. I look forward to hearing your vision for the future direction of this Board. Please feel free to call or send me an e-mail and I will work to ensure all ideas are heard and discussed.

Please welcome two new members to our board:

- ♦ *James Reno, County Commissioner of Yellowstone County*
- ♦ *Bruce Day, Executive Director of Rural Employment Opportunities, Inc.*

Thank you for your continued support and commitment to excellence. You may contact me directly at hbeaudry@cfaluminum.com or send your comments to the staff address on page 6 of this newsletter.

*Haley Beaudry, Chair
Governor's Workforce Investment Board*

P.S. Please, give us your comments, suggestions and requests about the newsletter. Note that it is on paper—not granite: Changes are easy!

WORKFORCE WEBSITES

- ♦ Workforce Investment Act: <http://www.doleta.gov/usworkforce/asp/act.asp>
- ♦ National Association of State Workforce Agencies: <http://www.naswa.org/>
- ♦ National Association of Workforce Boards: <http://www.nawb.org/>
- ♦ NGA Center for Best Practices: http://www.nga.org/center/topics/1,1188,D_409,00.html
- ♦ USDOL Employment & Training Administration: <http://www.doleta.gov/>

Members Continued...

Gary Willis
Director of HR
Shodair Hospital
Helena, MT

Board Staff

Gary Warren, DLI

Marla Tilton, Governor's
Office of Economic
Opportunity

For success,

attitude

is equally

as

important

as

ability.

Harry F Banks

**PO Box 200801
Helena, MT 59620-**

6609

SUMMARY MEETING *Continued from Page 2*

- * How frequently do private employers utilize the public education and training system to meet their training needs?
- ◆ Strategies for youth development
 - * What are the long-term impacts for the youths participating in Jobs for America's Graduates (JAG) model?
 - * How are WIA funds being used to support non-college bound youth?
 - * How can local and state WIBs have a positive impact on youth?

During the second day of the conference Emily Stover DeRocco, Assistant Secretary for Employment and Training, U.S. Department of Labor and Carol D'Amico, Assistant Secretary for Vocational and Adult Education, U.S. Department of Education spoke to the group. Their focus was on the following topics:

- ◆ Making funding more flexible so that Governors can allocate/re-allocate funds to meet specific economic needs.
- ◆ Reconfiguration of the membership on local workforce boards to allow for full participation of the business representatives by removing the current government/public sector representatives.
- ◆ Reorganizing state Boards to resemble a cabinet operation.
- ◆ Fully integrating DOL programs.
- ◆ Encouraging stronger relationships between employers and adult literacy programs.
- ◆ Redefining the Federal/State/Local roles in overseeing, managing and operating programs.
- ◆ Improving performance and financial reporting mechanisms to provide real-time date.

The Eternal Flame



This Newsletter is dedicated to the memory of Desiree Taggart. Desiree will be missed for her skill and dedication to the SWIB and our workforce of Montana.

-Gary Warren, DLI