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LIEUTENANT GOVERNOR



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EXECUTIVE DIRECTOR'S REPORT
March to June 2018

I. WDC BOARD MEMBERSHIP

Congratulations to new Governor's appointees who were confirmed in the 2018 Legislative session to serve on the WDC:

- Jason Ito, Director of Administration, Labor and Community Relations, Kyo-Ya Management Co., Ltd.
- Yvette Gibson, Manager of Talent Acquisition, Hawaii Pacific Health
- Michael Kamiya, Sales Director, Kamiya Gold, Inc.
- Sean Knox, President, Hawaii Employment Services, Inc.
- Sheryl Nojima, President, Gray Hong Nojima & Associates

Welcome to new designees to the board:

- Lois Iyomasa, Deputy Director, DLIR
- Manuel (Manny) Valbuena, Deputy Director, Budget & Fiscal Services, City & County of Honolulu

Aloha to outgoing board members:

- ❖ Marian Tsuji, President of Lanakila Pacific will be retiring effective June 30, 2018 and ends her term on the same date.
- ❖ Edward (Rick) Richardson and Winona Whitman's terms expire on June 30, 2018. Both plan to reapply to serve another term. We hope the Governor will appoint them to a second term. During the interim Vice Chair Alan Hayashi will chair the Military and Veterans Affairs Committee.

II. WDC STAFFING

WDC has grown its staff to a total of 11 – 8 working on programs and 3 taking care of the fiscal. Please welcome to the WDC Ohana the following new hires:

Kayla Rosenfeld, effective April 9 is the WIOA Specialist and Statewide Rapid Response Coordinator.
Maria-Elena Diaz, Ph.D., effective April 23 is an Employment Analyst.
Mark (Duke) Olds, effective May 16 is the Employment Services Specialist.
Wayne Liou, Ph.D., effective May 21 is an Employment Analyst.

Since 2016, the USDOL had urged WDC to build its capacity and increase staffing to administer and implement WIOA, which includes providing guidance and assistance to the local areas and ensuring that responsibilities of the state board are operating optimally.

III. PERFORMANCE NEGOTIATIONS WITH USDOL

On May 22, 2018, the WDC successfully conducted in-person performance negotiations for PY18 and PY19 with USDOL officials. The performance targets include WIOA Adult and Dislocated Worker employment after 6 months and again at 12 months after exit, median earnings after 6 months, and credential attainment rate. For WIOA Youth, performance targets include education, training or employment after 6 months and again at 12 months after exit, and credential attainment rate.

To predict likely performance outcomes, the federal government developed the statistical adjustment model (SAM) for states and local areas to use. SAM includes characteristics of state populations and economies. Population characteristics are measured at the individual level and include traits such as age, gender, education level, income, disability status, and military status. State characteristics include the unemployment rate, the distribution rate of major industries, and a unique state coefficient meant to represent all other unmeasured differences across states. Hawaii is unique from mainland states so WDC argued that SAM was unlikely to truly capture the economic dynamics within the state. Equally problematic is Hawaii's small sample size compared to all other states. Hawaii does not have data at the county level to use SAM. The federal government agreed with our analysis and did not tie the negotiated performance measures to SAM.

The WDC negotiation team consisted of Maria-Elena Diaz, Jeanne Ohta, Wayne Liou, Duke Olds and the Executive Director. Maria-Elena did the lion's share of the research and took the lead negotiating for WDC. With supporting data and narrative submitted to USDOL, WDC negotiated reasonable performance measures for PY 18 and PY19.

The Workforce Development Division was present to negotiate performance measures for Wagner-Peyser employment services for employment after 6 months and 12 months, and median earning after 6 months.

Please see attached the letter from USDOL detailing the final negotiated performance targets.

IV. WIOA BULLETINS

During this quarterly period, WDC issued the following policies to guide the county Workforce Development Boards:

- May 14, 2018 – WIOA Bulletin 18-18 PY2018 and PY2019 State Performance Negotiations for WIOA Title I Adult, Dislocated Worker, and Youth Programs
- May 25, 2018 – WIOA Bulletin 19-18 PY 2018 and PY 2019 Local Workforce Development Board Performance Negotiations for Workforce Innovation and Opportunity Act (WIOA) Title 1 Adult, Dislocated Worker, and Youth Programs
- A bulletin for PY 2018 Statewide Allocations will be issued soon.

V. ON-SITE PROGRAM AND FISCAL MONITORING

WDC will be conducting desk and on-site fiscal and program monitoring on the following dates:

June 18 & 19 Oahu Workforce Development Board
June 21 & 22 Maui Workforce Development Board

Jeanne Ohta and Maria-Elena Diaz will conduct the program monitoring. Elaine (Jiji) Masangkay and Kathy Miyahira will conduct the fiscal monitoring. While on-site, they will also provide technical assistance to local board staff, as needed.

As part of the findings and concerns found by the federal monitoring of WDC and local areas in 2017, USDOL directed WDC to conduct 2-3 days of monitoring, instead of only one as was past practice. They also advised WDC to conduct additional desk monitoring throughout the year.

As a result of the flooding recovery on Kauai and lava eruptions/earthquakes on Hawaii Island, the on-site monitoring for Kauai and Hawaii County Workforce Development Boards will be conducted later in the year, perhaps in September – October.

VI. RAPID RESPONSE ACTIVITIES

The WDC has been busy with Rapid Response activities on Kauai, Oahu and Hawaii Island since mid-April. Kayla Rosenfeld as the Statewide Rapid Response Coordinator has hit the ground running due to the multiple disasters on Kauai and Hawaii County, and the growing list of businesses experiencing closures and reduction-in-force.

WDC visited the County Disaster Recovery Centers in East Oahu in late April, and continue to monitor recovery progress.

WDC participated in 2 Kauai Workforce Development Board Rapid Response sessions in Hanalei on May 3; and Lihue on May 19, 2018.

Kayla is currently collaborating with Hawaii County Workforce Development Board on 2 Hawaii Island Rapid Response sessions scheduled June 19 in Volcano at Cooper Center, and June 20 in Pahoa at the Pahoa Community Center. Hawaii County has taken the lead on promotion/advertising of events.

Separately, through the WDC as a designated Emergency Support Function (ESF)-6, the Unemployment Insurance Division provided updated UI data for all three islands to HI-EMA, which will be included in the HI-EMA Appeal for FEMA Individual Disaster (IA) assistance. The appeal was submitted on June 13, 2018.

VII. OUTREACH / TRAINING

WDC staff conducted orientations for:

March 29, 2018 to Kauai Workforce Development Board

April 19, 2018 to Manuel (Manny) Valbuena, Deputy Director, Budget & Fiscal Services, City & County of Honolulu

May 15, 2018 to Maui Workforce Development Board

May 22 – 24, 2018 USDOL Training for Board members, program and fiscal staff

June 12, 2018 to new Deputy Director Lois Iyomasa and Adel Khandaker, Equal Employment Officer, DLIR

WDC staff participated in partner conferences:

May 18, 2018 DXP Summit: WDC mentioned in program booklet

June 6, 2018 Education to Workforce Alignment Symposium, UH at Manoa and Maria-Elena Diaz presented overview of WDC and flyers included in conference handouts

VIII. UPCOMING

- June 18 Hawaii Interagency Council on Homelessness
- June 19 – 22 Geographic Solutions' Workforce Technology Conference, Clearwater Beach, Florida
(Scott Murakami, Jayson Muraki, Joni Heatherly from WDD attending)
- June 19 – 20 Rapid Response Activities on Hawaii Island
(Kayla Rosenfeld, Statewide Rapid Response Coordinator attending)
- July 2 HireNet presentation to Kyo-Ya staff at Sheraton Waikiki
(Jayson Muraki, Workforce Information & Data Coordinator presenting)
- July 24 – 27 National Governor's Association Summer Workforce Meeting, Missoula, Montana
(Chair Leslie Wilkins, Allicyn Tasaka attending)

IX. UPDATED WDC FLYER

Kayla updated WDC information and created a flyer that was distributed at the Education to Workforce Alignment Symposium on June 6, 2018. WDC members are encouraged to share the flyer and help with public awareness of the State's workforce system and services. Flyer is attached.

Report respectfully submitted by Allicyn Tasaka, Executive Director