

**KENTUCKIANAWORKS BOARD MEETING
GREATER LOUISVILLE WORKFORCE DEVELOPMENT BOARD
Thursday, January 27, 2022 – 8:30 a.m. – 10:00 a.m.
Virtual Meeting via Zoom**

Members Present: Chris Schremser, Andy Bianco, Cornelius Cotton, David Bizianes, Harold Reynolds, Jeff O'Brien, Jennifer Carman, Jenny Lampton, John Archer, Rocki Rockingham, Jonathan Westbrook, Ty Richardson, Willie Byrd, Patricia Williams, Mike Hesketh, Sarah Davasher-Wisdom, Rick Purdy, Marty Pollio, Ty Handy, Kim Blanding, Tony Georges, Sadiqa Reynolds

Welcome and Greetings - *Chairman Tony Georges*

Chairman Georges welcomed everyone to the Board Meeting and thanked them for attending. Mr. Georges then introduced and welcomed the new Board Members starting with Patricia Williams. Patricia introduced herself and is excited to be serving on the Board. She has been serving on the Program Oversight Committee for 3 years. She has background in Human Resources Workforce Development, and has worked with for profit and nonprofit companies. She currently serves at Wesley House as President and CEO. Chairman Georges welcomed Chris Schremser. Chris Schremser is the Chief Product and Technology Officer for Waystar. Chris has been with the company since its early days. It now has yearly revenues of over \$600 million. He thanked everyone for the opportunity to serve. Chairman Georges noted the last new Board Member, Stacey Wade was not on the call at this time but looks forward to introductions when he is able to join.

Review and Approve Minutes from November 2021 Meeting - *Tony Georges*

A motion to accept the November Meeting minutes was made by John Archer and seconded by Cornelius Cotton. The motion passed unanimously.

Vote Needed: Review and Approve Yearly Audit from Strothman & Co. – *Tony Georges, Bill Meyer, Jennifer French*

Mr. Georges stated that KentuckianaWorks contracts with Strothman & Co to do the Yearly Audits. He introduced Bill Meyer and Jennifer French. Mr. Meyer noted that the audit went well and everything was done on time. He stated that there was great cooperation from the client. The audit is a clean opinion. There are actually two audits – one of your financial statements and one of how you use your federal funding known as the single audit. Both audits were clean opinions. Ms. French walked the Board through a few slides that highlighted key numbers in this year's audit, and complimented Lori Hiser and her team for being responsive and great to work with. A motion to accept the audit was made by Jonathan Westbrook and seconded by Rick Purdy. The motion passed unanimously.

Update: Code Louisville and Code Kentucky – *Michael Gritton, Brian Luerman:*

Michael gives a shout out to Brian Luerman, our Director of Tech Training Programs. Brian runs and oversees Code Louisville, Tech Louisville, and is now helping oversee and guide Code Kentucky. Mr. Luerman explains that Code Louisville has been around since 2014 and received a major federal grant in 2015 that funded it into 2019. It is now funded by Louisville Metro for \$500,000 a year. We have 222 current students in the cohort ending in March. Since 2015, 879 students have completed 2 or more courses resulting in 686 job placements. Job placement has been bouncing around due to COVID which is unfortunate. There are some ideas to address that in the next slide. We recently switched to a "Pathway" model. Instead of every student taking the same introductory course, there are now 3 pathways or courses people could choose

from. This makes it easier to add additional topics and courses in the future. We are currently in the process of submitting a proposal for the American Rescue Plan funding. Key local employers told us that we need to expand our training offerings to include things like Product Ownership or Management, Cloud infrastructure, Cybersecurity, and Quality Assurance testing. We are seeking to add \$2.1 million a year for 4 years for a total \$8.4 million. One million of that funding each year will be used to subsidize the wages of some participants as they get hired by local companies – making it easier (and cheaper) for companies to hire and on-board them. Rick Purdy asked what is the average starting salary for people coming out of the program, and possible information of the trajectory of the second-year earnings. Brian responds with a survey that resulted in 700 responses, and it seems about \$45,000 to \$47,000 is the average of an entry tech job out of the program, with a lot of people earning increases within their first 3 years on the job. Mr. Purdy asked how this fit in with Interapt and if we are competitors. Michael answers that in the local tech training space, KentuckianaWorks and Interapt are indeed competitors. Code Kentucky is the newest program, and it is an extension of Code Louisville. Lieutenant Governor Jacqueline Coleman (who was also the Secretary of the Education and Workforce Cabinet at the time) asked us if there was any way to expand Code Louisville to other parts of the state. We have now expanded to two other regions, Eastern Kentucky and Northern Kentucky. When classes end in March, that is when people will actively be looking for jobs. If we're able to prove that the model works, we'll then work with the state to help them expand the model across the rest of the Commonwealth. Mr. Gritton noted that this is the first time we've ever overseen an initiative outside our 7-county area, and suggested that we may need a Board subcommittee to provide us advice about how to handle that in the future. Chairman Georges agreed to bring in a smaller team to further analyze this topic. Mr. Luerman then reminded the Board that the Tech Louisville grant is ending April 15th. We have tried multiple ways to make this program a success, but our first class graduated in mid-March 2020, just as the pandemic hit, and the program has been struggling ever since. Despite this struggle, 32 people have started in tech jobs. There are two promising classes in the works right now, UX design and Data Analytics. Chris Schremser asked what is the difference in tech adjacency in Code Louisville and Tech Louisville. Mr. Luerman replied that Code Louisville focuses on software development, Tech Louisville on tech support roles. Mr. Luerman also noted that while the Code Louisville brand name is very recognizable it is also very specific and may not be as relevant if we get the ARP funds to expand into other tech training that is not focused on writing software code. There may be a need to do some brand renaming in the future with an umbrella name that includes Code Louisville and other programs as paths under that umbrella.

Update and Discussion: Strategic Plan, The City's RFP for American Rescue Plan Funding, Our Planned Requests, And Those from Key Partners – Aleece Smith, Michael Gritton

Aleece Smith starts by saying she is focusing on two specific priorities that will help move other priorities forward in the coming several months. The first priority is determining how well the adults and young adults who visit or contact our our Career Center system are served, and how they can make the biggest difference for African-Americans in our region. We are trying to operationalize that through a single feedback survey made available to job seekers and workers who are using the public workforce system. The survey was officially launched on January 3, 2022. This is an important first step in engaging the people we serve, and seeing what we can learn.. Another racial equity priority that was identified in the last board meeting at the end of 2020 was seeking funding for initiatives that improve racial equity. We now have a grant from the National Fund for Workforce Solutions that addresses the digital divide. KentuckianaWorks is providing laptops and WIFI hotspots through partners who are offering digital literacy classes, and together we are tracking the workforce outcomes associated with the digital literacy gains the program participants make. Another grant we received from the National Fund is called the

Redesign Jobs/Resilient Workers grant, and it is allowing us to work with employers on practice change and seeing who benefits most when frontline job quality improves and tracking outcomes from there. There are two additional grants we are competing for that will allow us to dig deeper into racial equity work. The first one is called Generation Work and is an opportunity to work with our current service providers who engage youth to work with employers on practice change in a way that incorporates job quality principles, positive youth development principles, and racial equity principles. The second grant is a major federal grant that will allow us to do more work with Southern Indiana Works to get people trained and employed in manufacturing and healthcare. Mr. Gritton noted that we don't typically mention grants we are going for unless we get them. However, at the moment KentuckianaWorks has this opportunity to ask the City for funds from the American Rescue Plan Fund to go into workforce development, and the amount of funding we are pursuing could potentially double our yearly budget for each of the next four fiscal years. We will be applying for \$15 to \$20 million of job training scholarship money. All the money would flow through the career center system. KentuckianaWorks is also going to ask the city for \$4 to \$5 million over the next 4 to 5 years for the young adult services that Goodwill provides at our young adult program that is now called The Spot – the Young Adult Opportunity Campus. We are also applying for funding to expand Code Louisville (as we discussed earlier), to provide services to more people coming home from state prison, and to provide additional support to refugees and immigrants who are looking to raise their skills so that they can get a higher paying job.

Update and Discussion on Labor Market Intelligence Report – Sarah Ehresman

Sarah Ehresman wants the Board to keep in mind that due to the COVID variant, a full rebound is not expected in the recovery of the economy when it comes to the labor market, inflation, or all things related to the economy until we cure the pandemic itself. There still is a lag in the data since it is through November of 2021. During the pandemic recession, 105,000 jobs were lost, but there is a much faster recovery. It has been a year and a half, and 82% of the jobs lost are back. The pace of this recovery is quite remarkable. She continues to show the job growth recovery by industries from 2021 compared to 2019. There is not a big difference from the chart that was shown in August 2021. The next slide is the unemployment rate, and as of November, it is at 3%. This is one of the lowest rates this region has ever seen. There is still a sizeable gap of 4% between the unemployment rate for Black and White workers in the United States. On average the size of the local labor force is 3% smaller in 2021 than it was in 2019, but it has been on a positive trajectory since early on in the recovery. Some of the contributing factors to why our labor force might be smaller, lots of older workers have retired. Research from the St. Louis Fed estimates that "excess retirements" account for more than half of the people who left the labor force since February 2020. Childcare continues to be a big problem. Child care is limited due to the pandemic. One staff member makes a big difference in the limited availability. Average wages in our region are 10% higher in 2021 than in 2019. She states we are seeing record high "Quits" rate, but seeing even higher records of "Hires" for Kentucky. At the National level survey, Omicron is making lots of people sick and causing lots of disruption to daily life. The main reason people are not working is because they have or were caring for someone with COVID. Sarah ends the presentation with time for questions

In closing Chairman Georges thanks Sarah and hopes she will send that data out to use for other things. Chairman Georges then adjourned the meeting. The next meeting is scheduled for Thursday, February 24, 2022.

Staff:

Latricia Swope
Michael Grifton
Barbara Ferrel
Stacy Roderick
Patrick Garvey
Katie Elliot
Aleece Smith
Angella Wilson
Cindy Read
Darius Brooks
Brian Luerman
Bailey Preston
Jaime Disney
Mary Rosenthal
Regina Phillips
Sarah Ehresman
Lada Garsparac

Contractos/Guests

Bill Meyer
Bria Henson
Christine Tarquinio
Jennifer French