

Governor’s State Workforce Development Board
December 14, 2021 State Workforce Development Board Meeting Minutes

MEMBERS PRESENT:

Mr. Thomas Freeland
Mr. Dan Ellzey
Col. Craig Currey
Dr. Windsor Sherrill
Mr. Archie Maddox
Mr. Pat Michaels
Mr. Jay Holloway
Mr. Mike King
Rep. Joe Daning
Ms. Felicia Johnson

Mr. Gregory Clark
Mr. Cliff Bourze
Mr. H. Perry Shuping
Ms. Valerie Richardson
Mr. Warren Snead
Mr. John Uprichard

MEMBERS EXCUSED:

Dr. Joe Patton
Mr. Charles Brave, Jr.
Mr. Gregory Tinnell
Mr. John Durst
Mr. Michael Sexton
Sen. Ross Turner

Welcome and Opening Remarks Mr. Thomas Freeland, SWDB Chair
Chairman Thomas Freeland called the meeting to order at 11:00 a.m. A quorum was present, with members participating in-person and virtually.

Approval of Minutes from September 30, 2021* Mr. Freeland
Mr. Perry Shuping motioned to approve the September 30, 2021, meeting minutes, seconded by Col. Craig Currey and unanimously approved by the State Workforce Development Board.

Approval of Waiver Policy* Mr. Scott Ferguson, Workforce Information Mgr.
Mr. Scott Ferguson presented the Waiver of State Specific Requirements State Instruction Letter (SIL) for approval. State-specific requirements can limit a Local Workforce Development Area’s (LWDA) ability to implement new and innovative practices. The SIL under review will allow LWDAs to request a waiver of state-specific requirements such as state-specific fiscal and programmatic performance measures and state policies when the implementation of promising practices would prevent the area from meeting or complying with the requirement(s). The Executive Committee approved the policy on November 30, 2021. Pending approval by the full Board, the policy will be effective immediately. Mr. John Uprichard motioned to approve the policy. Mr. Shuping seconded the motion, and the Board unanimously approved the Waiver of State Specific Requirements policy.

DEW Director’s Report..... Mr. Dan Ellzey, Executive Director
Mr. Dan Ellzey, Executive Director, SC Department of Employment and Workforce, delivered a presentation on the status of Unemployment Insurance claims, South Carolina employment levels, reemployment initiatives, and UI system enhancements. His presentation covered the following points:

- For the week ending November 27, 2021, DEW reported 776 first-time initial claims, which is the lowest number of initial claims since the US Department of Labor started recording the number in 1987.
- The SC Supreme Court issued a unanimous decision in DEW’s favor relating to the termination of Federal UI benefits in June 2021.
- The Trust Fund has a balance of more than \$1.2B. Employers will not pay a tax increase in 2022 or a solvency surcharge.

*Denotes voting item

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- There are 14,000 more jobs in South Carolina today than before the pandemic. While there are many jobs currently posted, the majority of individuals have returned to work.
- The Unemployment Rate is 3.9% (as of October 2021), which is lower than the national average.
- The workforce has changed because of several factors, including health concerns, childcare availability, Federal benefits (UI, stimulus checks, childcare tax credits, suspended student loan payments, etc.), remote work opportunities, new entrepreneurship opportunities, retirees, and voluntary quits.
- South Carolina quit rates have remained above 3% since February 2019, with a spike in April 2021 to more than 4%. Statewide, approximately 68,000 employees quit their jobs in September 2021.
- The Labor Force Participation (LFP) Rate is 57.2%. While the LFP rate among men dropped significantly, the rate among women increased. The retirement of Baby Boomers will continue to have an impact on LFP.
- DEW has launched a new reemployment initiative called WRAP: Workforce Reemployment Assistance Program. The program provides guidance and access to services during unemployment, including job referrals, with a goal of reemployment.
- The agency is expanding the Enhanced Referral program to the trucking, childcare, and healthcare industries.
- DEW implemented SCUBI system enhancements on November 4, 2021.
- Implementation of the CompTIA Incumbent Worker Training program is in full swing. Eligible employers can receive CompTIA A+ and Security+ training at no cost.
- The agency has identified and conducted outreach to auto supply employers potentially impacted by the chip shortage. Through outreach, DEW has shared the Cooper Standard training model as an alternative to layoff.
- USDOL conducted a COVID-19 Recovery and Reemployment Readiness Consultation with states and recognized several South Carolina efforts as promising practices, including utilizing the Advanced Individual Funding Tracking (AIFT) module in SCWOS, the WIOA Productivity Dashboard, the Enhanced Referral Program, and promoting programs such as rental assistance and the Federal Broadband Program. USDOL also recognized three local areas with promising practices: Upstate, Pee Dee, and Santee-Lynches.

Mr. John Uprichard commented on the need to engage businesses in addressing LFP. Mr. Ellzey shared that the agency has been studying the issue and is forming a LFP task force.

SC Council on Competitiveness.....Ms. Susie Shannon, President and CEO

Ms. Susie Shannon shared an overview of the SC Council on Competitiveness/SC Competes, explaining that the Council accomplishes its work in three primary ways: actionable research, support of industry clusters, and education and workforce development. The Council supports three signature industries: aerospace, logistics, technology, and cybersecurity. There is an advisory body for each industry. Education and workforce development is among the Council’s areas of focus. The Council’s economic impact studies show that the aerospace (\$30B), technology (\$32B), and cyber (\$89B) industries have a combined \$151B impact on the state. The Council works along the education spectrum using gamification and other strategies to expose students and individuals to high-need occupations. An example includes the Council’s partnership with the SC Department

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of Commerce to roll out Road Trip Nation – a statewide tour highlighting South Carolina’s high-need industries and occupations. Through employer surveys and focus groups, the Council recently asked employers to answer questions about entry-level candidates and desired qualities of future entry-level staff. Employers noted the need for “real life” and “hands-on experience,” but fewer than half of the employers encountered candidates with this type of experience. Ms. Shannon shared information about the SC Codes on-the-job training program starting in January 2022. She also explained that the Council has completed an inventory of technology and cybersecurity education and workforce training programs and will do the same with logistics and aerospace. Career pathways for these sectors will be available in the spring to aid in career and academic advising.

PY’20 Performance Summary..... Mr. Zach Nickerson, Dir. of Workforce Services
Mr. Zach Nickerson provided a Program Year (PY) 2020 performance report. In PY’20, South Carolina received \$35,374,757 in WIOA funding for Adult, Dislocated Worker, and Youth programs. Of that amount, \$27,860,927 was allocated to the 12 local areas. Local area performance is measured against negotiated Federal performance measures and three state-specific fiscal performance measures. As a state, South Carolina met all of the negotiated Federal performance measures; however, three local areas did not meet one or more of the negotiated performance measures. Two areas did not meet one or more of the state-specific fiscal measures.

The five areas that did not meet fiscal or program performance measures submitted a written summary explaining the barriers that prevented the area from meeting performance. Barriers included wait time to test for credentials, pivoting to implement COVID-19 strategies and protocols, and the influx of external funds for training.

While local areas are still accountable for PY’20 performance, failure to meet performance measures will not trigger progressive sanctions outlined in the WIOA Title I Sanctions policy. Local areas will be required to submit corrective action plans and monthly progress reports to ensure improved performance outcomes for PY’21.

Other Business/Adjourn.....Mr. Freeland
The Board did not discuss any other business. The meeting adjourned at 12:10 p.m.

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