



NCWorks Commission Quarterly Business Session

Wednesday, February 8, 2023
NC State University McKimmon Center
Zoom Meeting Webinar | 1:00 – 2:00 P.M.
Raleigh, N.C.

Minutes

Present:

Andrea DeSantis (Governor Roy Cooper), Chair Tom Rabon, Secretary Machel Baker Sanders, Chief Deputy Secretary D. Jordan Whichard IV, Hugh Allen, Broxton Ashburn, Daniel Briggs, Shawn Brown, Sherry Carpenter, Rodney Carson, John Wesley Davis IV, Chris Egan (Secretary Kody Kinsley), Jeffrey Frederick, Christopher Gergen, Stephen Con Hunt, Suzanne Johnson, Himanshu Karvir, Paul Lawler, Candace Lowry (Secretary Pamela B. Cashwell), Bruce Mack (Bill Carver), Nikki Nissen, Olalah Njenga, Mike Okun, Cheryl Richards, Gilda Rubio-Festa, Kim Toler, Pam Townsend, Dan Segovia, Tammy Simmons, Ronnie Smith, Cynthia Speight, Kristie Van Auken (Catherine Truitt), Hope Williams, Leslie Walden, and Annie Izod

Absent: Marti Matthews Martin, Byron Hicks (Peter Hans), Stan Sherrill, and Jim Van Camp

Welcome and Opening Remarks

Chair Tom Rabon welcomed commission members and guests to the first quarterly business session meeting of the year. Chair Rabon thanked the McKimmon Center staff for hosting the meeting, and he thanked the staff of the Vernon Malone College and Career Academy for providing the commission with a guided tour of their facility prior to the meeting. Chair Rabon recognized the month of February as Black History Month and reflected on the many achievements by African Americans and their central role in U.S. history.

Additionally, Chair Rabon welcomed a new commission member, Dan Segovia. Dan is the business manager and training director of the Iron Workers Union Local 848 and serves as chairman of the Iron Workers Joint Apprenticeship and Training Committee. In 2021, Dan was appointed by Governor Cooper to the N.C. Towers Offshore Wind Economic Resource Taskforce, and he serves as a co-chair on the workforce development sub-committee. Chair Rabon also recognized Cynthia Speight for taking on the role of chair of the Local Innovation Committee. The previous Chair, commission member Leslie Walden, will remain on the commission and continue contributing her talents and skills to the overall advancement of the commission's goals.

Chair Rabon reported on the state's economic success of last year, in which Governor Cooper announced a total of 28,690 new jobs in North Carolina. These jobs represent business recruitment, expansion, or rural development projects, in collaboration with North Carolina Department of

Commerce and the Economic Development Partnership of North Carolina. These projects will bring \$19.3 billion of capital investment to our state. Other highlights from Chair Rabon included an announcement regarding \$42.3 million in Neighborhood Revitalization Block Grants which were received by 27 North Carolina communities. The N.C. Department of Commerce awarded 30 community development neighborhood block grants in total. The funds will provide housing and public improvements for low and moderate-income North Carolinians. This will bring some much-needed assistance to some of the most vulnerable communities in our state.

Chair Rabon updated the commission on the first *Virtual Small Business Workforce Forum* in January. The NCWorks Commission was pleased to support this collaboration of business partners and their efforts to represent the interests and concerns of small businesses. Chair Rabon thanked commission member Olalah Njenga and Capital Area Workforce Development Board Executive Director, Pat Sturdivant, for their integral roles in collaboration with a total of 10 Local Workforce Development Boards who helped to organize the event.

November Minutes Approval

Chair Rabon asked for a motion to approve the minutes from the November 9, 2022, quarterly business session meeting. Rodney Carson made the motion to approve the minutes and Shawn Brown seconded the motion. There being no corrections, the minutes were unanimously approved as written.

North Carolina Department of Commerce, LEAD Presentations

Dr. Oleksandr Movchan, director of data analytics and research, Andrew Berger-Gross, senior economist, and Josh Levy, policy analyst, provided three informative presentations to the commission on several LEAD (Labor and Economic Analysis Division) projects. Dr. Movchan provided a comprehensive overview of the N.C. Workforce Development System Annual Performance Report. The Workforce Development System Annual Performance Report is submitted to the NC General Assembly each January for review. It is a coordination of efforts between the NCWorks Commission and LEAD, which provides a multi-year cohort analysis of former program participants from across the gamut of North Carolina's Workforce Development programs. Andrew Berger-Gross provided an informative presentation on the correlation of employment and recidivism in North Carolina. Some of the findings from this study include employed former prisoners were 20% less likely to return to prison within two years after release as compared to those who were not employed. Additionally, the highest-paid were only half as likely to return to prison. Josh Levy's presentation highlighted how the US military impacts North Carolina's economy. Key findings indicate that military spending supports 653,000 jobs in North Carolina, which accounts for 11 percent of the total jobs in North Carolina. The Department of Defense prime contracting performed in North Carolina in FY2020 amounted to \$6.1 billion.

Committee Updates

Skills and Education Attainment Committee

Chair Sherry Carpenter reported on the committee's first meeting of the new year. The committee heard a presentation on Fierce Fellows, a new pilot program for the justice-involved population. The committee also received an update from NC Impact about their new focus group series centered on opportunity youth. Lastly, the committee received a report on the career pathway evaluation grant. The

committee is looking forward to working with the researchers on this study as well as developing a survey to learn more about career pathway alignment with other workforce system partners.

Employer Leadership Committee

Chair Jeff Frederick discussed the committee's previous meeting which occurred on January 25, 2023. During the meeting, the committee members discussed the changes to the new 2023-2025 NCWorks Commission Strategic Plan. The committee discussed their role in supporting the virtual *Small Business Forum* and recognized Olalah Njenga for organizing the event. Lastly, the committee provided an update to the commission on the North Carolina Workforce Leadership Initiative. The cohort recently heard from Chris Chung, chief executive officer for the Economic Development Partnership of North Carolina and the participants will graduate at the end of March 2023.

Local Innovation Committee

Chair Cynthia Speight reported that the committee continues to work on new *Spotlight on Innovation* articles where the aim is to highlight, promote, and share collaborative, employer-led workforce initiatives statewide. Chair Speight also mentioned the upcoming grant announcement on February 13, for the Local Innovation Grants in the total amount of \$500,000, with the designation of a third-party evaluator to review the grants after completion. She encouraged all interested parties to participate in the grant webinar, which was scheduled to occur on Wednesday, March 1, 2023. Participants will have the opportunity to receive grant details and ask questions.

Governance and System Alignment Committee

Chair Chris Egan discussed the committee's meeting which occurred on January 27, 2023. During the meeting, the committee reviewed and voted to accept the updates to the 2023-2025 NCWorks Commission Strategic Plan. The committee also reviewed and voted to accept two new Commission Policy Statements- CPS 01-2023--Updates to Local and Regional Area Plan Instructions for Program Year (PY) 2023, and CPS 02-2023—2023 NCWorks Local Innovation Fund Grants. Lastly, the committee reviewed all the forms related to the county transfers around the state. The committee began by reviewing and voting to accept all the forms related to the transfer of Alamance, Davidson, and Randolph Counties to the Piedmont Triad Regional Workforce Development Board Local Area. The committee also reviewed and voted to accept all the forms related to the transfer of Orange County to the Capital Area Workforce Development Board Local Area. Additionally, the committee reviewed and voted to accept all the forms related to the transfer of Montgomery and Moore Counties to the Mid-Carolina Workforce Development Board Local Area.

Following Chair Egan's update, Chair Rabon moved to vote on the 2023-2025 NCWorks Commission Strategic Plan and Commission Policy Statements CPS 01-2023 and CPS 02-2023. Chair Rabon asked if there were any comments or questions before the vote. As the motion was brought to the floor by the committee, Chair Rabon asked for a vote of acceptance. The commission members then voted unanimously to accept the 2023-2025 NCWorks Commission Strategic Plan and Commission Policy Statements CPS 01-2023 and CPS 02-2023.

Assistant Secretary Chet Mottershead, Remarks on County Transfers

N.C. Department of Commerce, Division of Workforce Solutions (DWS) Assistant Secretary Chet Mottershead provided the commission with an overview of the steps involved in the county transfer process. During 2022, six counties stated they were interested in transferring to a new Local Workforce Development Area. After reviewing each county application, DWS and the commission staff grouped the

county application documents together based on the local area to which they were seeking to transfer. Assistant Secretary Mottershead mentioned the decision for a county to transfer to a new local workforce area is ultimately made by the local elected officials in a process that is governed by federal law. The local county request to transfer documentation was placed on the N.C. Department of Commerce's website for 10 days to allow public comments as required by policy. Assistant Secretary Mottershead stated the commission plays an important role in providing oversight, by voting whether they agree that these county transfer applications are in order and if they comply with federal *Workforce Innovation and Opportunity Act* law and state policy. After commission approval, all the documents will go to Governor Cooper for final review and approval. After the governor's approval, we will enter the implementation phase, with DWS and the local partners completing additional tasks to prepare for the new program year which begins on July 1, 2023.

Approval of County Transfers

The commission voted to approve the requests for the transfer of Alamance, Davidson, and Randolph counties to the Piedmont Triad Regional Workforce Development Board Local Area. Commission member Sherry Carpenter abstained from this vote. Afterwards, the commission approved the request for the transfer of Orange County to the Capital Area Workforce Development Board Local Area. Commission member Rodney Carson abstained from this vote. Lastly, the commission approved the request for the transfer of Montgomery and Moore counties to the Mid-Carolina Workforce Development Board Local Area.

NCWorks Career Center Certifications

Dr. Annie Izod began by providing the commission with a few statistics from this recent round of certifications. The commission began its review of the NCWorks Career Center System in May of 2022 and concluded in December of last year. The commission staff, led by Wendy Johnson, senior workforce system analyst, inspected and recommended for certification 72 NCWorks Career Centers in all 22 Local Workforce Development Board Areas across North Carolina. The commission then recognized the final six local areas, which recently completed their career center certification process. Secretary Mabelle Baker Sanders and Chair Rabon presented certificates to representatives from the Capital Area, Durham, Gaston, High Country, Kerr-Tar and Mid-Carolina Workforce Development Boards.

Closing Remarks, Secretary Mabelle Baker Sanders

Secretary Sanders thanked Chair Rabon, the commission, DWS, and the local partners on the accomplishment of the county transfers and she also recognized all the Local Area Workforce Development Boards for the certification of the local NCWorks Career Centers. Secretary Sanders also reflected on the record-breaking year of 2022, by mentioning that Governor Cooper announced a total 28,690 new jobs in North Carolina during the year, representing \$19.3 billion of capital investment for a total of 182 business recruitment, expansion, or rural development projects. The 2022 performance levels exceeded North Carolina's 2021 numbers, which was also a previous record year. She stated in July of last year, *CNBC* named North Carolina as *America's Top State for Business in 2022*. More recently, the economic development trade magazine, *Business Facilities*, named North Carolina its *State of the Year for 2022*. Several of the biggest job announcements from the past year in terms of job creation included VinFast's selection of Chatham County for its North American manufacturing and assembly factory for electric vehicles, which will create 7,500 jobs; Macy's decision to build its first automated fulfillment center in Rowan County, creating 2,800 jobs; Wolfspeed's choice of Chatham County for a

major manufacturing campus for silicon carbide materials for computer chips, creating 1,801 jobs; and Boom Supersonics' selection of Greensboro as the site of its first full-scale manufacturing facility to build the next generation of commercial supersonic airliners, creating 1,761 jobs. Secretary Sanders reminded everyone that many of the year's economic development projects were located or expanded in the state's more rural or economically distressed areas. Secretary Sanders encouraged everyone to follow the N.C. Commerce social media platforms, which are spotlighting Black History and its impact on North Carolina's economy. Lastly, Secretary Sanders congratulated DWS Regional Operations Director, Felicia Setzer, for receiving the *John R. Larkins Award* for her exceptional commitment to justice and equality.

Meeting Wrap-Up

Dr. Annie Izod thanked the commission members who completed the committee assignment survey, and she mentioned the members would soon be contacted by their individual committee directors to discuss the committee's current workflow and to schedule upcoming meetings.

Chair Rabon thanked the staff of the McKimmon Center for hosting the meeting and he also recognized the staff of the NCWorks Commission for all their hard work. He stated the next NCWorks Commission meeting will be held on May 10, 2023, at the McKimmon Center on the North Carolina State University campus in Raleigh, N.C. With no further questions or comments, Chair Rabon then thanked the commission members and guests for their participation in the meeting. There being no more new business, the meeting was adjourned.

Respectfully submitted,

Dr. Annie Izod
Approved on May 10, 2023