

**STRATEGIC CHANGES  
TO SPOKANE'S WORKFORCE DEVELOPMENT  
DELIVERY SYSTEM  
December 2007**

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**INTRODUCTION**

On December 12, 2007, the Spokane Workforce Development Council (WDC) met to evaluate their progress in meeting their objectives for the past year as well as to formulate an action plan for activities for the upcoming year.

This paper services as documentation of that meeting and the resulting decisions that were made during the in-depth discussion of the board members.

**OVERVIEW OF 2007**

Overall, the Board is pleased with the progress that it has made during the past year. The following outlines its objectives and resulting outcomes for the 2007 time period.

1. The One-Stop will serve as the single point of contact for workforce development activities for the Spokane area.
2. WIA-funded services must be provided at the One-Stop location.
3. The One-Stop will incorporate a Youth Zone to promote workforce development activities to individuals aged 14-21.
4. The Board will provide funding for a Business Services Unit.
5. Board-funded service providers will spend a minimum of 40% of WIA funds on client services.
6. The Board will consider in-kind contributions from non-WIA funding sources when making programmatic funding decisions.

In early 2007, it released an RFP for a WIA Program and One-Stop Operator and by mid-summer, it had successfully contracted for these services.

Additionally, the Board was successful in having all WIA-funded programs/activities co-located in a single location to provide improved customer services to both business and job seeker customers. At the same time, it also completed its goal of ensuring that all service providers spend a minimum of 40% of WIA funds on client services.

Importantly, the Board also funded both a Business Services Unit as well as a Youth Zone as planned.

Bottom line: The primary objectives outlined for the Board for 2007 were substantially met.

## OBJECTIVES FOR 2008

Building on its success during 2007, the Board intends to further develop its services in the upcoming year. The key items that will be considered for 2008 are as follows:

1. Relocation of the One-Stop
2. Continuation of Program Operator and One-Stop Operator Contract(s)
3. Creation of 501(c)(3)
4. Development of Asset Mapping Project
5. Restructure of Board Committees
6. Review of Staffing Levels

Each of these will be discussed below.

### Relocation of the One-Stop

As discussed during 2007 the Board successfully ensured that all WIA-funded programs are now located in a single facility. However, it remains debatable as to whether the current One-Stop location is the best-suited for workforce services.

In order to make a final determination as to whether the One-Stop should be moved, the Board investigated the implications of such a change. Utilizing the ad hoc One-Stop Committee, key elements were reviewed including hiring trends, commuting patterns, migration models, and other related labor market information.

The findings of the committee indicate that although the current location is convenient for the citizens of the City of Spokane, the One-Stop does not appear to provide the most desirable location for the businesses of the region. In fact, recent data shows that the primary employment growth for the area is occurring in the eastern portion of the county.

However, regardless of the results of the above review, it is important to emphasize that the impact to WIA funding will be the primary element in any decision related to relocation of the One-Stop.

And, unfortunately, for the past several years, the Spokane workforce development area has endured declining funding allocations. This decrease is directly related to the cuts that have occurred to WIA funding at the national level. Moreover, at this time, the WIA system is expected to suffer a national rescission of some \$250 million in the upcoming year. Roughly translated, this could impact the Spokane region by as much as \$500,000.

Therefore, it is understood that at this time the Board elects not to relocate the One-Stop as it appears cost-prohibitive to do so.

### Continuation of Program Operator and One-Stop Operator Contracts

In 2007 the Board successfully contracted for the Program Operator and One-Stop Operator. As written, this contract allows for a one-year extension of services based on meeting programmatic expectations.

During the December 12, 2007 meeting, the Board discussed the current provider's outcomes to-date, including the transition period. It was decided that the provider has provided an acceptable level of performance.

The Board unanimously approved a resolution to extend the current contract until June 30, 2009.

### Creation of 501(c)(3)

Currently, the Spokane Workforce Development Council is established under a council of government structure and Interlocal agreement between the City and County of Spokane. The Mayor of Spokane acts as the grant recipient and the Chair of the Board of County Commissioners and the Mayor of Spokane are the chief elected officials. Board staff are employed by the City of Spokane.

Although the current structure is functioning adequately, it does have some inherent limitations. For example, many times governmental entities are excluded from competing for certain types of workforce grants. Therefore, the Board may not be able to pursue additional funding sources to invest along with its WIA funding allocation. During these times of decreased WIA funding, it is imperative that the Board be able to compete for any additional funds that could be used to further its mission.

Additionally, the current governmental structure does not allow much flexibility in the hiring and/or termination of staff. Thus, it is not feasible to hire individuals on a contract basis for particular projects or ventures. As a result, the Board cannot easily staff additional initiatives.

Before moving forward with the creation of a 501(c)(3), the Board intends to review all pros and cons of such a change, including a basic cost/benefit analysis. At this time, some of the items that have been identified for consideration include:

- \* Initial Costs of Creation
- \* Staffing Implications
- \* Board Structure Consequences
- \* Ongoing Organizational Costs

An ad hoc committee of board members will spearhead this item for the upcoming year.

Importantly, the Workforce Strategy & Planning Director will speak with the Mayor and Chair of the Board of County Commissioners directly about this issue so that she is fully informed that the proposed 501(c)(3) entity would be used to complement, not compete with or replace, the current governmental structure.

### Development of Asset Mapping Project

To ensure that the Board is fully aware of and appropriately participating in all workforce-related funding and activities in the region, it would like to undertake an Asset Mapping Project in the upcoming year.

This project would ensure that the Board is correctly aligning its resources with other employment and training initiatives in the area. And, at the same time, it will help prevent the Board from inadvertently duplicating the efforts of others.

Due to the significant manpower required for such a detailed project, it has not yet been determined if this activity can be absorbed by the current staff, if hiring of additional staff to the WDC needs to occur, or if the Board will need to release an RFP to have a provider prepare the Asset Mapping Project.

### Restructure of Board Committees

The current Board structure is based on a 2005 report prepared by Ingbretsen Consulting, LLC. As written, the current Board bylaws include the following committees:

Executive	Youth Council
Budget	Communications
Membership	

Additionally, teams formed as a result of the Ingbretsen study are the Business Clusters, One Stop and Public Relationship.

While on the surface the structure may appear practical, in reality it is not meeting the needs of the Board. In fact, there is currently no group to provide the oversight function. And, unfortunately, several committees have not met for the past two years.

As a result, a key objective for the Board for 2008 is to restructure its committees and to re-engage its membership to actively participate in the newly aligned groups.

Initially, for 2008 it appears that the following changes will be made:

**Executive** – Will be comprised of the Board Officers and Chairs of each of the standing committees.

**Budget** – Will be eliminated. Activities will be consolidated into new Oversight Committee outlined below.

**Communications** – Will be expanded to include public relations activities.

**Membership** – Will be expanded to include a “mentor” function so that new members are partnered with experienced Board members.

**Youth Council** – Will be charged with ensuring that Youth Zone is in a prime location to serve its customers. Additionally, will develop/suggest outreach methods for the Communications Committee to consider for youth activities.

**Business Clusters** – Will be eliminated as a standing committee. Instead, the Skills Panels will serve this activity in an ad hoc capacity.

**One-Stop** – Will be eliminated. The functions of this group will be absorbed as part of the One-Stop Operator’s responsibilities.

**Program Oversight/Service Delivery (New)** – Will be responsible for reviewing each service provider’s performance outcomes on an ongoing basis, including the One-Stop Operator and Business Services functions. Additionally, this committee would make recommendations for increasing, decreasing, or terminating contracts with service providers based on review of the detailed performance information provided by Board staff. In this manner, this Board will be able to better ensure the best possible return on its investments.

Again, it should be emphasized that this is the initial committee structure that the Board will implement for 2008. As the year progresses, this structure may be tweaked to meet the ongoing long-term needs of the Board.

### *Review of Staffing Levels*

As evidenced by the success in meeting the objectives established for 2007, the Board has done a good job in hiring the qualified, skilled staff necessary to carry out Board activities.

However, as the Board continues to increase its positive impact on the community; and as the Board desires to secure additional funding and to undertake ambitious initiatives such as the aforementioned Asset Mapping Project and Skills Panel; it appears that additional staff may be required.

Therefore, in 2008, the Board will carefully review its current staffing structure to determine, what, if any, changes should be made. To do so, Board staff will review the structure of workforce development organizations, both within Washington and outside the state, with funding levels and missions similar to the Spokane Area Workforce Development Council. This information will be provided to the Board for their consideration and determination of next steps.

## **SUMMARY**

In conclusion, to ensure that the Board continues to provide the best possible level of services to the job seekers and businesses of the greater Spokane area, it has identified the following objectives to undertake for 2008.

1. Determine the long-term feasibility of relocating the One-Stop.
2. Continue to utilize the services of the One-Stop Operator.
3. Determine if a 501(c)(3) structure is needed to increase funding potential.
4. Complete Asset Mapping for workforce funding and activities in the area.
5. Restructure the Board Committees for greater participation and accountability.
6. Determine staffing structure required to carryout long-term objectives.