

STATE INSULATION WORKER APPRENTICESHIP ADVISORY COMMITTEE

March 16, 2015

Wisconsin Technical College System Foundation
1 Foundation Circle
Waunakee, WI

DRAFT MINUTES

Members Present	Employer / Organization
Bero, John	L&C Insulation
Johnson, George	Local 127 Heat & Frost
Kufahl, Dan (Co-Chair)	Central State Mech. Insulation, LLC
Stevens, Craig	Heat & Frost Insulators Local 19

Members Absent	Employer / Organization
Large, Brett (Co-Chair)	Heat & Frost Insulators Local 19
Peot, Roger	Insulation Industries

Consultants & Guests	Employer / Organization
Emrick, Leigh	Associated Builders & Contractors
Morgan, Karen	Bureau of Apprenticeship Standards
Perkofski, Lisa	Bureau of Apprenticeship Standards
Pusch, Liz	Bureau of Apprenticeship Standards
Smith, Owen	Bureau of Apprenticeship Standards

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1. The meeting was called to order at 10:10 a.m. by Co-Chair Dan Kufahl, in conformity with the Wisconsin Open Meeting Law.
 2. Mr. Owen Smith recorded those in attendance. A quorum was present.
 3. The meeting minutes of October, 2014, were approved as written.

4. Old Business

a. Review follow-up items from previous meeting.

Mr. Owen Smith informed attendees of the status of the follow-up items from the previous meeting.

i. New member

Mr. Dennis Schneider, an employee representative from Local 127, retired at the end of 2014. The new representative for Local 127 is Mr. George Johnson.

ii. Approved revisions to Special Provisions

The Bureau implemented the revisions to Special Provisions that the committee approved at the 2014 fall meeting.

iii. Proposed revision to work processes.

At the previous meeting the committee decided to have JAC and ABC representatives independently draft revisions to the work processes for the committee to jointly review. The joint review is included on the agenda as an action item.

iv. Invitation to Youth Apprenticeship staff

The Department of Youth Apprenticeship staff accepted the invitation of the committee to present an overview of the Architecture and Construction youth apprenticeship program, but requested to present at the committee's fall meeting due to scheduling conflicts.

v. Outreach to "feeder" programs

At the committee's request, the Bureau researched information about and incentives for hiring ex-offenders. Mr. Smith distributed handouts for the Job Center of Wisconsin's Ex-Offender Toolkit website and the federal Work Opportunity Tax Credit.

A general discussion followed concerning the benefits of hiring ex-offenders, as well as instances of job-site harassment of employers that hire ex-offenders. The Bureau acknowledged reminded members that it is illegal for employers or individuals to discriminate against ex-offenders and encouraged employers and labor representatives to review the resources provided. Labor representatives agreed to share these resources with their international organization.

b. Review the roster.

The committee has a full roster of six members, with equal numbers of employee and employer representatives. The current three-year terms for Mr. Dan Kufahl, Mr. Brett Large, and Mr. Craig Stevens will expire at the end of the calendar year.

A general discussion followed on how well the current membership represents industry across the state. Only the southern local apprenticeship committee is not represented, and that is due to the very limited supply of representatives. Mr. Craig Stevens stated that the southern committee will soon expand its membership due to a new agreement with the Heat & Frost Association, so a representative might be available to serve on the state committee in the future.

c. For action: approve proposed revision to state work processes.

Mr. Owen Smith reviewed the background of the project. The committee had requested to review and revise the work processes at the 2014 fall meeting. JAC and ABC representatives drafted independent revisions, and brought them to the meeting for joint review. The JAC and ABC revisions are nearly identical and differ only in a few subcategories that are outside the scope of the Exhibit A.

Mr. Smith stated that the Bureau is implementing a new standard for work processes to ensure they specify the scope of the duty the apprentice is to learn: work processes must be written as action statements. For example, the work process "Equipment" might be revised to "Operate and maintain equipment."

A general discussion followed on the appropriate verbs for each process. Members specified the scope of each work process and preferred to keep the general headers, as well, for ease of reference. For example, the work process "Equipment" was revised to "EQUIPMENT: Fabricate, install and jacket the following types of equipment insulation..."

***Action:** The committee approved a motion to approve the joint revisions to the work processes on the state Exhibit A, effective March 17, 2015. The revisions clarified the duties in the work processes, but did not change content, so the Bureau does not need to amend current contracts.*

d. Apprenticeship Completion Award Program

Karen Morgan reviewed the background of the ACAP program and distributed a summary of its performance statistics as of February 1, 2015. ACAP was passed last the by the state legislature, and allows apprentices, sponsors and employers to be partially reimbursed for tuition, books and supplies required for paid related instruction. The party or parties that incurred the costs can be reimbursed up to \$250 if the apprentice completes the one-year anniversary of his or her contract start date and up to \$1,000 if the apprentice completes the entire program.

As of February 1, 2015, the Bureau has reimbursed a total of \$110,000 and has denied almost \$538,000 in reimbursement requests. Denied requests were either from an ineligible party, an ineligible expense, or an amount that exceeded the maximum reimbursement. The Bureau did not expect the denial amount to be so high, but it, in part, demonstrates that costs for paid related instruction exceed the reimbursement allotments.

There is discussion concerning whether to increase the maximum reimbursement for first-year completion from \$250 to \$1,000, and to continue the program into the next fiscal year. A larger award would be most helpful at the end of the first year because the apprentice's wages are the lowest; however, when it created the program, the legislature was most interested in ensuring that apprentices completed the program.

The Bureau hired former Chief of Field Operations Ken Moore to process ACAP requests. He has processed the substantial backlog and is up to date.

The summary led to a general conversation on whether the apprentice completion rate is too low. Ms. Morgan stated the completion rate has nearly recovered in the past few years after dropping to nearly 50% during the recession. The majority of cancellations typically occur in the first year. The average age of apprentices is nearly 30, and most have families, so the low wage of the first year may be insufficient and contribute to cancellations. Thus, the Bureau needs to determine how to lower the average age of apprentices. Local committee may now make even more effort that they have in the past because, as they will be evaluated on their completion rate, as a result of changes to CFR 29.29.

e. WI Apprenticeship Summit

Karen presented the background and results of the WI Apprenticeship Summit.

Registered apprenticeship has been in the national and state spotlight in the past few years, from President Obama's State of the Union address to Governor Walker's support. As a result the subsequent increase in interest in and information about registered apprenticeship, DWD decided to try to contain all of the proposed changes and use the opportunity to lead an inquiry into how the WI apprenticeship program could be improved. Therefore, DWD convened a three-day summit of thought leaders, researchers and apprenticeship sponsors, including representatives of the Canadian registered apprenticeship program; John Ladd, the national administrator of registered apprenticeship at the U.S. Department of Labor; and many apprenticeship sponsors and stakeholders from Wisconsin.

During the first day, national and international researchers presented research on or related to registered apprenticeship. During the second day, attendees discussed how the research might lead to potential improvements in the Wisconsin apprenticeship program. During the last day, the attendees finalized an action plan across five major categories:

- 1) Marketing, advocacy and outreach
- 2) Workforce and economic development systems and resource alignments
- 3) Employer and sponsor engagement
- 4) Clear and productive career pathway from K-12 to apprenticeship
- 5) Participant recruitment and retention

The Apprenticeship Advisory Council will serve as the guiding party, and will meet at the end of April to discuss the next steps in implementation.

Karen concluded by stating that the Bureau is sharing the summary so that all stakeholders can see how much is going on in the policy and procedures arena to improve Wisconsin apprenticeship.

f. American Apprenticeship Grant

Going hand in hand with the Summit, continued Karen, is DWD's application for American Apprenticeship Grant. Back in 2014, President Obama started the national discussion on registered apprenticeship when his administration announced it would invest \$100 million into registered apprenticeship. It gave the funding to the U.S. Department of Labor to release a request for proposal for competitive grants.

The Bureau convened multiple focus groups of stakeholders to learn which gaps they perceive in Wisconsin apprenticeship and how the grant could help. Individual focus groups were held for construction, manufacturing, workforce development boards, the Wisconsin Technical College System, and the Bureau apprenticeship training representatives.

The focus groups arrived at three key strategies:

- 1) Increase the pipeline of qualified applicants into registered apprenticeship from both the K-12 system and under and unemployed individuals, and position apprenticeship as an equally valid and profitable career option as a four-year degree program and the military. The strategy also includes efforts to prepare unemployed and underemployed individuals with skills necessary to successfully apply for a registered apprenticeship. Many similar programs operate in the southern part of the state, especially Milwaukee.

- 2) Efforts within the K-12 system would focus on bridging the youth apprenticeship and registered apprenticeship programs. The programs have similar components and are both administered by DWD, which creates ease of working.
- 3) The third strategy is to expand registered apprenticeship into new occupational areas, such as health care and information technology. These trades are involved in H1B grants, which train American workers in high-demand skills using fees paid by employers that imported workers with those skills.

The Bureau plans on applying for the maximum award of \$5 million, and will commit to hiring 1,000 new apprentices over the five-year grant period. The Bureau is optimistic that it can accomplish that goal, pending any economic difficulties.

The topic led to a general discussion on the number of applicants to the Heat & Frost trade and construction trades overall. The committee reported that applications to the Heat & Frost trade are high. The Bureau agreed and added that the trade is fortunate; many trades have received low number of applications.

g. Other

Karen informed attendees of new personnel developments within the Bureau. Two new apprenticeship training representatives have begun: Joshua Johnson, Waukesha area; and Tracy Jallah, Madison area. Two representatives are on extended health care leave: Kathy O'Sullivan, Lacrosse; and Hafeezah Ahmad, Milwaukee. One representative resigned: Travis Ludvigson, Eau Claire. Thus, many Bureau field staff are filling in behind the vacancies and taking on additional responsibilities.

The committee asked whether any orientations for new JAC members were currently scheduled. The Bureau replied that no classes were scheduled at the time, and the committee requested that one be held before summer.

***Action:** The Bureau will schedule an orientation for new local committee members. .*

5. New Business

a. Applicant testing

Karen reported that all high juniors will be required to take the ACT test as of next year. The ACT contains sections on several topics that local committees use currently to evaluate candidates; reading, arithmetic, algebra; and sentence structure. Therefore, the Bureau is considering substituting use the ACT test in lieu of applicant testing; and will discuss this possibility with all state construction committees this spring.

In addition, the technical colleges may be slowly replacing Accuplacer with Compass, which is administered by the ACT and contains the same subject areas. Compass is also less costly for a technical college to administer.

Ms. Morgan asked state committee members to discuss the issue with their respective local committees and consider a potential start date and a potential cut date for existing scores. For example, all new apprentices applicants as of January 1 or October 1, 2016, will be required to submit ACT scores, but scores received three or more years ago may not be considered because they might be outdated.

Committee members asked whether the Bureau is considering requiring WorkKeys in addition to or in lieu of ACT scores. Ms. Morgan replied that the Bureau is discussing the relationship between WorkKeys and ACT

with the Department of Public Instruction and a potential crosswalk. The ACT assesses competency in academic subjects while WorkKeys relates more to occupational areas. Workkeys is administered by DWD Job Service, so it has the potential of being implemented or integrated with apprenticeship more easily.

b. Other

Ms. Nancy Nakkoul, who replaced Ms. Marge Wood as Education Director with the Wisconsin Technical College System, reported that the Great Lakes Higher Education Corporation awarded 170 scholarships to apprentices at the end of January. The WTCS will also conduct technical skills attainment projects (TSAs) for 15-20 trades next year. TSAs identify measurable performance outcomes for paid related instruction, and include a review of the occupation's curriculum standards model. Last, as a part of a larger effort to increase women in apprenticeship and non-traditional occupations, the WTCS has received grants to provide professional development opportunity for faculty and interested stakeholders this academic year.

6. Review program participants.

The participant report was not available at the time of the meeting.

***Action:** The Bureau will email the participant report to committee members.*

7. The next meeting is tentatively scheduled for Monday, September 14, 2015, at 10:00 a.m. at the WTCS Foundation in Waunakee.
8. The meeting adjourned at 12:22 p.m.

Follow-up Items

These actions will be taken before the 2015 fall meeting:

- i. *BAS will update the roster.*
- ii. *BAS will revise the work processes.*
- iii. *BAS will schedule an orientation for new members to local committees.*
- iv. *BAS will invite a representative of the DWD Youth Apprenticeship program to present.*
- v. *BAS will email the participant report to committee members.*

Submitted by Owen Smith, Program Analyst.