



**Advisory Council Meeting Minutes
February 15, 2006**

Members:

Diane Boly
Boly/Welch Inc.
Management

Tom Chamberlain
Oregon AFL-CIO
Labor

Al Dorgan
United Steelworks of America
Labor

Faith Dubin
Serena Software
Public

Margaret Hallock
Wayne Morse Center for Law and Politics
Public

Gwyn Harvey, Chair
Oregon Workforce Investment Board
Public

Sonja Henning
Tonkon Torp LLC
Public

Kathleen Nishimoto
Duckwall – Pooley Fruit Company.
Management

Linda Rasmussen
Communications Workers of America
Labor

Patrick Smith
Lane, Coos, Curry, Douglas Building Trades Council
Labor

Lisa Trussell
Associated Oregon Industries
Business

Vacant
Management

Present

Diane Boly, Tom Chamberlain, Faith Dubin,
Gwyn Harvey, Sonja Henning, and Patrick Smith,

Not Present

Al Dorgan, Margaret Hallock, Kathleen Nishimoto
and Lisa Trussell

Employment Department Staff

Curt Amo, Tamara Brickman, Tom Byerley,
Tom Erhardt, Donna Gould, Greg Hickman,
Tracy Loudon, Graham Slater, and Laurie Warner

Place

Employment Department Central Office
875 Union Street NE, Rm 305
Salem, OR 97311

The meeting began at 11:00 am.

COUNCIL BUSINESS

Gwyn Harvey—Welcomed all to the meeting and called for introductions of those present. Gwyn stressed the importance of Council members’ commitment to attending meetings on a regular basis. Participation is especially important when the Council is asked to provide needed feedback to important documents, such as the OED Strategic Plan. The only absences considered excused will be from those who RSVP.

Laurie Warner—welcomed as the new OED Director. Laurie stated that she is very happy to be here, and finds it a pleasure to work with Advisory Council members and the OED staff itself. Laurie believes the agency is going in the right direction, and described her conversations with the Governor and legislators about OED as positive. Laurie encouraged Council members to talk with her one-on-one at a later time to share their impressions of the Department.

OED DRAFT 2007-09 STRATEGIC PLAN

Executive Team members present explained their respective Strategic Plan initiatives to Council members and invited questions and comments.

Graham Slater, Assistant Director, Workforce and Economic Research Division (WERD)
Initiative 07-12: Specialized Products for Job Seekers

This Division proposes to publish information about skills, where to obtain needed education, etc., making sure all of this customized information is available in B&ES offices, to UI claimants, at community colleges and workforce boards. Rather than assuming this division knows what customers want, they will talk to their customers first and collect necessary data so that the information provided is specific and useful to the job seeker.

Example: An unemployed welder in Roseburg could receive information on the wages he/she can hope to make in that area, the current wages for this profession, child care information, iMatchSkills job finding information, etc. The claimant would either receive this information in the mail, or be told where to find it online.

Claimants that are most likely to exhaust their UI benefits could probably be served primarily through the iMatchSkills site. Initiative 07-04 will cover this information in more detail.

A conversation has not yet occurred regarding those claimants who have already exhausted their benefits. One idea may be for UI to forward that information to WERD so that informational reminders can be sent to the claimant. The goal is to reach claimants early—either with a job or with information. When there is no job for the claimant, relevant job search information would still be provided.

Pat Smith mentioned that some unions have run into obstacles when seeking applicants for hiring halls, as they are considered a “third party” and not the hiring entity. These types of jobs are currently experiencing a lot of labor shortages, and Pat questioned whether OED could look into this. **Tom Erhardt** inserted that one of the B&ES initiatives includes utilizing

apprenticeships through iMatchSkills. This feature was initially created for ODOT projects, but it's something that has been written into the finer details of the plan. OED really wants to get the word out about apprenticeships and would welcome input to help make this successful.

Pat also described a specific recent situation with sheet metal workers. He had encouraged the union to sign up through OED. Initially, the union received a response that OED could not help them because they were a third party to the hiring. The union then contacted a higher level OED official and found that, indeed, OED could help. Pat suggested that this could just be a field office level education piece.

Greg Hickman explained that this is the type of feedback OED needs from the Advisory Council to work through specific issues.

Initiative 07-13: Collaboration with Business & Employment Services

This provides even more opportunity for WERD to work with B&ES in that it will combine statistics with job search efforts. WERD wants to be involved in the early stages of planning—who are we serving, which businesses should we be contacting? This statistical information will aid the B&ES representative in contacting the right companies in the right areas of the state.

Tom Byerley, Assistant Director, Unemployment Insurance Programs

Initiative 07-01: Unemployment Insurance Outreach & Education

The agency wants to focus on what the UI benefits are all about. OED is not providing handouts, it's not a social service—we are an insurance company. Employers pay a “tax,” but it's really a contribution or an insurance premium. The UI Division wants to ensure that the public knows about the services OED offers to workers and employers, and link these efforts to the services provided by the B&ES Division.

Gwyn recommended changing the last sentence of the first paragraph from “truth” to “factual information” for clarification purposes.

Diane Boly explained that many applicants who seek temporary work don't seem to understand that they are not automatically entitled to UI benefits. She commended the agency's efforts to further educate both employers and workers.

Initiative 07-02: UI Program Consistency & Quality

The agency wants UI to be fairly easy to deal with so workers can focus on getting their next best job. This initiative includes developing training, expectations and guidelines for OED staff. An example given was the volume of customers at a UI Center. An employee not used to working in a metropolitan office may not be used to that volume and the variety of eligibility issues encountered. This initiative will strengthen the service delivery of the UI program.

Initiative 07-03: UI Program Integrity

The agency wants to level the playing field for employers who are trying to manipulate their taxes and are getting by with less cost unfairly. (For example, employers who knowingly list their employees as “independent contractors.”) On the employee side, the agency wishes to audit more claims and check on people who say they're out looking for work. A small number of our customers are repeat offenders. The agency is refining legislative concepts to address stiffer penalties for employers and charging a fine in addition to repayment of benefits for workers.

Monitoring would occur internally, as outsourcing any monitoring would be difficult due to the confidential nature of the information involved. This dovetails into *Initiative 07-04*.

There was a statewide taskforce examining independent contractor issues, which included BOLI, Workers' Compensation, and Department of Revenue. OED currently randomly audits 2.1% of the approximately 100,000 Oregon employers every calendar year. In addition, fraud is uncovered through claims filed (when no reported wages appear), and OED works with Workers' Compensation and Department of Revenue on joint audits. Auditors also review local papers for audit prospects. The only preliminary evidence that an auditor needs to initiate an investigation is a phone call. Auditors pursue those tips and leads regularly.

Pat provided an example, and praised OED auditors for acting immediately.

07-04: Claimant Reemployment

Even though UI and B&ES are physically separated, OED plans to develop new practices and processes that will enable B&ES staff and UI staff to cross-train on key aspects of each program for the benefit of the customer. One example is a process currently being used in Southern Oregon. When a UI claim is filed by a customer living near our Grants Pass B&ES office, B&ES staff call him/her in and ensure that the claimant is oriented to all of the job searching assistance available.

Tom Erhardt, Assistant Director, Business and Employment Services

Initiative 07-05: Enhance Services to Business

B&ES plans to work closely with WERD to determine local workforce needs—key industries in a specific area, etc. Another piece is to prioritize how much energy is directed toward specific job industries. For example, temporary or part-time employers may be directed to self-serve mode. Family wage employers may receive more service from our B&ES representatives. B&ES wants to be more consistent from office to office. OED will use local workforce boards—every partnership link it has available.

The State Recruitment Improvement Project (SRIP) is a joint effort between OED, DAS and other State agencies. A cross-agency workgroup exists, and OED has a project manager in place.

Initiative 07-06: Enhance Service to Jobseekers

This initiative is linked to the claimant reemployment joint initiative. OED will focus on high quality enrollments for all offices. To receive UI benefits, a worker must enroll in iMatchSkills if he/she is not attached to an employer. OED sends a letter to workers who file for UI benefits, and they are made aware that they have a certain amount of time to enroll in iMatchSkills once their claim is filed. OED hopes to exceed the needs of businesses, and will increase partnerships with local area colleges and universities. Beyond this, B&ES will reach out to those already employed who could have even better jobs, and they will educate employers on the importance of following through on their referrals.

Gwyn suggested rewording from “requested” to “required” in the first paragraph.

Initiative 07-07: Strengthen Workforce Partnerships

OED will focus on balancing things out around the state. Currently, some offices have strong and innovative partnerships, and others are struggling. Integration of services is even more important than co-location. The goal for 07-09 is to reduce under-utilized or unutilized office

space; and co-location is a two-way street. We plan to provide better cross-training so that partnering staff members know what each other does. The focus is on providing more access to what is in iMatchSkills so that partners can more effectively work with their job seekers, etc. Regarding confidentiality, it's a matter of appropriately sharing information about job seekers and businesses. This information is only provided on a need-to-know basis to meet the needs of these clients. The information will be shared with partnering agencies, not with private organizations. There will be consequences if partners violate confidentiality agreements; at this point, however, OED is only doing set up—creating various levels of access (depending on the nature of their jobs), providing extensive training, and developing agreements.

Tom Fuller, Manager, Communications and Public Information

Initiative 07-23: Customer Access & Outreach

This initiative seeks to create a permanent Customer Access Program Representative position and an Outreach Specialist position, to be funded through 7b dollars (Customer Access position) and possibly through WIA funds (Outreach Specialist). These two positions ensure that the agency's messaging is accurate, consistent, and accessible. Translation and interpretation services are involved, as well. With these positions, the agency's work with advocacy groups could be proactive, and they could provide small translation projects.

Curt Amo, Assistant Director, Administrative Services Division

Initiative 07-08: Improve Customer Access for Child Care

On behalf of Tom Olsen (Child Care Division (CCD) Administrator), Curt explained that CCD would like to provide the registrants for child care facilities more online access to their services. Once forms are placed online, CCD will then look at e-payment infrastructure for handling fees, etc.

Initiative 07-09: Improve Child Care File Access & Storage.

Curt explained that regulatory requirements have CCD conducting criminal background checks. Record retention issues are significant, and the Division needs to get all of that material online—not publicly, but into an electronic format. CCD will determine if there is a business case for an imaging system. Incidentally, OED has imaging systems for UI Tax, Benefits, and most recently for Adjudication. To accomplish this initiative, we are planning to learn to what extent we could leverage our existing infrastructure.

Initiative 07-10: Consolidation of Office of Administrative Hearings (OAH) Physical Offices

On Tom Ewing's (Chief Administrative Law Judge) behalf, Curt stated that OAH has a business need to reduce the number of offices throughout the state, and envisions three primary centers: Eugene, Portland and Salem. A majority of hearings are conducted over the phone, so location is somewhat indifferent to the OAH service delivery model. In-person hearings are conducted mostly through DMV, and staff travels to various locations for these hearings when needed. This model would be more cost efficient.

07-11: Case Management for OAH

When the Central Hearing Panel originally began, a number of different business units/divisions joined, bringing with them different strategies for coordinating/scheduling/tracking hearings. OAH wants to integrate information across divisional lines to promote operational efficiencies.

07-14: Business Continuity Planning

Administrative Services has a suite of initiatives. This particular one addresses business continuity. In the past, our approach has been informal. The agency does have incident response plans for UI and for B&ES, but these have not yet been formalized into a full business continuity program.

Gwyn stated that she was impressed, and commended the agency on its attempts to tackle the records retention piece.

Because the remaining Administrative Services initiatives were related to services and support provided internally, they were not reviewed in detail with the Advisory Council members.

Tracy Louden, Manager, Budget and Program Analysis

Initiative 07-24: Program Area Performance Data Availability

This initiative provides an opportunity for the agency to put data reporting in one place for high level managers to access. It makes the information more effective. In addition, periodic reporting of important program measures would be available to all staff through the Intranet.

LEGISLATIVE CONCEPT DEVELOPMENT

Tamara Brickman distributed two handouts related to OED legislative concept development. She indicated that the concepts were still in the development process, and shared what has been brought forward so far.

471-01	Repeal of a confusing statute to which we no longer pay attention.
471-02	Requires businesses and people with business licenses to comply with the law or risk suspension of their business license. <i>(Note: This initiative will require coordination with other agencies.)</i>
471-03	Allows Tax to mail subpoenas, and is an efficiency mechanism.
471-04	If individuals violate our statutes, they can be subject to RICO prosecution process. <i>(Note: Enforcement of this concept would fall on other agencies. OED will work with other agencies to see how this might impact their administrative resources.)</i>
471-05	Requires businesses to be in compliance with UI statutes to obtain a public contract with the state.
471-06	A technical fix to an oversight in last year's draft. Cross references a specific statute.
471-07	Increases the wage threshold for employers to be considered employers. More equitable.
471-08	Provides OED Director the discretion to reduce tax penalties.
471-09	Gives Tax the authority to ask for reconsideration before going to the Court of Appeals. Places Tax on equal footing with Benefits.
471-10	Housekeeping item that removes confusing language from our law.
471-11	Clarifies that claimant must earn subject employment wages
471-12	Congress wants to see integrity systems with regard to UI fraud (repeat cases).
471-13	Penalizes the employer for re-engaging in benefit fraud/acting in collusion with an individual to fraudulently obtain benefits.
471-14	Strengthens partnerships, and confidentiality requirements. Allows auditing of other agencies with which we share information.

Tamara also distributed an article on Funding Workforce Programs, the President's proposed budget.

CLOSING BUSINESS

The next Advisory Council meeting will be held on Thursday, March 16, from 10:00am-12:00pm.

Other meeting dates in 2006 (all are scheduled to run from 10:00-12:00): June 15, September 21, and December 14.

Gwyn again welcomed Laurie to the agency. **Council members** stated that OED is doing some great things.

Meeting adjourned at 1:05pm.