

ADMINISTRATIVE REPORT FOR APRIL 2011:



Recommendations from the OWA Executive Committee: By the time we meet in Roseburg, the OWA Executive Committee will have held two meetings (April 12 and April 21) to discuss topics including current and future committee structure and the role of the Executive Committee. The OWA will receive recommendations from the Committee at the Friday, April 22 meeting.

Budget /Appropriations: As you know it has been quite the soap opera in Washington DC as the FY11 spending bill was pounded out and budget discussions continue. The following is from our friends (David Bradley) at USA Works:

Recent battles over finalizing FY 2011 spending and the opening rounds of FY 2012 spending and beyond reinforce the reality of “a new age of fiscal austerity.”

The final FY 2011 long term Continuing Resolution offered both good and bad news to workforce and domestic discretionary programs. On the good front, drastic cuts originally proposed by House Republicans in HR1 to job training and many other domestic programs were, in the end, substantially rejected. Workforce programs, but not necessarily the Department of Labor, emerged as a Congressional priority, especially in the Senate. Because so much of the attempts to cut spending focused on the Labor-HHS and Education Departments, Democrats can claim a small victory in protecting some of the party’s key domestic priorities.

In the end House Republicans won a substantial victory in this debate – the CR originally proposed \$31 billion in cuts and the final version cuts nearly \$40 billion. Cuts under this CR are far less severe for workforce than what was originally proposed and total under \$1 billion including the following:

- WIA funding is cut by \$307 million, but \$125 million for a new “Workforce Innovation Fund” is included in the bill, resulting in a net reduction of \$182 million in WIA formula;
- \$125 million in FY 2010 funding for the Career Pathways Innovation Fund is rescinded (FY 2011 funding was eliminated as part of an earlier short-term CR);
- The Green Jobs Innovation Fund was eliminated;
- Funding for YouthBuild is cut from \$102.5 million to \$80 million; and
- Funding reserved in FY2010 for Transitional Jobs is eliminated (\$45 million).

While these cuts to our programs are substantial (we’ll feel them here in rural Oregon) they could have been much worse. It is thanks to the hard work of our members (all of you) that they were not deeper. You all did a terrific job in helping to educate our members about the importance of our system, the work that we do and the value the system adds to your communities. In fact bigger conversations beyond funding are on the horizon as a result of these efforts. I am trying to maintain a level and optimistic outlook, and have been reminding myself of The Warren Featherbone Foundation’s perspective that with danger comes opportunity.

WIA Reauthorization: The Senate has been working on a reauthorization bill for some time. The language of the Senate version is still embargoed but we have assurances from Senator

Merkley's staff that as soon as it can be shared we will be offered the opportunity to provide input. David Bradley is also reporting that a Bill will be introduced in the House following the Easter Recess.

Oregon Legislative Update: As I reported previously the Governor included an On-the-Job Training/National Career Readiness Certificate program in his budget. The line item remains and so we continue to be optimistic that the system may receive some state funding to support this effort to facilitate job creation across Oregon. Additionally Senate Bill 175 is up for a second hearing this week. SB175 was developed by the Oregon Workforce Partnership (OWP) and suggests that Oregon create two state funded programs 1) Summer Youth Employment and 2) Employer Workforce Training Fund. OWP is suggesting, based on guidance by legislative staff, that the program "buckets" be created in this session and that they be funded when adequate funding is available. Oregon is one of just a handful of states that do not fund any of their own workforce programs (beyond match funds for federal programs).

Fund Development: In the last four weeks we have submitted complete grant applications for more than \$7.5 million. The first was for \$1.5 million in resources to create the Rural Oregon Youth Conservation Corps. This grant would serve 90 juvenile offenders, linking them to community services projects and educational opportunities. The second was for \$6 million in resources to develop a transitional jobs program for low-income non-custodial parents/ex-offenders. Program goals are to increase participation in the child support system, help non-custodial parents become current on payments and link this difficult to employee population to jobs/career pathways. We have yet to hear for sure whether either or both of these opportunities were eliminated as a result of the recent spending bills. I would like to thank each of our regional providers for their contributions to these efforts. We will continue to seek additional opportunities to further support our rural workforce system.

Oregon Gate's Grant Opportunity: Cam Preus – Commissioner of Community Colleges and Workforce Development announced last month that Oregon has received a nine-month, \$200,000 *ABE (Adult Basic Education) to Credentials* grant from Jobs for the Future, funded by the Bill and Melinda Gates Foundation. This grant will be used to convene a design team of community college, workforce, social service and employer partners to determine what is needed to ensure that adult basic skills students are able to transition to college credential programs and continue into high demand jobs. The design team will conduct an in-depth look at where Oregon is now, how existing initiatives like Oregon Pathways for Adult Basic Skills (OPABAS), Career Pathways and Vocational English as a Second Language (VESL) can be expanded, what policy and practice changes need to be made, and how best to collect data to ensure needed outcomes and continuous improvement. This work will form the basis of an implementation plan to leverage systemic change in Oregon's *ABE to Credentials* pathways.

PY'11 Budget Process: The TOC Audit Committee and Board of Directors have been briefed on anticipated resources and we are beginning the budget development process. As is our practice and in compliance with requirements, the Budget Committee will again be comprised of the TOC Audit Committee and four members of the OWA Executive Committee. We anticipate the following schedule related to the budget process – May 17, Budget Committee Meeting, June 14, Budget Hearing. All meetings will be held via conference call / NEFSIS and are open to the public.