

MINUTES – MEETING OF THE  
CAREER EDUCATION AND WORKFORCE DEVELOPMENT BOARD (CEWDB))

**June 8, 2021**  
**11:30 AM**

The Career Education and Workforce Development Board (CEWDB)) was called to order by Chairman Gina Radke. The meeting was held at the Rockefeller Room at the Arkansas Department of Commerce and CEWDB Board members were given the option to either attend in-person, or virtually.

A record of member attendance is as follows:

PRESENT (In-Person)

Ms. Gina Radke, Chair  
Mr. Kenneth Calhoun  
Mr. Scott Copas  
Ms. Stacy Gunderman  
Mr. Hugh McDonald  
Dr. Keith Vire

Ex-Officio Nonvoting Members

Mr. Cody Waits, Ex-Officio Secretary  
Mr. Solomon Graves (Ms. Tracy Dowell)  
Dr. Andrea Henderson (Ms. Kyla Waters)  
Mr. Johnny Key  
Dr. Maria Markham  
Mr. Ross White

PRESENT (Virtually)

Mr. Stephen Percival

Ex-Officio Nonvoting Members

Dr. Charisse Childers  
Mr. Mike Hernandez

ABSENT

Mr. Michael Garner  
Mr. Mike Rogers  
Dr. Jeff Standridge

Ex-Officio Nonvoting Members

Mr. Tim Allen  
Ms. Patricia Brown  
Ms. Cindy Gillespie (Mr. Larry Crutchfield)  
Mr. Mike Preston

**ACTION ITEM 1- MINUTES FROM March 9, 2021**

Chairman Radke asked for questions and/or comments regarding the meeting minutes, and upon hearing none, made a motion to accept the minutes as is.

On a motion by Mr. Hugh McDonald and second by Scott Capas, the Career Education and Workforce Development Board (CEWDB) unanimously approved the minutes from March 9, 2021.

**INFORMATION ITEM 2 – TransfrVR Presentation**

Ms. Stephanie Isaacs introduced our guests from TransfrVR, which included the Director of Economic Development, Katelyn Cutshall Elrod, the Senior Regional Workforce Director, Taj Mecham, and the CEO of the company, Bharani Rajakumar. Invited by Board Member Kenneth Calhoun, who was familiar with their work in Alabama, TransfrVR was there to let the Board know more about their virtual reality workforce development and career exploration program.

Presenting, *Arkansas: Building a Classroom-to-Career Pipeline*, they first shared a video that explained a little bit more about their link between various industry sectors, workforce development, training opportunities and customization among company needs and employee skills gaps. Through a combination of virtual reality training simulations guided by a digital coach, students practice their skills and receive real-time feedback from Artificial Intelligence, and through that AI, can gain insight and learn from their mistakes. Working with K-12, colleges and employers, TransfrVR focuses students first on career exploration, and then emphasizes the skills necessary to gain employment, with the understanding that receiving dual enrollment credits and credential attainment can be obtained simultaneously.

CEO Rajakumar explained that they were a mission-driving company whose over-arching goal was to help students understand that if you can do the job, you can have the job. As referenced in the power point presentation, offering these hands-on-training simulations that can replicate the workplace and enables the students to practice/learn the job before being placed in the work environment, which in turn, positively affects job placement and retention. Citing Lockheed Martin as an example, Mr. Rajakumar explained that through a pre-apprenticeship program, all 20 students in their first cohort were hired by Lockheed, and that over 90% had retained their jobs 2 years later.

Ms. Katelyn Elrod went on to share the importance of the career exploration piece, referencing her own personal story of how through job shadowing a dental assistant, she discovered that dentistry was not the best career choice for her, which in turn, helped her pivot her career path towards the position she holds today. She went on to explain that the focus after COVID has been to look at upskilling and focusing on rural communities, for which the digital divide is at its largest.

Other examples of successful entry-points for their program included manufacturing and transportation. For example, the point was made that approximately 40% of the manufacturing industry is forecasted to retire within the next 10 years. Along those lines, Mr. Rajakumar shared the story of a female student who believed that following her family's tradition of becoming a medical doctor was her best choice of a career path. Before investing money into medical school, she discovered that manufacturing was a better fit for her, and as a result of the TransfrVR program, she got hired by Lockheed Martin, who is now paying for her to get her engineering degree.

Currently, the industry sectors they are the most focused on include automotive, construction, hospitality/tourism, manufacturing, and mechatronics, and some of their company and community partners include:

- Altec
- Business Council of Alabama
- Hyundai
- John Deer
- JumpStart AL
- Lockheed Martin
- Mercedes
- Touch Point Medical
- Toyota
- Walmart

Upon concluding the presentation, those interested were able to try out the virtual reality headsets for themselves, while also addressing questions regarding their price points. First, TransferVR pointed out that a physical lab would typically cost close to 1 million dollars, whereas the price for their services can range from \$10,000 per industry sector simulation, to \$25,000 for access to all industry sectors in their database, with both price points including 5 headsets and unlimited users. Price can also be dependent upon whether training is involved, and if so, the length of that training, along with the number of participants, would determine that price.

Mr. Waits posed the question about whether or not the simulation programs could be customized for specific companies, and the TransfrVR staff confirmed that they could. They also mentioned that there was information about that fact in a recent Forbes article, and Mr. Waits informed the Board that he would forward the link to the Forbes article.

### **ACTION ITEM 3 – Approval of Revised Rules for Secondary Centers**

Ms. Stephanie Isaacs began by first summarizing the public comments and recommended revisions to the Secondary Technical Center Rules, which had been presented to the CEWD Board at the previous meeting held on March 9, 2021. Ms. Isaacs then went on to summarize the public comments that were submitted to OSD, including a combination of letters and emails submitted by:

- Dr. Greg Murry, Superintendent of Conway Public Schools
- Mr. Eddie Crain, Director of NEA Career & Technical Center
- Mr. Bruce Sikes, Chancellor of Arkansas Tech University – Ozark Campus

In addition to the OSD responses listed below, the attorney for the Arkansas Department of Education was also in attendance and confirmed that the Career Education and Workforce Development Board (CEWDB) was within its legal authority to make the following decisions based on the responses/recommendations made by OSD:

- Response #1: The centers will have until June 30, 2020, to spend excess funding. There are only 5 centers who currently have carryover balances that exceed the 20% maximum. Ms. Isaacs stated that OSD is willing to work with those centers, their local employers and their economic developers to determine workforce needs in the area, and to put equipment and programs in place that will benefit the community.
- Response #2: Excess funds would go back into the vocational center aid, which is part of the public-school fund. All funds would be used exclusively for Secondary Area Technical Center programs, primarily for equipment purchases, program updates, or to roll forward for use into the next year. Since there was some confusion regarding the initial wording, the recommended rule change was to re-word that the excess carryover would be returned to the vocational center aid fund.
- Response #3: Because the state vocational center aid budget is set and finite, there must be a mechanism in place to make mid-year corrections. Otherwise, there could be a scenario where there would not be adequate funding to pay the spring enrollment payments. The specific condition that would lead to a decrease in tiered funding would be due to a significant increase in enrollment that would result in a shortfall.
- Response #4: In response to a proposed multiplier for smaller centers, the multiplier language has been stricken and is reflected in the updated rule.
- Response #5: In response to how OSD determines need, the response explained that OSD determines need based on the end-of-year reports submitted by all the centers, as well as the center's local workforce needs. Many centers must contribute institutional funds in order to offer the technical programs that are needed and vital to the local workforce economy. Carrying forward excess VCA funds would not automatically or logically increase the tiered funding for the following year because in some years, as in the coming year, the State brings on increased enrollments because of new centers and programs.
- Response #6: In response to how new centers will be funded, Ms. Isaacs explained that state start-up funding is administered by the Division of Career & Technical Education within ADE, and that Secondary Career Centers, under 6-51-305, have access to these state start-up funds. Further clarification was made when it was pointed out that this statute will continue to apply under the proposed rule, which addresses excess revenue, not excess spending.
- Response #7: In response to whether there was a conflict between ACA 6-51-305 (b)(2) and the proposed Rules, it was clarified that there was no conflict and no need for a rule change. As it stands, the unused funding greater than 20% shall be carried forward and utilized for the

purposes of conducting summer programs and community-based education centers or supporting vocational center operations in succeeding years.

- Response #8: In response to ATCC, who over the past 10 years has carefully planned, budgeted, and modernized, Ms. Isaacs informed the Board that ATCC had requested additional time to utilize any and all carry over balances. Ms. Isaacs recommended that the Board take this to a vote once she concluded her remarks.
- Response #9: In response to concern regarding the number of operational supplies that must be purchased from June 30<sup>th</sup> until the end of October, Ms. Isaacs pointed out that a majority of the centers have a zero, or negative balances, at the end of the year and face the same problem. Ms. Isaacs also mentioned that often times that has more to do with cash flow, than funding, and that it is not uncommon for school funds to be “in the red” at certain times of the year until revenue is received.

After summarizing the information above, the Board discussed the pros and cons of extending the timeline, as requested in Response #8 by ATCC.

On a motion by Hugh McDonald, and a second by Scott Capas, the Career Education and Workforce Development Board (CEWDB) voted 4 in favor of approving the revised Rules for Secondary Centers, and 2 against. The motion passed, and the revised Rules were approved.

#### **INFORMATION ITEM 4 – Request for Workforce Projects**

Ms. Stephanie Isaacs explained the development of a Request for Workforce Proposals project that was initiated last year by OSD and presented those findings through a Shark Tank-inspired power presentation to the Board. Ms. Isaacs pointed out that she and Mr. Waits purposely did not put a limit on the number of projects, or the award, as a means of increasing creativity and out-of-the-box thinking.

First, Ms. Isaacs explained that a marketing plan will be developed to include community colleges, industry associations, chambers, economic developers, and workforce boards through email campaigns and a webinar series. Ms. Isaacs also pointed out that the application process and scoring method centered around training, budget, marketing, outcomes, and partners.

Ms. Isaacs pointed out that there were several factors to consider, including:

- Regional/state needs
- In-kind partners
- Return on investment
- Infrastructure
- Outcomes
- Ability to duplicate and scale

Ms. Isaacs also stressed that out of these measurements, outcomes were the most important to OSD. Ms. Isaacs also went on to explain the breakdown of funds that were awarded to the 3 institutions that had applied for this funding this past year:

- Arkansas Northeastern College - \$80, 900 for Industrial Maintenance Training
- Black River Technical College - \$249,000 for CDL Training
- Southeast Arkansas College - \$105,000 for CDL Training

Chairman Radke stated that she believed this program was a great marketing campaign that could tap into the expertise of the Board members and would be a great way to get the Board members involved. Ms. Isaacs went on to ask the Board, “do you want to be a shark.” In other words, would the Board members like to participate in reviewing future workforce project applications?

Ms. Isaacs went on to explain the proposed timeline to the Board for their consideration, including the following milestones:

- June Board Meeting: Shark Committee formed
- September Board Meeting: Approval of application and marketing plan
- September – November: OSD will accept/vet proposals
- 1<sup>st</sup> Week in December: Sharks will meet to consider proposals
- December Board Meeting: Sharks will report on investments

Mr. Cody Waits pointed out that this was an opportunity to not only get the Board involved in workforce development projects in a way that they haven't been before, but also gave them the opportunity to leverage what they know. Mr. Waits also mentioned that a decision would need to be made with regards to whether participation wanted to be done by the entire Board, or by a sub-section. Mr. Waits pointed out that there were 9 voting members that could participate in this project, and that ex-officio members were also welcomed to participate as well.

Ms. Isaacs explained that the vision was to have the institutions who were applying for the grant to pitch their ideas to the "sharks," with the understanding being that the Board members would actively engage the applicants in answering questions about their idea. Mr. Waits mentioned that although OSD funded 3 really great projects this past year, he would like to see more proposals, and that the hope would be to see some broader and bigger thinking.

Senator English pointed out that seeing more participation on behalf of Chambers of Commerce and Associations would also be important. Dr. Keith Vire mentioned that he would be interested in being involved and Ms. Isaacs mentioned that she would follow-up with an email so that all that were interested could sign-up.

## **INFORMATION ITEM 5 – Directors Report**

Mr. Waits first explained that as the fiscal year draws to an end, OSD was still in a very strong position in terms of their fund balance and in their ability to offer funding to projects, such as the Shark Tank workforce initiative. Mr. Waits went on to explain that OSD would be able to fully fund their appropriation this year and were also able to fund 2 new positions.

Mr. Waits also pointed out that a member of the OSD apprenticeship team retired and that a priority would be to expedite the hiring process so that the Apprenticeship Program Advisor won't be left to shoulder the additional work for long.

Mr. Waits went on to explain that legislation was passed this year that revised the make-up of the Arkansas Apprenticeship Coordination Steering Committee (AACSC) in order to make it a more all-encompassing group, which would include adding members from community colleges, career and technical education, local workforce boards, industry professionals and representation from industry associations. Mr. Waits mentioned that they are working right now on getting all those pieces set up and in place for the August meeting.

Mr. Waits also reminded the Board that in previous meetings, he had shared his plans to transition from an Office of Apprenticeship state to a State Approving Agency and that as part of that effort, they have been developing a new database and apprenticeship portal with DIS. This will provide more staff and will help apprenticeship schools across the state work more efficiently and effectively with one another. Doing so will also enable the apprenticeship staff to be able to go out more often to monitor and visit schools, giving them the opportunity to really hear from the schools/apprentices, which was the driving force behind the creation of the apprenticeship portal in the first place.

This new portal would not only create transparency but would also enable the apprentices for the first time to be able to log on and check their own hours. This improvement was the direct result of

requests made in the past by the apprentices themselves during previous school visits. Mr. Waits pointed out that some apprentices may move 5 to 6 times during the duration of their program, and so having the capability to check their own hours, instead of having to call the school or the OSD apprenticeship office, would be a real positive for them.

Mr. Waits also mentioned that they would be bringing the SAA application, along with the materials associated with making this change, to the September Board meeting in an effort to keep the Board informed and so that they would know exactly what this change would entail. Mr. Waits also announced that the Office of Skills Development website should be launched within the next 45 days.

In terms of OSD grants, Mr. Waits mentioned that they were up to 230 grant applications over the past year, with 2.5 million dollars of awarded funding – of that amount, they have reimbursed roughly \$600,000, which represents 98 companies and 37 counties across the state.

Mr. Waits explained that one of the things that his office is always trying to figure out is how to touch every single county of the 75 with OSD grants in one way or another. He stated that projects like Shark Tank, along with some other initiatives, would help OSD in their goal of reaching all 75.

Mr. Waits also announced that they launched Salesforce this year, and that he plans to provide a brief glimpse at the September meeting as to how it will be leveraged for their grant management opportunities. Mr. Waits also mentioned that they are in the process of adding apprenticeship data as a way to better track information and pull reports.

Mr. Waits also informed the Board that the apprenticeship office has applied for an 8-million-dollar grant through the Department of Labor and that once they find out the status of that grant, they would share that information with the Board. The 8 million dollars would be awarded over a 4-year period and would include partners such as Be Pro Be Proud and Tallo. Additionally, apprenticeship consultants and coordinators would be placed around the state and would partner with local colleges and economic developers interested in being part of that effort.

Mr. Waits also shared the following apprenticeship numbers:

- 6,908 active apprentices
- 1,591 new apprentices
- 360 apprentices completed
- 770 employers statewide

The completion numbers are way above last year's numbers and includes 121 active apprenticeship programs. Mr. Waits reminded the Board that in years past, OSD has reported 140 apprenticeship programs across the state, but after partnering with the US Department of Labor, they discovered that those numbers were not reflecting the number of active programs, and as a result, they have done much to improve the accuracy of this reporting.

Mr. Waits also mentioned the American Rescue Plan, which includes providing a budget to Secretary of Commerce Mike Preston in terms of some of the workforce projects they want to invest in. This effort includes 5 million dollars for registered apprenticeship, along with dedicated funding for some partnerships.

At the conclusion of Mr. Waits remarks, Chairman Radke reminded the Board that they are in need of some new board members from the Financial Sector as well as Hospitality. Chairman Radke also challenged the Board to consider diversity and inclusivity when making recommendations.

Chairman Radke asked the Board if they had any questions or concerns prior to adjournment, when a question arose concerning the HVACR sector reviews and whether or not they were completed, since some reviews had to be postponed as a result of COVID.

Mr. Waits announced that they would be travelling to their last sector review on Thursday and would be visiting UAM at Crossett, and that Ms. Isaacs has already been putting together a report of the findings. Mr. Waits also mentioned that they would start up the manufacturing reviews at the beginning of the next school year, and that they had been in touch with Rodney Ellis with Tyson to lead the Industrial Maintenance Sector Reviews. Mr. Ellis is now working on putting together a list of industry professionals who will be part of that team.

Lastly, Mr. Waits mentioned that the report on HVACR would most likely be ready by the start of the school year and that those findings would be reported to the Governor's Office and the State House and Senate Education Committee. Mr. Waits also stated that once they finish up the Manufacturing Sector Reviews, they would then start the Industrial Maintenance Reviews next fall.

### **ADJOURNMENT**

With no other comments, questions or concerns from the Board, Ms. Gina Radke adjourned the meeting at 2:17 PM.

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Mr. Cody Waits, Director  
Office of Skills Development

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Mrs. Gina Radke, Chair  
Career Education and Workforce  
Development Board