

# SC WORKS

## UPPER SAVANNAH

**Upper Savannah Workforce Development Board Meeting**  
**Upper Savannah Conference Room**  
**430 Helix Road**  
**Greenwood, South Carolina**  
**Monday, February 4, 2019**  
**Meeting: 6:00 PM**

**Members Present:** Ann Blanton, Roy Lowe, Kassie Hall, Glenn Herlong, Darron Wilson, Jesse Sibert, James Tisdale, Taiese Kidd, Shunna Vance, Dale Callum, and Houston Matthews

**Members Absent:** Julie Bagwell, Betty Carol Jones, Zebbie Goudelock, Doris Watson, Lee Matthews, Dee Dee Setzler, Rick Farmer, Kevin Crouch, and Cherie Martin

**Staff Present:** Ann Skinner, Linda Lagroon, and Billy Morgan

**Guest:** SheVonne Randle and Renee Alexander, Eckerd Workforce Development; Julia Gamarra Mendoza, SCDEW; Katie Craven and Ursula McFadden, GLEAMNS; Ben Calhoun, Clemson Small Business Development Center; and Tommy Goode, Greenwood County Adult Education

### **Welcome and Call to Order**

Chair Ann Blanton welcomed everyone and called the meeting to order.

### **Approval of the Minutes**

The minutes of the November 5, 2018 meeting were distributed to Board members prior to the meeting. There being no corrections, Darron Wilson made a motion to accept the minutes as recorded. Jesse Sibert seconded the motion and Ann Blanton called a vote. The minutes were accepted by unanimous consent.

### **Services to Strengthen Local New and Existing Small Businesses**

Ben Calhoun is the Area Manager for the Clemson Small Business Development Center. He has been in this role for about one year and has a background in consumer finance and financial counseling.

The mission of the Small Business Development Center (SBDC) is to advance South Carolina's economic development by helping entrepreneurs grow successful businesses. Their vision is that the SC SBDC shall be recognized as the gateway and proven provider of small business assistance driving entrepreneurial growth and success. To the state of South Carolina, this means BIG business because State and local

communities experience economic growth, reaping the benefits of SC SBDC contributions. The SC SBDC is a partner of choice in university/public/private collaborations to grow small business and its leaders. Their innovative tools and practices are trusted by South Carolina's small business owners to give them a competitive advantage in a dynamic economy.

The SC SBDC is recognized as a world-class team that leverages its network and resources to get economic results. Stakeholders recognize the SC SBDC's value and provide sustainable funding to ensure continued economic impact. The Small Business Development Centers (SBDC) are nationwide, and were established in 1975. There are more than 1,000 locations. They have been in South Carolina since 1979. There are four regions in SC. Ben Calhoun (Clemson University) is the representative for six of the seven counties in our region. Our seventh county (Newberry) is covered by Nancy Williamson and she is housed on the campus of Newberry College.

SBDC services are free of charge and they help entrepreneurs at all stages of the business lifecycle. Much of their work is done upfront helping individuals understand if their proposed business idea is something that would be viable. They will give honest feedback. Many individuals think they are ready to pursue the restaurant industry just because they can cook well. The SBDC then informs them about what is needed to start up and maintain a business like that.

At the close of the presentation, reference material, along with Mr. Calhoun's contact information was provided.

### **Regular Reports**

**Usage Reports:** Ursula McFadden reported that individuals are still coming into the centers. With the low unemployment rate, the Centers are not seeing as much traffic because more people are working. There are participants from the Greenwood, Abbeville and Laurens school districts that participate in the manufacturing certification class. Therefore there are no numbers showing for Enrolled in a Manufacturing Certificate Program because staff want to make sure all participants are included in the count. This quarter, Saluda had six individuals enrolled in adult education and one GED attainment. Because of email issues, this information was not included on the report.

**Contractor Enrollment Reports:** Linda Lagroon briefed the Board on the participation levels for 2018. Four case managers have an average caseload of 32.75 adult and dislocated worker participants and two youth case managers have an average caseload of 21. Grantees submit a monthly recruitment plan when caseloads are below the expected level.

**Performance:** Linda Lagroon briefed the Board on the Program Year 2018 First Quarter Performance Report. The report lists the performance measures for each group (i.e., adults, dislocated worker, and youth), the goal, percentage of goal and the actual performance. Upper Savannah exceeded most of the performance measure set goals. The actual adult median earnings is at 84.8% of the set goal and the dislocated worker median earnings is at 96.4% of the set goal. A goal has not yet been set for the measurable skill gains performance measure. This is a new measure and is being monitored to determine baseline information.

**Expenditure Reports, Update on Yearly Business Plan:** Ann Skinner summarized spending by the two programmatic contractors. Eckerd holds contracts to assist adults and dislocated workers. It

has funding of \$883,502, but has spent 37.6% of the total at the halfway point for the fiscal year. Eckerd has underspent on client-related expenditures with 37% of expenditures going to clients, versus the contracted goal of 43%. Upper Savannah has advised Eckerd to reduce discretionary operating expenses. Most importantly, Upper Savannah adjusted the budgets to give Eckerd more capability to serve adults – which it has been successful with.

GLEAMNS expenditure for youth is right on target with 43.7% spent midyear. GLEAMNS work based learning percentage is lower than anticipated. It is doing a good job with work experience assignments but is lagging in On-the-Job Training expenditures.

Ann briefed the Board on the status of the yearly center budget plans. A meeting of partner agency leaders will be held March 19. Upper Savannah must develop a yearly budget by April 15 and finalize it by May 15. Ann said no major changes are expected. Centers have not changed and there have been no significant changes in staff housed at centers.

#### **Layoff and Business Start Up Report (Billy Morgran):**

**Abbeville County** - AM&PS (Advanced Manufacturing & Power Systems) – Announced in mid-January that 40 workers would lose their job when the plant closes sometime in March 2019. In just two weeks, we received word that 37 of those workers have found other jobs.

**Saluda County** - Sun Trust is closing the branch in Saluda affecting five individuals.

**Greenwood County** – UTC Aerospace in Hodges plans on closing at some point this year. There was 82 workers there when the announcement was made in October 2018.

#### **Start-ups**

SC Pet Food Solutions plant will be opening Spring 2019 in Ward, SC (Saluda County). We have already worked with them to host several hiring events. They have been in our centers in Saluda, Greenwood, and Newberry. They have a hiring event scheduled in Edgefield and another one in Saluda this month.

Caterpillar in Hodges (Greenwood County) started out as a ReadySC (state college recruiting and training system) project but opted to do their own hiring. They are currently in the process of setting up the plant and bringing in machinery. There is only one opening listed on their website and it is for a third shift mold-maker starting at \$12.80 per hour plus a \$0.75 per hour shift premium.

ACS announced in April 2018 that they would open a manufacturing facility in Abbeville and hire 150 over the next 5 years. They manufacture sound enclosures and systems primarily for the oil and gas industry. We have been communicating with them to aid in recruiting/staffing but they have not enlisted our help as they had many applicants who used to work in that facility come back there to work and the same plant manager with the previous company is back.

Ascend, Lonza and Fuji all announced expansion projects in 2018, and we have been working closely to offer our services.

## Strategic Plan Focus Area

**Recruitment Plans:** Billy Morgan informed the Board that we have been very proactive about our recent location changes, sometimes even announcing months ahead of time and posting flyers to that affect in and around the centers. We also posted signage in/on locations that we have vacated. We have advertised in the newspapers and on social media. We have also informed partners and our employer/job-seeking customers via email.

As we try to generate more traffic into our centers as we know there are some individuals we have been unable to reach, we are going back to the basics a little bit. We are dividing and conquering; delivering flyers and posters to businesses and partners as well as other community gathering spots, wherever we may find those in needs of our services. In doing so, we are getting up-to-date contacts and other important information to put in our database to form a current contact list so that we can send email alerts and updates to job fairs, hiring events, and other activities that their customers can also benefit from.

**Adult Education Resources to Help Existing Workers with Basic Skills:** Tommy Goode updated the Board on activities that area adult education programs are using to assist area employers. She said the adult education's mission has expanded past helping people get a GED. The program has a new employer focus and is building in soft skills and workplace exposure. They are coordinating with Piedmont Technical College to integrate SC Manufacturing Skills Certification. Tommy said the best way of employers coordinating with Adult Education is to recognize the WIN basic skills certificate. Modelled on WorkKeys, WIN allows job seekers to show their current abilities.

**Grant Updates:** Ann Skinner told the Board that the area received an additional \$75,000 in dislocated worker funding. The funds will partially replace money that was transferred to the adult program. The area received the additional Technology funding to add a network in Laurens. The Board was briefed on a possible grant opportunity to serve offenders.

## Discussion regarding Extending Contracts

Ann Skinner provided the Board a summary of the area's procurement process. Currently, the area has two contractors selected by competitive procurement. Because the Board spends federal dollars, it must follow federal procurement guidelines. Generally, organizations solicit for contractors to provide services every three years. Contracts are written for a year and can be extended several times. Upper Savannah bid out services a year and a half ago. Contracts can be extended again, but Ann said there are several reasons why the Board might want to consider not doing an extension for a full year.

Ann explained, during her tenure at Upper Savannah she has seen the area's allocation drop from two million dollars to less than \$1.5 million. At the same time costs, tuition, client wages and staff salaries have gone up. The area must serve seven counties. When the last contracts were procured, the solicitation asked for separate proposals for adult/dislocated worker and youth. Eckerd won the adult/dislocated worker contract and GLEAMNS won youth. Ann said the services were procured separately to increase the chances of competition, but with the reductions in funding there is not enough money to support two contractors.

She cited the low number of clients per case manager as an example of why having two contractors is not efficient. Each week two case managers visit each of the outlying counties: Abbeville, Edgefield,

McCormick and Saluda. The travel time takes about an hour of the day. That is two hours spent on travel. If contracts for all funding streams were combined, one person would travel and that case manager would cover a smaller geographical area allowing him or her to build relationships with local employers.

Ann said that the idea to re-bid all services as part of one contract would not have to be acted on immediately. The Board could take action in May or August. She said that if funding is cut further it would be important to implement the change.

Questions from Board members included:

Q. (Jesse Sibert) Could travel be reduced by going to counties less frequently?

A. It has been Upper Savannah policy to visit each county at least once a week. Individuals who file for unemployment insurance are required to file weekly and need computer access. If we closed, some residents would have to commute to another county or use a computer at the library where there is less assistance.

Q, (James Tisdale) Have the contract been bundled together before?

Yes, traditionally GLEAMNS and Piedmont Technical College have served the area. This lasted until funding no longer made it viable for PTC to have a contract and GLEAMNS served all funding streams for about a year and a half.

Q. (Jesse Sibert) Could we cut cost by hiring less experienced case managers who have less than a four-year degree.

A. About five years ago we allowed contractors to hire individuals who held an associate degree if they had experience. Our case managers are paid in the low to middle 30K range. If we go lower, we will be competing with retail stores.

There being no other business, the meeting was adjourned.

Submitted By



Ann Skinner, Workforce Development Director