



QUALITY JOBS. QUALIFIED WORKERS.

PIMA COUNTY WORKFORCE INVESTMENT BOARD

Friday, September 11, 2015, 7:30 a.m.

Pima Community College, Community Campus, Meeting Rooms A109-112
401 North Bonita Avenue, Tucson, Arizona 85709

Meeting Minutes

MEMBERS PRESENT

Sandra L. Abbey	Dot Kret
Lori Banzhaf	Jan Leshar
Judy Clinco	Aric L. Meares
Vaughn E. Croft	Lea Márquez Peterson
Danielle Duarte	Bev Price
Molly Gilbert	Jorge Rivero
Bruce W. Grant	Paul Roughton, Chair
Liz Gulick	Ramon Serrato
Michael Guymon	Jay M. Slauter
Chris Hazen-Molina	Julia Strange
Deron Johnson	Pam Sutherland
Gregg Johnson	Mike Verbout
Doug Jones	

MEMBERS ABSENT

Linda Arzoumanian	Carld Rosborough
Jacob Bernal	Alan Storm
Clarence Boykins	James Zarling
Wilette C. Diggs	Frank Watts, Jr.
Deborah L. Embry	
Peggy Feenan	
Michael Guymon	
Peg Harmon	
Kari Hogan	
Lee D. Lambert	
Marji Morris	
Kim Murray	

27 - GUESTS AND PIMA COUNTY STAFF

- I. **Called to Order – 7:45 a.m.**, Paul Roughton, Chair, Pima County Workforce Investment Board
- II. **Pledge of Allegiance** – All
- III. **Roll Call** - Gregg Johnson, WIB Member and Campus Director, University of Phoenix
- IV. **WIB Chair Message** – Paul Roughton reminded WIB members that they should inform Pima County staff about their community and workforce activities. Please email information to Anna.Cunes@pima.gov.
 - Lori Banzhaf was welcomed and introduced as a new member who was appointed at the 07/07/15 Board of Supervisors' meeting.
 - Paul Roughton welcomed and introduced two of the four new members who may be appointed at the 09/15/15 Board of Supervisors' meeting. Mary K. Boegemann

and Fred Yamashita were present and Mark P. Vitale and Regina Suitt were not present.

- Paul also mentioned that after the WIB members' official Appointments and after completed Loyalty Oaths are provided to the Pima County Clerk of the Board, new members may sit at the "U" shape tables and vote on Action Items.
- A Group Orientation will be scheduled for these 4 new members and 6 other new members who were Appointed on 07/07/15.
- Paul presented a WIB Retirement Award to Gregg Johnson, Campus Director, University of Phoenix who served on the WIB from 2007 to 2015; served as the WIB Chair and Youth Council Chair; and served on the Executive, Planning, and Board Development Committees.

V. Action Item – August 14, 2015 Meeting Minutes approved. Dot Kret motioned to approved, Chris Hazen-Molina seconded the motion, and all were in favor.

VI. Pima County Staff Report – Charles Casey, Director, Community Services, Employment and Training presented information that included:

- Total nonfarm payroll employment increased by 173,000 in August 2015, and the unemployment rate edged down to 5.1%, the U.S. Bureau of Labor Statistics reported. Job gains occurred in healthcare, social assistance and financial activities.
- Congresswoman Martha McSally joined Pima County Board of Supervisors Sharon Bronson and Ramón Valadez in a discussion with veterans and employers at the Kino Veterans' Workforce Center on 08/20/15. They discussed the challenges of transitioning veterans into civilian jobs.
- The Workers Opportunity and Retraining Competitive Grant Program Act, HR 3258, would authorize, within the Workforce Innovation and Opportunity Act (WIOA), a competitive grant program for states to provide scholarships of up to \$2,000 per year for two years to dislocated workers and other unemployed individuals, enabling them to enroll in manufacturing training programs.
- In the 08/03/15 Federal Register, the Department of Education (ED) announced it will use demonstration program authority under the Higher Education Act (HEA) to foster college courses in federal and state prisons, by making Pell grants available to otherwise eligible prisoners. HEA currently prohibits ED from issuing Pell grants to students in these facilities but ED will waive this prohibition to allow a limited number of schools that cooperate with prisons to provide programming to inmates who are likely to be released within five years of program enrollment. Institutions of higher education interested in this opportunity can submit letters of application, by 10/02/15.
- The Kids Come Before Cons Act, HR 3327, would prohibit the ED from using waiver flexibility to provide Pell grants to offenders. The measure would also commission a study comparing incarceration rates of students in public, private and charter schools.
- The Middle School Technical Education Program Act, HR 3346, would authorize a competitive grant program to help school districts, working in concert with technical schools and organizations representing employers, establish programs that allow middle school students to explore technical education opportunities.

- Arnold Palacios, retired Executive Director, Tucson Youth Development, Inc. (TYD) is now the new Program Manager of Pima County's Las Artes, Arts and Education Center. Arnold has been selected to participate as a speaker in a U.S. Department of Labor National Webinar on strategies for reengaging rural, out-of-school youth. Arnold will highlight ISDA, PPEP, TYD and YCC programs on 09/30/15. Visit <https://www.workforce3one.org/>.
- Some WIOA Implementation Dates: 01/22/16 – Final Regulations Published; 03/03/16 – New State Plans Due; 07/01/16 – New Performance Measures go into effect; 07/01/16 – New One-Stop Infrastructure Cost Requirements take effect; 07/01/16 – New Common One-Stop Identifier must be implemented.
- Core Partners/One-Stop BFFs include Title I Youth, Adult and Dislocated Workers; Title II Adult Education; Title III Wagner-Peyser aka State Employment Service; and Title IV Rehabilitation Services.
- The Federal Departments' History, Philosophy and Culture includes Title I Youth, Adult (Labor) – evolved from programs in the 1960s. Dislocated Workers (Labor) – from the 1980s. Title II Adult Education (Education) – from the 1960s. Title III Wagner-Peyser aka State Employment Service (Labor) – from the 1930s. Title IV Rehabilitation Services (Health and Human Services) – from the 1970s.
- Gerri Brunson, Business Services and Employer Outreach, presented June 2015 information that included Job Search Services' 11 in-house recruitment events; 77 companies requested recruiting assistance and posted job openings; and 588 job leads that appeared on the Pima Count One-Stop Job Leads (Constant Contact email distribution list). 118 Job Postings sent to the American Job Center (AJC) and defined by Sectors. Outreach Activity included a presentation to the Tucson Professional Recruiters Association; Meetings with two new companies – Home Goods and Project Dolphin; Planning Meetings for the 10/07/15 Next Steps for Vets event; and actively recruiting companies within the industry sectors for focus groups, on-the-job training, internships, mentoring, and training options for their incumbent and new employees. The Youth CareerConnect (YCC) program had a mentorship kick off and began the application process with parents and students for the 2015 participants (cohorts).

VII. Security Industry Sector Panel Discussion – Molly Gilbert, Facilitator and Director, University and Community Engagement University of Arizona, Tech Parks Arizona, presented information that included an overview of the Aerospace and Security Industry. Companies are looking for new markets and we have seen it at the UA Tech Parks Arizona. There is also a lot of R&D in this area. There are 1,200 companies statewide which makes us the third largest supply chain in the industry. In Tucson, we are rated in the top 10 for defense related jobs. We are also seeing other things happening in the community. The UA just set up a security and defense research institute.

A. Please tell us about your company and the trends you see in hiring for your industry.

1. Doug Gratzner, Chief Executive Officer, International Towers, Inc., said International Towers has been in Tucson for 30 years. They have been designing, manufacturing, and erecting towers and antennas worldwide for broadcasters, cellular providers, and governments. Their primary focus is

infrastructure and they are currently deploying an integrated fixed tower system along the southern border. They design and build the site, the tower and the solar off grid power system and install the sensors that the defense contractor provides to them. We sustain them for a determined amount of time.

International Towers actively hires from the local community and have had a lot of success hiring out of Sierra Vista with some retired military personnel. There is significant background checks required when working with the Department of Homeland Security to staff these positions because of the sensitive information that they deal with on the government side of their business. They also deploy infrastructure for the cell phone carriers such as ATT and Verizon.

2. Alex Raptis, Transportation and Customs Manager, The Chamberlain Group, Inc. said The Chamberlain Group is not the warehouse on the east side of I-19 going to Nogales. The Chamberlain Group is a manufacturer and has been in Nogales, Sonora for more than 40 years. If anyone has a garage door opener at their home, it is probably made by the Chamberlain Group. They currently have about 75% of the world market in garage access control systems. The Chamberlain Group currently employ 3,800 at the Nogales, Sonora plant. They have seven Distribution Centers (DCs) within the United States and Canada where another 700 people are employed. Chamberlain has a Tucson call center linked to its largest DC and it is near Valencia and Country Club. This call center has 400 employees and they handle "Homelink" calls. Chamberlain is one of the cornerstone companies of The Duchossois Group, a privately-owned, diversified, multinational company that carries the added strength, respect and financial stability of a billion dollar-plus corporation. If you have security lighting at your home, it may be a Chamberlain product. In Nogales, Chamberlain has the capacity to build 19,000 garage door openers per day and that would be 19 truck loads. They currently build about 13,000 per day, 7 days per week. They have experienced a growth of 6% per year during the past three years. One of Chamberlain's challenges is finding people in the Information Technology (IT) field who are interested and qualified. Chamberlain has done some recruiting outside of Arizona. Chamberlain has good employment packages and salaries but it seems as though the UA graduates want to leave. Chamberlain is always looking for good engineers and IT staff.
3. Bill Murphy, Director, Security and Compliance, HealthTrio, said HealthTrio is a small software company based out of Tucson and they build medical health software programs. They are a low-risk, Software-as-a-Service solution for running a healthcare organization. If anyone has gone to their health insurance site and visited the "my health information," it is probably HealthTrio's software. Bill's former position was Deputy Director, Security, Raytheon Special Programs. The trends that Bill is seeing in Cyber Security is that for those who have received a letter from their bank or a company informing them that there is a problem with their account and they are offering free credit counseling. There are eight to ten countries that we can point to for causing the unfortunate growth in Cyber Security. Some of the best IT paid jobs are in Cyber Security and Bill believes that programmers are the only ones being paid more. Much of that growth is out of the Tucson area and there are not a lot of senior level positions in Tucson. There are a lot of companies that need better security and

about five years ago 5% of the companies' budget went to IT and 5% of that went to their security budget. Security budgets are more 10 to 15% now. Our industry has seen a trend in lot of increased regulations. 48 states have a completely separate law regarding data breaches because there is no federal law at this point. It would help to have a federal law because if you are a national or international company, you may have 48 different reactions to a security incident which could be confusing. This trend is creating a trend in hiring and Bill has never met a network engineer who does not believe he/she is a security expert. Tehnological background is good but HealthTrio and other companies need people who are well rounded people who understand policy and can read a nondisclosure agreement or contract to make sure appropriate things are included. People are also needed who can educate the workforce because a significant amount of a companies' risk is internal. Most of the breaches that you may have received a letter for is from a fault of an employee from the company. Often times it is an innocent employee who may cause the breach by simplify clicking on an email because they won something free from a contest they never entered and then someone gained the employee's credentials from the company's network. Education is a big piece and the ability to write policy and enforce policy is a huge piece. These are not things that are being taught in tech school but they do need to be. There is also a need for security certifications. When you have 120 applicants for one position, the differentiator is a college degree and security certifications. If an applicant does not have either, they go in the discard pile.

B. What are the workforce challenges in the Security field?

1. Alex Raptis said that Chamberlain is in a program with Customs. Chamberlain has a vast distribution network which could be perfect for drug dealers. We could move their product all over the U.S. in a blink of an eye and that is the scary part. Chamberlain does a lot to protect themselves and on the Mexican side at the plant, they have drug sniffing dogs and they weigh trucks before and after they are loaded and x-rayed. Chamberlain does everything they can to keep the drug dealers out of their supply chain. Their trailers have GPS trackers and they have employees who monitor the trucks at all times. Chamberlains challenge is not only getting the people with the necessary education and degrees but also getting people who can pass their background checks. They get several applicants who do not pass the background checks nor the drug tests. The last 7 out of 10 candidates did not pass either the background check or the drug test. Chamberlain positions that require degrees, require four year degrees.
2. Bill Murphy said he believes that HealthTrio has the same problem as most industries. When you hire a security person and spend a significant amount of money, you want an experienced person. But how does an employee get experience if the person has not had a job, because they needed to be experienced. It is a very difficult problem. If you have a security issue, you are not going to want a developing person because you will not want to build the person and endure the security problems because you believe the person has potential. You have to be a large company to take on an entry level security

person. There are a lot of people who are not always qualified and it is a challenge. You have to get them up to speed and aside from certifications there are not a lot of specialty courses so now you must also be a trainer. It is hard to get someone who is well rounded who is not already there. When Bill looks at employment applications, he looks for CISM or CISSP after a person's name or he will not look at them. It is the price you pay to work in this industry. It also tells Bill where the person is at in their career and if they are serious about this type of job. If a person has no work experience in the field and has a lot of letters after their name, it is a red flag.

Aric L. Meares asked how much it would cost for a certification and Bill Murphy replied that the exam will cost \$400 to \$600 and if the person can take a one week Boot Camp course it would cost approximately \$2,500.

3. Doug Gratzer said that International Towers, Inc. conducts brutal background checks and if the applicant has had any background with drugs or criminal activity, they will not be hired. Our experience in this community has been that we do not find applicants with letters behind their name. International Towers does organic growth and it is probably 90% of the way they staff their needs. They have internal training programs and hire applicants who are willing to learn and be in their unique industry. They have climbing certifications and technical training, and fiber optics slicing among others. A lot of the work does require out of town travel and that is another hurdle.

C. What are upcoming career pathway opportunities in Security?

1. Bill Murphy said he sees governments getting serious. If he is wearing his black hat, the best way to look for information on people is through the government because there are mortgages in peoples' names and you could file taxes before the person. Government is getting serious about hiring but there is limited success because of the salaries. In the past couple years, the federal government came up with a program called Cybercorp. The University of Arizona (UA) and Arizona State University are participants and it is for someone who has gone through their first two years of their bachelors in an Information Security field. The government will pay for the education up to a masters and for every year that the government pays, the person will be employed by the government at a designated GS level. It is a great way to get past the entry level barrier and the person will have a guaranteed job after college and experience. Cybercorp is exciting and Bill would like to see more people being encouraged to participate. Cyber Security is seeing more auditors because of the internal issues. Technical Auditors should not be in the IT Department. Separating duties is important. Not a lot of programmers are security experts who understand applications. There is a need for small businesses who do not have their own IT or security staff and this is where credit cards are used. This causes a rise in the need for consultants and some offices now have security arms.

2. Doug Gratzter said the pathway for International Towers is training. Everything is IT based with all their systems so the IT portion is huge. Having the credentials to be able to do that from a background investigation is difficult. We need to find people who have a basic IT understanding and put them through our internal training programs.
3. Alex Raptis said Chamberlain is a billion dollar company and growing but jokes about how they are more like the biggest mom and pop shop in the world. Chamberlain has spent a lot of money on consultants for IT and security and Alex often wondered why they do not grow their own IT or security staff. Chamberlain is now starting with a rotational program which offers an opportunity to the best and brightest from a university. The rotational program exposes the student to all the divisions of Chamberlain so they can see where their interest may be. They spend 6 to 8 months in each division. This has helped with hiring and Chamberlain will pay for Masters and Bachelors Degrees as long as the person is employed at Chamberlain. Their hiring challenges are in the IT area. Chamberlain is involved in global markets and has operations in China and Australia and they are all interconnected so it makes Chamberlain vulnerable. An IT person discovered that Chamberlain had no security about one year ago and it reminded them about how they need staff who can assist them and keep their information guarded.

D. Questions

1. Hilgert Uwe, BIO5 Institute, UA said he is writing a grant to introduce more students to astronomy, science and biology and to information dealing with data. Mr. Uwe asked if any of the Panel members could offer internships at their companies and offer any workforce skills advice. Asked if he can ask the Panel members if they would provide

Alex Raptis replied that Chamberlain has a budget for a few internships for the next year.

Doug Gratzter replied that he is a EE graduate from the UA and International Towers has been working with the Electrical Engineering Department. They have had several successful interns who have done a great job for International Towers.

2. Lea Marquez Peterson said she heard the UA South and the city of Sierra Vista were looking into launching a cyber security major and asked if anyone was aware of this or working with them on the curriculum.

Molly Gilbert replied that she is aware of it and knows that UA South is seeking a special certification with the military that higher education institutions can get for working with people on base. Cyber security is huge in Sierra Vista because of Ft. Huachuca but she does not know if they have reached out to other companies for help with the curriculum.

Bill Murphy replied that some of his Raytheon colleagues were working with Pima to try and develop some curriculum around information assurance which is what Tucson and Raytheon needs. There is a huge barrier to entry for both Sierra Vista and Raytheon and it is the security clearance. The security clearance process takes from \$20,000 to \$40,000. You would have to be very sure of a candidate to look at an uncleared candidate. You can have the best vocational program but you need to figure out how to get clearances or use military veterans who already have clearance.

3. Dot Kret, DK Advocates, said she has a veteran who would be qualified for a job but as a result of his disability, he uses medical marijuana and would not pass a drug test. How are your companies handling these applicants?

Bill Murphy replied that the guidance he has received is for someone to just not use the medical marijuana. The states are legalizing the use of medical marijuana but the government is not. If you are working on a federal contract for the federal government, you must pass the drug test.

Alex Raptis is a Licensed Customs Broker and is licensed by the U.S. Treasury Department. He was told that if he were to receive a medical marijuana card and use medical marijuana his license would be revoked automatically. For Chamberlain it has been a struggle because if an employee does have a medical marijuana card, Chamberlain still can not have employees working who are under the influence.

4. Dot Kret said she was trying to work with an employer and make the medical marijuana card be part of a reasonable accommodation under the ADA and asked if that would work with the federal government.

Bill Murphy replied that maybe in five years, this may not be an issue.

5. Chuck Dunlap, New Horizons Computer Learning Center, said the cost of training is between 5% and 8% of the persons' salary. Chuck has worked at New Horizons for 10 years and he had a man who worked for a major utility and was taking a class. After a topic was being covered, the man made a call to his employer to inform them about something he had learned and it was something that the employer would have been exposed to on their network. The knowledge saved the employer a lot of money. Chuck asked how much of each of the companies' budgets were spent on employee training.

Alex Raptis replied that Chamberlain has a substantial budget for employee trainings. Customs employees attend seminars and trainings. IT and Manhattan employees attend seminars and all the groups bring back good information.

Doug Gratzer replied that International has certifications that expire annually and they have to do training, so a large portion of their budget is dedicated to training.

Bill Murphy replied that HealthTrio does train their employees and they try to beef up employees' resumes but they do it to get a return on investment. Bill said a person may not be able to tell you how much he/she saved the company but they can tell you that they kept the company's name out of the newspaper. The difference between a trained and non-trained employee is a google search. If you google HealthTrio you will not see horrible things because HealthTrio believes in training.

VIII. Board Member Announcements/Call to Public – None.

IX. Next Meeting – Friday, October 9, 2015, 7:30 a.m.

X. Adjourned: 9:03 a.m.