

**Northeast Michigan Consortium
Administrative Board
Atlanta, MI
February 23, 2009**

I. Call to Order – 10:05 a.m.

II. Introductions and Roll Call

Members

Dennis Kauffman, Chair
Gerald Fournier
Ken Glasser
Mike Lange
Kathleen Vichunas
John Wallace
Tom Young

Staff

Kurt Ries, Director
Terry Basel, Program
Coordinator
Amy Meyer, Program Assistant

III. Approval of the December 8, 2009 Meeting Minutes

Lange moved to approve the December 8, 2009 meeting minutes, supported by Fournier. Ayes all, motion carried.

IV. Election of Officers

Ries went over the duties and responsibilities of the officers. Glasser nominated Kaufmann as chair. Fournier supported the motion. Wallace closed the nominations and Lange supported that motion. Ayes all, motion carried. Nominations for vice-chair were opened. Wallace moved for Ken Glasser as vice-chair. Lange supported that motion. Ayes all, motion carried.

V. Director's Report

The State is cutting many budgets, but the Consortium is not anticipating many cuts in state general funds. Job training is being increased by the Federal Government. A large amount of money from the new Stimulus Package is coming our way for programs to help the unemployed.

Unemployment issues were brought up, similar to the last meeting, as our offices are still having many complaints, even though we don't handle

Unemployment Insurance. Ries informed the Board that the State is working on solving the problems people have been experiencing in trying to get through to the Unemployment Insurance offices. The State has hired more people to help with the Unemployment problems, especially with the phone system. They are putting in new phone lines and getting educational DVD's and tapes to our offices to explain Unemployment Insurance to people.

Ries handed out PTAC (Procurement Technical Assistant Center) information to everyone. Ries informed everyone that PTAC has had a really good turnout for monthly training and a very good response from it so far. He named several companies that have participated and are interested in this program. Glasser mentioned how long the process takes to contract with the government. Ries talked about the MI Energy Corps and what that involves.

Performance measures were discussed and Lange expressed concerns about COOR not exceeding performance measures and thus not receiving incentive dollars. He asked Basel if COOR was fully aware of this and what is being done to improve on this. Basel said we watch this closely and have been informative to COOR on this and are helping with this issue. Kauffman asked about single mother issues and if there are any dollars that could be spent on single mothers. Basel said that single mothers are being helped through various programs and several are enrolled.

VI. Program Updates

Allocations sheets as follows:

1. Dislocated Worker – No Worker Left Behind

The Dislocated Worker – No Worker Left Behind program is another funding source to support the WIA DW program. Our allocation is \$15,122. The distribution of these funds will be for the allowable Admin and the balance for Program Training.

2. WIA Excess Carry-in and Transfer of Funds

DELEG allows MWAs to carry forward a maximum of 15% of their annual WIA allocations. In the event that a MWA had Excess Carry-in, those funds are re-captured and the state reallocates the funds to the MWA's who are in compliance with State policy. Basel discussed the following:

A. Youth

Basel reported that at the end of January, DELEG asked all MWAs if they needed/wanted any money due to re-capturing of excess carry-in. She polled our Youth Contractors for any possible need of additional funds; ACES asked for nothing, COOR asked for \$5,000 for transportation for the VESEP Summer Program, Inland Lakes asked for \$12,900 for stipends for transportation, trips and supplies, NCMC requested \$9,600 for additional staff time for Johannesburg, travel and supplies. NEMC also needed \$22,500 for our staff when working with youth contractors on program issues. We requested \$50,000; however, the State awarded us \$71,824.

The funds will be distributed as described above, with \$20,097 unobligated at this time.

B. Adult

The adult allocation sheet showed the Carry-in award of \$20,149 and money transferred in from Dislocated Worker program of \$160,900. This money was transferred from DW to Adult because we can serve more customers in the Adult program, due to so many Dislocated Worker eligible customers being served with the Trade Act.

A question was raised on the Trade Act, and Ries overviewed how the system works to help those whose jobs have been lost due to foreign trade policies. Glasser expressed that the Trade Act has been a huge asset in Otsego County.

C. Dislocated Worker

The Dislocated Worker sheet showed an Excess Carry-in award of \$9,439 and the transfer of money to the Adult (\$160,900 referenced above). Basel added that we were awarded the waiver from the State to transfer up to 100% of the DW allocation that the Board had approved at the last meeting.

D. WIA Statewide One-Stop Operations

Basel explained that WIA One-Stop Operations funding is used to support our 8 local offices' structure. Our Excess Carry-in amount of \$5,212 will be used to support our offices. Ries

commented on the One-Stop Operations that these dollars are spent to keep resources and technology up-to-date. Glasser commented that he would like to see more carry-in from this money to be able to help people as best as possible.

Basel asked the Chair for action on the above allocation updates. Glasser moved to approve the funds as detailed. Wallace seconded it. Ayes all, motion carried.

3. Incentive Dollars

Basel discussed the PY 2008 Incentive Dollars awards and performance measures. For the past five years, the Consortium has exceeded all of the performance measures. This year, however, we exceeded 12 of the 17 measures, and met five of them. Basel explained how the State distributes the Incentive Awards, and applied the same process to determine each of our individual Contractors share. Fournier moved, and Glasser seconded to distribute the incentives as presented. Ayes all, motion carried.

4. Draft Jobs, Education and Training (JET) Welfare-to-Work Allocations

Basel discussed four draft JET Allocations which are contingent on DELEG's receipt of State Administrative Board approval and the signing of the Interagency agreement with the Department of Human Services.

- A. DHS Support Service Funds Transfer: Local DHS offices in Alcona, Alpena, and Presque Isle have agreed to transfer support services funds to our MWA again this year. The allocations are the same as last year, Alcona-\$8,000, Alpena-\$10,000, and Presque Isle-\$16,000. These funds can only be used in the DHS county of origin and are added to our Support Service budgets.
- B. JET Work Participation Incentives: JET participants who meet their federal work participation requirements for three consecutive calendar months will be given a \$50 payment. They may receive this benefit up to four times per year in hopes that this will increase the States Federal participation rate of 50%. Basel explained that the State will issue a list of eligible participants to us and we will issue payments from that list. Our allocation is \$15,094.

- C. GF/GP JET Expansion DHS has appropriated GF/GP funds to be transferred to DELEG to be distributed to the local MWA. Our draft allocation is \$77,504. These funds will be used for Participant Support Services.
- D. GF/GP Work First: DELEG is making available additional TANF and GF/GP funds to the local MWAs. The funds may be used to pay for any allowable JET activity or provide support Services to JET participants, to eliminate barriers to become self-sufficient. Our TANF draft allocation is \$16,074 and the GF/GP draft allocation is \$15,266.

Basel asked for action to accept the funds when these become final. Lange moved to support this and Fournier seconded it. Ayes all, motion carried.

Basel talked about the increase in participant mileage reimbursement, which has put a severe burden on the support service budget. The finalization of these draft allocations can't come soon enough. Basel reminded the Board that WF/JET is supported by several funding sources: TANF, GF/GP, Expansion, and No Worker Left Behind (NWLB).

- 5. National Career Readiness Certificate(NCRC): Basel talked about the National Career Readiness Certificate and that we have received a draft policy from the State. The need for a NCRC is in response to requests from states and employees for a common, reliable, and portable career readiness certificate as a universal standard certifying the attainment of three workplace skills. Using Work Keys as the assessment tool, customers will be tested on Applied Math, Locating Information, and Reading for Information. The State is looking at implementing this July 1, 2009. More to follow...

VII. Stimulus Package Considerations/Plans

Ries indicated that the recently-passed federal stimulus package will directly impact the Consortium, with additional funds for youth, adult, dislocated worker and employment services. The estimated total is \$3.4 million. It includes implementation of a summer youth work experience employment program. There are still many questions, but implementation needs to be expedited quickly. General discussion followed on the potential impacts of the proposed stimulus components.

Ries referenced his memo dated February 20, 2009 (attached). The memo gave the background, considerations, plan design and implementation processes being recommended. He reviewed the document with the Board, and pointed out the importance of getting clarification from the federal and state governments on procurement, given his recommendation to award the funds to current contractors. We are also concerned about impact on our performance measures. Lengthy discussion ensued. Kaufmann asked whether schools could benefit from the youth program. In response to a question from Lange, Ries described the recruitment process for both participants and worksites, and the payroll process through the contractor. Ries indicated worksites generally couldn't be used if regular employees are laid off. Glasser questioned which types of non-profit worksites would hire the youth, and whether we would have enough worksites. Basel and Ries said that the economy was really beginning to adversely affect our performance, and raised the issue that working with so many adults and dislocated workers in a short timeframe would cause real concern in meeting performance. Yet, the goal is to help people in a state with serious unemployment problems, and very obviously this could affect performance. The Board concurred.

Lange made a motion to move forward and approve the memo topics as presented. Young seconded the motion. Further discussion followed. Ayes all, motion passed. Ries asked whether the action authorized issuing of contracts as appropriate, and Board responded affirmatively.

VIII. Partnerships: Michigan Small Business and Technology Development Center (SBTDC) and Other Business Services

Carl Bourdelais will be coming once a month to all of our offices to talk about this service. Contact the BL's in your county to schedule an appointment with Carl about this great service.

IX. Other Business

Mileage being paid to Board members to attend our meetings was discussed. Wallace requested information on what our programs are and the money that is being allocated for them. The next meeting is scheduled for May 18, 2009 at Elk Ridge golf course.

X. Public Comment

None

XI. Adjourn

Meeting was adjourned at 12:42 p.m.

Respectfully submitted,

Kurt Ries
Secretary