

**Northeast Michigan Consortium
Workforce Development Board
Gaylord, MI
February 25, 2009**

I. Call to Order – 10:10 a.m.

II. Introductions and Roll Call

Members

Bob Diesing, Chair
Diane Rekowski
Jim Beach
Charles Herring
Duane Wang
Joe James
Mark McCully
Kathy Marsh
Cindy Gabara
Joyce McCoy
Elaine Carter
Ron Neuman
Ken Sheldon, Vice-chair
Tom Ferguson
Mark Kersten
Betty Comoford

Staff

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

Excused

Cindy Pushman
Gary Goren
Laura Ingles
Lee Shirey
Gene Scott

Guests

Susan Whitener, ILHS
Laura Budreau, NEMCSA
Helen Leithauser, NCMC
Chuck Nienhuis, MRS
John Briggs, NEMCSA
Genny Hoskey, MPRI
Bill Marshall

III. Approval of Meeting Minutes

Diesing asked if there were any additions or changes to the minutes. There being none, he indicated they would stand approved as published.

IV. Election of Officers

Ries passed out a new listing of the Board members because of changes that had occurred. He then requested a motion to elect a Chair and Vice-chair.

He also stated that there are three openings on the Executive Committee. Ries opened up the nominations for Chair. Ferguson nominated Diesing as Chair, and Rekowski seconded it. Ayes all, motion carried. Neumann then nominated Ken Sheldon for Vice-chair and Betty Comoford seconded it. Ayes all, motion carried. Ries then described the duties and responsibilities for the Executive Committee members. He asked if there were any questions regarding the responsibilities of the Executive Committee members before opening up nominations. There were no questions or comments. Nominations were then opened for Executive Committee members. Gabara said she was willing to continue serving, and it was assumed that Scott was also willing to stay on. Elaine Carter stated that she was interested in becoming a member. A motion was made by McCoy for Carter to be added to the Executive Committee along with Gabara and Scott. Ferguson seconded 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. 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 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 Unemployment problems, especially with the phone system. They are putting in new phone lines and getting educational DVDs 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 turn out 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. He also stated that the State has hired a retired military general to run this program and he has really energized the program. We started contractor classes in December and have had very good attendance so far. We have had people from all over the Northern Michigan region attend. Ries talked about the MI Energy Corps and what that involves. Performance measures were also discussed and Ries stated that the economy is beginning to take its toll on our performance.

VI. MPRI Presentation

Genny Hoskey from the Michigan Works! Office in Region 7B gave a presentation on the Michigan Prisoner ReEntry Program (MPRI). MPRI is a program designed to reduce crime by implementing a seamless plan of services and supervision developed with each offender – delivered through state and local collaboration – from the time of their entry to prison through their transition, reintegration, and aftercare in the community. General discussion and a few questions followed the presentation.

VII. 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 for 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 uncommitted at this time.

B. Adult

The adult allocation sheet showed an Excess 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 program.

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 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.

Basel asked the Chair for action on the above allocation updates.

Herring moved to accept the allocation sheets, Comoford 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 individual Contractor's share. Herring moved to distribute the incentives as presented, and Wang seconded it. Ayes all, motion carried.

4. Draft JET 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 state's 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. Kersten moved to support this and Ferguson seconded it.

VIII. 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 23, 2009 (attached). The memo gave the background, considerations and 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. 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 regardless of any adverse impact, the goal is to help our residents. The Board concurred. Dising asked if there were further comments, and invited guests to join the discussion.

Helen Leithauser stated that she is very excited about the Summer Youth Program. She said that NCMC has been running programs similar to this but they have never been able to pay the participants minimum wage. She also added that they have a lot of good work sites for the program. Jim Beach expressed that he hopes the Summer Youth Program from the Stimulus Package can be coordinated with other programs that these individuals can apply for or are already signed up for. Laura Budreau commented that she, on behalf of NEMCSA, is very excited as well. Kathy Marsh had asked if our other programs are going to lose money because of the Federal Stimulus monies. Basel assured her that the Federal Stimulus Package is just additional funds for certain programs and that it will not affect our already existing programs. Basel also added that we are planning on and prefer to use our existing contractors for the Summer Youth Program, but nothing has been decided for sure yet.

Herring made a motion to move forward and approve the memo as presented. Neuman seconded the motion. Mark Kersten expressed his concern about taking action on this since nothing is definite yet. Further discussion followed and it was determined that we will have another meeting if the guidelines and predictions vary significantly from what is explained in the Federal Stimulus Package Memo. Ayes all, motion passed. Ries asked whether the action authorized issuing of contracts as appropriate, and the Board responded affirmatively.

IX. Partnerships: Michigan Small Business and Technology Development Center SBTDC and Other Business Services

Carl Bourdelais will be coming once a month at all of our offices to talk about this service. Contact the Michigan Works business liaisons in your county to schedule an appointment with Carl about this service.

X. Other Business

None

XI. Public Comment

Jon Briggs commented that NEMCSA will do repairs on houses that badly need it in the area with Federal Stimulus Package money they are going to receive. He described how they would implement these dollars. He stated that the main goal is to try to spend the money in our communities to put people back to work. They will try to deal with local contractors in implementing this. McCoy commented on the Governor not being able to reduce any dollars in the school systems and still receive Federal Stimulus monies, so the K-12 budget should not see any cuts. Ries said he will update everyone when he knows anything new on the Federal Stimulus Package. He appreciates everyone's support on all of these issues. The next meeting is on May 27, 2009 at Elk Ridge Golf Course

XII. Adjourn

Meeting was adjourned at 12:12 p.m.

Respectfully submitted,

Kurt Ries
Secretary