

**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

June 25, 2015

The Macomb/St. Clair Workforce Development Board met Thursday, June 25, 2015 at the Voyageur Restaurant, 525 South Riverside, St. Clair with the following members present (☑ denotes private sector):

AT ROLL CALL:

- | | |
|---------------------|--------------------|
| ✓ Pat Anger | ✓ Virginia Gronley |
| John Bozymowski | ✓ Peter Keating |
| Dan Casey | ✓ Ken Lampar |
| ✓ Ann Forster | ✓ Mary Matuja |
| ✓ Sharise Gavlinski | Rick Niedieck |
| ✓ Patti Gendernalik | ✓ Troy Piper |
| ✓ Carl Gervason | ✓ Charles Shaw |

MEMBERS ABSENT:

- | | |
|-------------------|------------------|
| Ken Austin | ✓ Dominic LaRosa |
| Deborah Bouts | Mike Moran |
| Thelma Castillo | Valerie Nunn |
| ✓ Hannah Costello | William Peterson |
| ✓ Carter Hitesman | Gary Polulak |
| ✓ Maria Kokas | Erin Smith |
| ✓ Mike Kramer | ✓ Mike Weigand |

OTHERS PRESENT:

John Bierbusse

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1. Call to Order

Chairman Gervason called the meeting to order at 4:05 p.m.

2. Roll Call

Roll call was taken with 14 members present (11 private sector)

3. Approval of Previous Minutes

MARY MATUJA MOVED TO APPROVE THE MINUTES OF MAY 28, 2015 AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

4. Chairperson's Report

Mr. Gervason had nothing to report.

5. Committee Reports

A. Education and Adult Programs Committee

1. Meeting of June 18, 2015

a. Recommendation to APPROVE Senior Community Service Employment Program (SCSEP) PY 2015 Plan

The Senior Community Service Employment Program Plan for PY 2015 will be submitted to the state for approval. This program provides work experience to economically disadvantaged customers age 55+ who are not job ready and serves customers in Macomb, St. Clair, Monroe and Oakland counties. Participants are paid the current minimum wage for a 19-hour work week. Participants are placed in employment for a maximum of 48 months. There are 82 positions available with a proposed budget of \$783,252.

PAT ANGER MOVED TO APPROVE THE PY 2015 SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (SCSEP) PLAN AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

b. Informational Items

i. "Telling Our Story" - Success Stories

Mr. Bozmowski reported on the May 2015 issue of Telling Our Story. He gave highlights of three customer stories. He wishes to thank service center staff who bring these stories to our attention by documenting them for this newsletter.

ii. Plant Closures

Mr. Bozmowski also reported on lay-offs affecting approximately 60 employees from the Utica Community Schools. The United Way for Southeastern Michigan planned an informational session for those affected by the lay-offs including custodial staff, teachers, and food service personnel. Representatives from community service organizations met with workers on June 25th at the Utica Education Association to explain available services and benefits. Included are Michigan Works staff who provided information on re-employment opportunities and the Unemployment Insurance Agency who offered instructions for applying for unemployment insurance benefits.

iii. FY 2015 TAA 2nd Quarter Report

The TAA 2nd Quarter Report was presented to the board for review. This report covers the first six months of FY 2015 and identifies Macomb/St. Clair as having the highest number of trade participants enrolled in the state at 742. Of those, 213 are in training (28.7%) with the remaining customers receiving a waiver allowing them to use their training dollars at a later date.

Employment retention figures show that 122 out of 127 individuals (96.1%) remained employed during the 2nd and 3rd quarters after exit and that the average earnings for six months was \$23,513 (or \$47,000/year).

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iv. Skilled Trades Training Fund Update

Four companies who received Skilled Trades Training Funds (STTF) have completed their training including CLAW Logistics, Veigel North America/Mobility Products, Fori Automation, and Britt Manufacturing. A fifth company, Biopro, Inc. continues to provide training to one individual.

Macomb/St. Clair was notified by the Workforce Development Agency that because some funds granted to other areas of the state were left unspent, three additional businesses could resubmit their applications as long as the training had not already begun and the training could be completed by September 30th. Restoration Doctor, a company which restores flood damaged property resubmitted their application and received a \$4,000 grant to train three of its employees in the use of a new cleaning system. Pinnacle Foods of Imlay City was unable to accept due to the tight timeline and Exco Extrusion Dies of Chesterfield Township did not respond to messages that were left with the company.

There was discussion regarding unused funding. Rick Niedieck explained that the WDA makes every effort to use all available funding in a fiscal year but that any remaining funds will be carried into the next year. He also confirmed that additional STTF funding will be made available for FY 2015 which is October 1, 2015 through September 30th, 2016.

v. Wagner-Peyser Employment Service Update

Graphs showing the number of customers registering for employment at the five Michigan Works Service Centers in Macomb & St. Clair Counties over the past ten years were provided to members of the board for review. The numbers have steadily declined since the busiest years of 2008 and 2009 with May 2015 showing the lowest number of customers in a month for both counties. Each person is counted only once even if they return to a center for additional services. Clinton Township and Roseville continue to be the most visited offices.

B. Administrative Committee

1. Meeting of June 11, 2015

a. Recommendation to *MODIFY* PY '14 WIA Dislocated Worker National Emergency Grant Budget

The Dislocated Worker National Emergency Grant is a 2-year grant ending June 30, 2015. Macomb/St. Clair received an additional \$65,000 in funds that were recouped from other areas of the state bringing the total allocation to \$171,809. The additional funds will be used for classroom training and on-the-job training for the long term unemployed who are eligible for training. The revised budget totals \$462,759.

JOHN BOZYMOWSKI MOVED TO MODIFY THE PY 2014 WIA DISLOCATED WORKER NATIONAL EMERGENCY GRANT BUDGET AS PRESENTED; SUPPORT BY VIRGINIA GRONLEY. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to *MODIFY* PY '15 Wagner-Peyser Employment Service Budget

The Wagner-Peyser Employment Service budget saw a drastic cut in its initial allocation for PY 2015. To offset the decrease, adult programs and dislocated worker budgets provide support for the employment service provider. An additional allocation of \$108,000 was received and the employment service provider line item has been increased to \$514,631. The revised Wagner-Peyser Employment Service budget is \$951,131.

CHARLES SHAW MOVED TO MODIFY THE PY 2015 WAGNER-PEYSER EMPLOYMENT SERVICE BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.

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c. Recommendation to *MODIFY* PY '15 WIOA Adult Programs Budget

Because the Wagner-Peyser Employment Service budget received additional funding which is being targeted for the employment service provider, \$54,000 of the Adult Programs budget will be transferred from the employment service provider line item into classroom training. The Adult Program budget remains \$2,544,433.

PETER KEATING MOVED TO MODIFY THE PY 2015 WIOA ADULT PROGRAMS BUDGET AS PRESENTED; SUPPORT BY VIRGINIA GRONLEY. MOTION CARRIED UNANIMOUSLY.

d. Recommendation to *MODIFY* PY '15 WIOA Dislocated Worker Program Budget

The Dislocated Worker Program budget will also transfer \$54,000 from support of the employment service provider into the classroom training requiring a modification to the budget. The PY 2015 Dislocated Worker Program budget remains \$2,169,402.

PAT ANGER MOVED TO MODIFY THE PY 2015 WIOA DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.

e. Recommendation to *APPROVE* PY '15 WIOA Administration Budget

The Administration budget is derived of contributions from three WIOA programs; Adult, Dislocated Worker and Youth, and supports salaries and fringe benefits for four staff who work solely within these programs. The Administration budget totals \$412,400.

VIRGINIA GRONLEY MOVED TO APPROVE THE PY 2015 WIOA ADMINISTRATION BUDGET AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

f. Recommendation to *APPROVE* PY '15 Michigan Works Service Center Support Budget

This budget supports the infrastructure of the five local Michigan Works service centers. Macomb/St. Clair has not received an allocation for PY 2015 as of yet therefore contributions will come from WIOA Dislocated Worker, Adult, In-school Youth and Out-of-School Youth budgets bringing the total Michigan Works Service Center Support budget to \$500,600.

PAT ANGER MOVED TO APPROVE THE PY 2015 WIOA MICHIGAN WORKS SERVICE CENTER SUPPORT BUDGET AS PRESENTED; SUPPORT BY SHARISE GAVLINSI. MOTION CARRIED UNANIMOUSLY.

g. Recommendation to *APPROVE* PY'15 Administrative Cost Pool

The administrative cost pool is comprised of contributions from all programs and provides for the core staff of the Workforce Development Board and the cost of central operations. The budget totals \$1,130,350.

JOHN BOZYMOWSKI MOVED TO APPROVE THE PY 2015 ADMINISTRATIVE COST POOL BUDGET AS PRESENTED; SUPPORT BY VIRGINIA GRONLEY. MOTION CARRIED UNANIMOUSLY.

h. Recommendation to *APPROVE* PY '15 Information Technology & Computerization Budget

Various budgets contribute to the Information Technology and Computerization budget. This budget supports IT staff along with IT equipment purchases. There has been a reduction in the amount needed for equipment

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purchase this year as many computers were replaced last year. This budget reflects a reduction of nearly \$120,000 from last year for a total budget of \$681,000.

VIRGINIA GRONLEY MOVED TO APPROVE THE PY 2015 INFORMATION TECHNOLOGY & COMPUTERIZATION BUDGET AS PRESENTED; SUPPORT BY SHARISE GAVLINSKI. MOTION CARRIED UNANIMOUSLY.

i. Recommendation to APPROVE PY '15 Chafee Act, SYEP-Foster Care Budget

Macomb/St. Clair is one of six areas in the state that receives funds to provide work-readiness training and work experience to 45 foster care youth in Macomb and St. Clair counties. These youth are referred from the Department of Health and Human Services and are integrated into our youth programs. The total budget is \$80,050.

PETER KEATING MOVED TO APPROVE THE PY 2015 CHAFEE ACT, SUMMER YOUTH EMPLOYMENT PROGRAM (SYSEP) - FOSTER CARE BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.

j. Informational Items

i. FY 2015 Trade Adjustment Assistance (TAA) Expenditure Report

Customers in this program have lost jobs due to foreign competition making them eligible for retraining through the Trade Adjustment Assistance program. This chart shows that expenditures were approximately \$100,000 less this year compared to the same time period from the previous year. Expenditures during October 2013 through May 2014 totaled \$1,106,069 compared to \$1,009,339 during October 2014 through May 2015.

ii. PY 2014 , 3rd Quarter WIA Performance Report

The third quarter WIA performance levels for PY 2014 was reviewed by the board showing that eleven standards were exceeded, five met with incentive, one met with no incentive and no performance standards failed. This is important because under the new WIOA legislation, Macomb/St. Clair has received automatic designation as a workforce area for one year because we have met or exceeded past performance standards for the last two consecutive years.

6. Executive Director's Report

Mr. Bierbusse addressed several important aspects of the new Workforce Innovation and Opportunity Act (WIOA) legislation as we begin implementation. It must be determined that customers seeking training services from Michigan Works do not already possess skills from previous employment or training that would lead to employment and self sufficiency. However, the legislation does not provide a specific definition of the term "self sufficient". Staff is researching a self sufficiency standard that we may incorporate.

Another strong component of the new legislation maintains that training customers including those enrolled in occupation skills training and on-the-job training (OJT) must be working toward a certification or credential. Since Macomb/St. Clair provides a significant amount of OJT, staff is researching a model of credential that can be attached to the OJT.

Due to limited training funds, there is also discussion on whether or not residency will be a priority for those that are serviced.

Mr. Bierbusse also noted that this will be the final meeting before the new board is seated under the WIOA legislation. He explained that because the new legislation emphasizes appointments from different sectors, some current members will not be re-appointed. The new board is required to be certified by August 14, 2015.

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He thanked all members of the present board for their commitment and service to the Macomb/St. Clair Workforce Development Board.

7. Other Business

There was no other business.

8. Hearing of the Public

There was no hearing of the public.

9. Scheduling of Next Meeting

The next general meeting is scheduled for 3:00 p.m., August 27, 2015. Members will be notified.

10. Adjournment

MARY MATUJA MOVED TO ADJOURN; SUPPORT BY PAT ANGER. MOTION CARRIED.

The meeting adjourned at 4:55 p.m.

Respectfully submitted,

Jean Wurlinger
Recording Secretary