

**CENTRAL AREA MICHIGAN WORKS! CONSORTIUM  
WORKFORCE INVESTMENT BOARD (WIB)**

**May 19, 2010**

**Maxfield's Restaurant \* Wyman**

**Members Present:** Tom Batchelder, Carolyn Bennett, Doug Bush, Dennis Dunlap (nonvoting member), Robert Ferrentino, Steve Foster, Dorothy Howard, Jeff Knox, Franz Mogdis, Carolyn Newell, Kelly Rule (alt. for Terri Romel), Kenton Schulze (alt. for Steve Yager), Ralph Ward, and the WIB (ES Rep.)

**Members Absent:** Tim Flynn, Mary Peterson, Erin Roberts, Don Schurr, Jeremy Sheets, Diane Smith, Bruce Traverse, David Walker, Robin Whitmore, and George Yost

**Staff Present:** Janet Bloomfield, Vice-President for Employment Training  
Jan Lacy, Assistant to the President  
John Van Nieuwenhuyzen, Administrator

**Guests Present:** Shirl Graham, MMI

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With a quorum present, the meeting was called to order at 5:31 pm by Tom Batchelder, Chairperson.

**APPROVAL OF MEETING MINUTES**

***MOTION WAS MADE AND SUPPORTED TO APPROVE THE MARCH 17, 2010, WIB MEETING MINUTES. Motion carried unanimously.***

**PUBLIC COMMENT**

None

**COMMITTEE REPORTS**

• **Operations Committee – Kenton Schulze**

Due to the lack of a quorum at their April 21, 2010, meeting, the Committee members agreed to meet and give input so action items could be brought to the WIB.

For the purposes of contract renewal (Wagner – Peyser, WIA Adult, WIA Dislocated Worker, and WIA Youth), current performance and expenditure reports and the enhanced services being provided were reviewed. Members were in agreement with the staff recommendations. This information is in WIB meeting packet:

- Contingent renewal of the contracts with Ionia and GIRESD for Wagner Peyser, WIA Adult, and WIA Dislocated Worker funding sources for PY 10.

- Contingent renewal of the contracts with current contractors for WIA Youth for PY 10.
- Fold the Foster Youth funding back into the general Youth contract and to mandate eight foster youth per county to be served. This allows the staff to evaluate if targeted services could be provided in this arrangement. Contingent approval pivots on full year performance and expenditure analysis. In the event a problem arises regarding either of these matters or the annual monitoring, this subject will be brought back to the Committee for review.

The JET and Food Assistance proposals were discussed. There were a number of questions regarding the proposals and members felt there would be benefit in having the proposers clarify the proposals immediately preceding the next Committee meeting. A decision regarding funding awards was tabled until those presentations have been completed.

The Expenditure/Performance Report was shared. Discussion was also held on the new Isabella Service Center. A new site has been selected across the street from the Mid Michigan Community College campus in Mt. Pleasant.

- **Contract Renewal PY 10 Recommendation**

- **Background:**

The Wagner Peyser, WIA Adult, Dislocated Worker, and Youth contracts expire on June 30, 2010. The Current contract awards have a provision for two 1-year renewals based on financial and performance review. Contracts were renewed for PY 09, leaving a one year renewal option under the current RFP cycle.

- **Current Contractors:**

Ionia County ISD – Serving Ionia County

- Wagner – Peyser
- WIA Adult
- WIA Dislocated Worker
- WIA Youth

GIRESD – Serving Montcalm, Isabella, and Gratiot Counties

- Wagner-Peyser
- WIA Adult
- WIA Dislocated Worker
- WIA Youth

- **Recommendation:**

After expenditure and performance analysis, the administrative entity is recommending a contingent contract renewal for PY 10 (July 1, 2010 - June 30, 2011) as follows:

Ionia County ISD – Serving Ionia County

- Wagner – Peyser
- WIA Adult
- WIA Dislocated Worker
- WIA Youth

**GIRESD – Serving Montcalm, Isabella, and Gratiot Counties**

- Wagner-Peyser
- WIA Adult
- WIA Dislocated Worker
- WIA Youth

The renewal is contingent until final PY 09 (current year) expenditure and performance data is available.

Funding awards per contractor will be based on the approved formula (updated factors where applicable) for each funding source.

**WIA Youth Program**

**Background:**

WIA Youth programs have the task of ensuring that young people within our four-county region achieve at high levels academically while exploring and preparing for high-skilled jobs. The foster youth program was developed two years ago to target this specific population of youth. CAMWC recognized that foster youth are in need of assistance to prepare them for independence. Program services have been tailored to assist this group of young people including the ten mandatory elements of the WIA Youth program.

The Ionia County Intermediate School District (ICISD) has been fully enrolled since the program began two years ago. Gratiot-Isabella RESD (GIRESD) has encountered difficulties reaching full enrollment during the past two contract periods. Efforts to recruit youth have been expanded two counties beyond GIRESD's three-county service area. Outreach for the foster youth program includes referrals from the DHS. Each county DHS has their own unique approach to foster youth placements. Gratiot, Montcalm, and Isabella counties are currently focusing resources on keeping families together and are not actively recruiting more licensed foster homes. In addition to the somewhat transient nature of this population, this effort has reduced the number of foster youth in those three counties. Referrals from the DHS are being received; however, the majority of those referrals cannot be enrolled due to extreme behavioral issues, lack of interest in the program, and age of the foster youth. GIRESD is currently meeting the contractual enrollment. The likelihood of full enrollment by the end of the contract period is slim.

**Recommendation:**

1. Youth served in the WIA Youth program continue to be a population that is in need of educational and training opportunities. Foster youth also continue to remain a population in need of specialized services to connect them with appropriate and positive resources to meet their needs and goals. The number of foster youth continues to decline and this unique population will be better served by incorporating the specific stipulations in the current Foster Youth program design into the current WIA Youth contract so that foster youth remain a targeted population. While it makes sense that a percentage of all youth served shall be foster youth; the methodology is unmanageable. Would that be a percent

of the planned youth, number of youth participants at any given time, or total served over the course of the contract? Therefore, it is being recommended that no less than eight foster youth participants per county shall be served. Furthermore, it is recommended that the ICISD and GIRESD continue to provide all WIA services for youth and foster youth under one contract.

A. Advantages of one contract per contractor:

- i. Reduces administrative costs associated with each contract
- ii. Funding follows population being served

B. Disadvantages of one contract per contractor:

- i. Lose focus for targeted populations.
- ii. Specialized services for target population could become diluted in the management of funding for services for all populations.

2. WIA Youth Statewide funds are used to compliment the regular youth program.

3. It is recommended that the ICISD and GIRESD WIA Youth contracts be renewed for PY 10 (July - June).

***MOTION WAS MADE AND SUPPORTED TO APPROVE CONTINGENT RENEWAL OF THE CONTRACTS WITH ICISD AND GIRESD FOR PY 10 AS RECOMMENDED BY THE ADMINISTRATIVE ENTITY. Motion carried unanimously.***

• **Outreach Committee – Steve Foster**

Due to the lack of a quorum at their April 21, 2010, meeting, the Committee members chose to meet and discuss proposals that would be forwarded to the WIB for approval.

There was discussion on the current Incumbent Worker program. There have been some changes in the funding needs of individual companies, and Kathy Jo VanderLaan has had an opportunity to make contact with each of the companies. Several companies have requested funding that exceeds the \$6,000 per year per company limit. Based on the current status of the program and that funding has a June 30<sup>th</sup> use-it-or-lose-it attachment, the Outreach Committee is recommending approval of the PY 09 Incumbent Worker funding update and proposal (updated proposal was distributed to the WIB members at the meeting).

Regarding PY 10 program recommendations, there was discussion about the vision of the Incumbent Worker (IW) program for the next program year. The vision has been based on certain assumptions—DELEG will be allocating “traditional” funding to the MWA and authorization to use “formula” funding for IW programming. The waiver request has been updated and is included in the amended WIA Draft Plan for PY 10 (Item #4). The plan in the initial WIB packet has been replaced with an updated handout based on new information released from DOL.

Discussion was also held on WIB membership. Dave Walker has indicated he will be resigning from the Board. Work commitments have become greater and interfere with his WIB meeting engagement. The members discussed WIB attendance and the use of alternates. It is felt each member should have an alternate, and alternates should attend along with members. Between them, they would have one vote. It takes a long time to become comfortable with the subjects brought before the Board; this way alternates would be well versed in the process and ready to step into a vacancy. It was felt that this should be a topic the WIB should discuss.

Staff provided an update on the Entrepreneurship Initiative. A handout was included in the WIB meeting packet. Staff will continue working on this initiative. Based on the discussions, it was decided the Initiative would focus on the development of a model for Montcalm County with the idea to be able to replicate across the counties.

The staff also provided an update on the Manufacturing Job Readiness Certificate. A handout was included in the WIB meeting packet regarding this Initiative. The Initiative involves several MWAs and community colleges and operates on the premise that a rising tide lifts all boats—raise the minimum skill sets for individuals entering manufacturing employment. Staff will keep the Board apprised of developments in the manufacturing position. It sends a clear message, there will be manufacturing employment opportunities, but the required skill sets are more demanding than in times past.

▪ **Incumbent Worker PY 09 Update and Proposal**

Updated information for PY 09 Incumbent Worker programming follows.

**TRADITIONAL**

\$87,435 Available for 09/10

\$ 8,743 Admin.

\$ 8,400 Staff

\$70,292 Available for Program

\$53,985 Obligated

\$16,307 Left

- 3,156 ( Matcor – Matsu [formerly Browns] contract has been signed

\$13,151 unobligated as of 5/18/09

**FORMULA - \$80,000**

Uni-Solar Original Plan Request: \$72,420

2.9.10 Revised Plan Request: \$72,419

Currently not obligated \$ 7,581

**Of \$57,141 Obligated**

Gratiot: \$26,000

Ionia: \$15,156

Isabella: \$12,000

Montcalm: \$ 3,985 (Plus \$72,419 Formula amount for United Solar)

\*\*NOTE: \$17,268 in additional Requests from current participating companies...

**Additional \$\$ requested (and recommended by Outreach Committee):**

GRATIOT: Barry (\$6000...BUT 6S Lean Cancelled), Merrill (\$1209 & \$1854 new = \$3063), Powell (\$4475) = \$13,538

IONIA: Cargill (\$415), Granco Clark (\$2000) = \$2415

ISABELLA: CME Mitsuba (\$1868), Mears (\$581) = \$2449

MONTCALM: Greenville Tool & Die (\$720) = \$720

**Updated Additional \$\$ requested/recommendation for \$13,151 unobligated traditional funding:**

Currently working with all companies with whom we've obligated money to keep track of trainings held, cancellations and dollars spent to make sure that all obligated money is indeed spent.

County	Company	Current Contract Amount	Additional Request	Additional Request Approved to be used if needed and funding available
<b>Gratiot</b>			<b>\$7,297</b>	
	Barry Controls	6,000	993	1,456 <sup>1</sup>
	Merrill	6,000	3,063	Up to 3,000 <sup>2</sup>
	Powell	6,000	3,241	
<b>Ionia</b>			<b>\$2,415</b>	
	Cargill	6,000	415	
	Granco-Clark	6,000	2,000	
<b>Isabella</b>			<b>\$2,719</b>	
	CME Mitsuba	6,000	2,138	
	Mears	6,000	581	
<b>Montcalm</b>			<b>\$720</b>	
	Greenville Tool & Die	6,000	720	
<b>Total</b>			<b>\$13,151</b>	<b>\$3,156</b>
				<b>\$16,307</b>

**Additional Contract – Formula Funding Pot (\$7,581 unobligated)**

Isabella - Metavation – Up to \$7,581 (expect they will need closer to \$3,000 – leaving the balance to be used for the 2<sup>nd</sup> line of additional requests)

<sup>1</sup> Barry Controls would receive additional funding before Merrill

<sup>2</sup> Merrill Fabrication is beginning a major Leadership Training, required for all Management, to be completed by June 30<sup>th</sup>. They would like any additional funding to assist. Assistance would depend on funding availability. Approval would give staff a window of \$3,000 without additional Board approval.

***MOTION WAS MADE AND SUPPORTED TO APPROVE THE 2009-2010 INCUMBENT WORKER PROPOSAL AS PRESENTED. Motion carried with abstentions: Steve Foster and Jeff Knox.***

▪ **PY 10 WIA Incumbent Worker Program Recommendations**

**Background:**

Assumptions have been made to make recommendations for the Incumbent Worker program for the next program year. We have assumed the state will continue a separate allocation specifically for the programming – we refer to that funding as **traditional**. We have also assumed that the funding will be at the same level - \$87,435. The Incumbent Worker program is funded in the following manner:

<b>Traditional Funding</b>	Budget	Actual (as of 3/31/10)	Balance
Funding for training	70,292	53,985	16,307
Administration (staff)	8,743	8,743	-
Program (staff)	<u>8,400</u>	<u>8,400</u>	-
<b>Subtotal</b>	<b>87,435</b>	<b>71,128</b>	<b>16,307</b>
<b>Formula Funding</b>			
Funding for training	80,000	72,419	7,581
Staffing	20,000	-	20,000
Registration Mgt Product	1,000	-	1,000
Marketing	<u>4,000</u>	-	<u>4,000</u>
<b>Subtotal</b>	<b>105,000</b>	<b>72,419</b>	<b>32,581</b>
<b>Grand Total</b>	<b>192,435</b>	<b>143,547</b>	<b>48,888</b>

### **Recommendation:**

CAMWC staff is recommending a funding level at the same level as last year \$192,435. This funding would be comprised of **traditional** and **formula** funding. The amount to be transferred from formula will be unknown until a traditional allocation had been released from DELEG. To access formula funding, staff is recommending a waiver request to transfer funding from WIA Dislocated Worker. The waiver request would be for a transfer up to 20% of the allocation from the DW allocation:

Advantages of this waiver:

- 20% exceeds what will be necessary but will give enough flexibility to determine an amount for each or both funding sources when final WIA allocations have been distributed.
- Waiver will require a 5-year plan modification – gives staff time to get the waiver requested and to process the plan modification.
- Identifies business as a priority for funding

Disadvantages of the waiver:

- Reduces funding levels for job seekers

### **New Programming Ideas – currently in the exploratory phase:**

- Manufacturing Job Readiness Certificate – Recognizes and trains for basic manufacturing skills
- Develop Manufacturing Council and possible database for use by economic developers/workforce development/chambers of commerce
- Collaborative training ventures:
  - Somewhat like the Central Area Training Alliance (CATA), but more focused and employer/economic development agency-driven. Two Lean Office trainings were offered in Gratiot in 2009/10.
- Scholarships: Competitive scholarships to place candidates into degree and certification programs at local schools to fill employment positions. Upon completion of the education programs, which would range from six months to the completion of Bachelor's degrees, successful candidates would be offered full-time employment at a business that sponsored their education.
- Health care focused training – driven by the area's health care industry's needs

### **New Program Parameters Recommendations:**

- Contract will be written with April 30<sup>th</sup> spending deadline to allow Program Manager to make adjustments/additions with contracted businesses or to meet needs of additional businesses.
- Maximum amount per business - \$6,000 per Program Year, with up to \$2,000 in additional funding for any business following April 30<sup>th</sup> deadline.

- Contracts can be written with either the participating business or training institution – as specified in the contract.

***MOTION WAS MADE AND SUPPORTED TO APPROVE THE PY 2010 WIA INCUMBENT WORKER PROGRAM RECOMMENDATIONS. Motion carried unanimously.***

- **Manufacturing Job Readiness Certificate:** Board members received copies of the proposed certificate in their meeting packets. This certificate is being proposed to set standards to prepare tomorrow's workforce. It is anticipated there will be employment opportunities due to growth and/or replacement in manufacturing business. The proposed certificate is not intended to replace more stringent hiring requirements that have been established. Discussion followed.
- **Entrepreneurship:** Board members received an update on the Initiative. The latest meeting was held on May 14, 2010. It has been discussed that the group needs to back up and assess what we have and what we need to be doing. Ms. Bloomfield and Ms. VanderLaan recently gleaned additional information while attending a rural conference in Idaho that dealt with entrepreneurship in rural America. Ms. Bloomfield indicated that a webinar was held today on an RFP released by the State specifically for entrepreneurship. The current thought is still to pilot the project in Montcalm County.
- **WIB Membership:** The Outreach Committee has made the following options regarding WIB membership.
  - Recognition that the workforce development systems and WIB responsibilities are very complicated and it takes a significant amount of time investment for members to be able to contribute on any consistent basis.
  - Each member should have an alternate—alternates have to be from the same sector, they do not have to be from the same business. Alternates and members should both attend meetings—their vote would count as one. This increases the likelihood that sector and position will be represented and alternates would be eligible for membership when there was an opening.
  - Reduce the number of members—we currently have 22 bodies, 23 sector representatives—minimum number required would be 19.
    - 51% private sector - 10
    - 2 education
    - Organized labor and CBO – making up no less than 15% of the membership - 3
    - Public Assistance
    - Vocational Rehabilitation/DELEG
    - Economic Development
    - Wagner Peyser



- What would make the WIB more effective as a body?
- Are the committee structures sufficient to support the work of the WIB?
- How should/could the WIB work on initiatives that are more strategic in nature?
- What can be done to support the membership?

After discussion, it was decided to send this item back to the Outreach Committee for further discussion. It was suggested that staff gather best practices from other MWAs. Staff will also develop working documents for the Committee including the geographic representation if the WIB membership becomes fewer. It was also suggested that WIB member alternates be encouraged to participate at upcoming meetings. It is hoped that these changes can be implemented by the September WIB meeting.

## **PLAN APPROVAL/MODIFICATIONS**

### **• 5-Year WIA Comprehensive Plan Modification #19**

**Period:** July 1, 2000 - June 30, 2005 with extensions through June 30, 2010

#### **Purpose of Plan:**

The WIA Comprehensive 5-Year Plan sets forth a number of fundamental principles to the operation of WIA services over the life of the legislation including:

- Labor Market Analysis
- High Demand Occupations
- Michigan Works! Service Centers
- Local Performance Measures
- Adult and Dislocated Worker Employment and Training Activities
- Individual Training Account (ITA) Policies
- Support Service Policy
- Use Of WIA Funding For Incumbent Workers
- Transfer Authority Between Adult And Dislocated Worker Funding
- American Reinvestment And Recovery Act Funding

#### **Plan Modification – Waiver Requests:**

- Transfer: Authorizes up to 100% transfer between WIA Adult and Dislocated Worker (legislation allows for 30%).
- WIA Adult and DW Carryover Allowability: Increase carryover allowability from 15% to 30% to maximize funding for PY 10. Current state policy allows for a 15% carryover.

**Public Hearing:** The Public Hearing on the 5-Year Plan Modification was opened. There was no public comment on the 5-Year Plan Modification #19.

- **Trade Capacity Building and Professional Development**

**Program Year:** October 1, 2009, through September 30, 2010

**Allocation:** \$1,500 (total)

**Plan:** The Michigan Department of Energy, Labor & Economic Growth has identified \$37,500 in FY 2009 TAA Administrative funding to be used in support of local Capacity Building and Professional Development.

- To be used in support of local Capacity Building and Professional Development.
- Will be utilized for, but not limited to, meeting local program goals and ongoing system development.
- Administrative funding is limited to a maximum of 2% of allocated funding.

**Provider:** CAMWC will purchase capacity building and professional development services from the Michigan Works! Association.

- **WIA PY 10 Plan (Draft)**

1. **WIA Adult**

**Program Year:** July 1, 2010 – June 30, 2011

**Purpose of Plan:** Establishes funding for the WIA Adult program and identifies transfers of funds from the adult allocation to the dislocated worker allocation.

2. **WIA Dislocated Worker**

**Program Year:** July 1, 2010 – June 30, 2011

**Purpose of Plan:** The WIA Dislocated Worker program funding is allocated to MWAs by formula each Program Year (PY) to provide assistance to Dislocated Workers. The plan identifies transfers of funds from the adult allocation to the dislocated worker allocation.

3. **WIA Youth – Formula Funded Plan**

**Program Year:** July 1, 2010 – June 30, 2011

**Purpose of Plan:** The WIA Youth program funding is allocated to MWAs by formula each Program Year (PY) to provide assistance to eligible youth. The program serves youth who are 14 – 21 and low-income.

4. **Waiver Requests:**

- Transfer up to 50% between WIA Adult and WIA Dislocated Worker. Considering the current case loads, the transfer will go from DW to Adult.
- Utilize up to 20% of WIA DW funding for Incumbent Worker training. The options for IW funding are either 20% from DW or 10% from Adult and DW, respectively. Considering the Adult caseload, maximum funding will be needed to meet the funding needs to serve that population.

**PY 09 Funding (including ARRA) Comparison to Draft PY 10 Funding**

	Draft Allocation	Allocation		Total Funding		
	(\$)	(\$)	ARRA	Available	Difference	Percent
	PY 10	PY 2009	Allocation	PY 09	PY 10 to PY 09 (including ARRA)	Loss
Adult	1,887,400	1,268,612	707,128	1,955,632	(\$868,513)	44.40%
Day	522,000	378,000	1,450,000	2,327,500	(\$1,805,500)	62.52%
Year	2,409,400	1,646,612	2,157,128	3,880,577	(\$1,471,177)	41.12%

**Contract Awards:** Contractor amounts are based on pre-approved updated formula factors.

• **Wagner Peyser Employment Service Plan – PY 10**

**Program Year:** July 1, 2010 through June 30, 2011

**Allocation – based on draft planning instructions**

\$352,469 (\$369,328 - PY 09 allocation; \$388,615 - PY 08 allocation)

**Purpose of Plan:**

- To incorporate a new set of assurances
- To incorporate the State of MI's NWLB initiative
- All other factors of the prior approved plan remain intact.

**Local Plan/Impact:**

- There are no changes at the local level due to this plan modification.
- Approved plan is required for the allocation to come to the local area.
- The plan allows for all legislated allowable services.

***MOTION WAS MADE AND SUPPORTED TO APPROVE THE PLANS AND PLAN MODIFICATION AS PRESENTED. Motion carried unanimously.***

**ADMINISTRATOR'S REPORT**

- Contract negotiations have begun for the new Isabella County Michigan Works! Service Center in Mt. Pleasant.
- **Status Report**—The report indicated \$13,788,460 in funding available, with \$9,157,375 expended as of April 30, 2010.
- **Long Term Care Provider Summit**—Ms. Bloomfield introduced discussion on bringing together long-term care providers in our area to begin coordinated dialogue regarding what the workforce in long-term care facilities will need to look like, whether it is any different than it looks currently, and/or are there things we could do about taking individuals who are currently working in a long-term care facilities and move them into other positions in the facilities, i.e. from a housekeeping position into a CNA position through training, rather than developing

people who have never worked in health care. Ms. VanderLaan will be contacting Terri Romel for assistance with the effort.

- **Adult Education Collaborative**—Board members received a handout of highlights from a 2010 Adult Education Conference held recently. The handout included a map of the regions in respect to partners and stakeholders (Michigan Works!, community colleges, and adult education). CAMWC's four-county area has been designated as Region 7. Adult Learner Collaborative Boards are to be established, with the partners contributing the funding, and the LEA acting as the fiscal agent. This effort would go into effect for the 2011-2012 school year. The first meeting must be held by November 1, 2010.

The first meeting of the Region 7 Adult Learner Collaborative Board (ALCB) is scheduled to meet on August 2, 2010, at 1 pm, at either the Alma Middle or High School. The intent is to provide information to potential partners and stakeholders. We need to provide a list of potential partners and/or stakeholders that we feel should be at the initial meeting. WIB members interested in participating at this meeting were welcomed to do so. Discussion was held on whether the EAG should take the lead role as the ALCB for Region 7. Mr. Dunlap will take this information to the EAG for discussion at their next meeting.

- **Systems Innovation Lab**—Board members received a handout on NAWB's offering of its Systems Innovation Lab for WIB members to provide a framework to address questions such as how WIB's find truly innovative approaches to meeting the needs of their local areas in the face of this recession and how a WIB can effectively provide leadership in the multi-faceted space of workforce development.

**Michigan Works! Conference**—Board members were directed to contact Jan Lacy if interested in attending the upcoming fall conference (September 19-21, 2010 – Traverse City).

### **MEMBER ROUNDTABLE**

Board members shared information and happenings from their local areas.

### **OTHER BUSINESS**

- **Establish July Meeting Date/Time:** The next WIB meeting will be held at 5:30 pm on Wednesday, July 21, 2010, at Maxfield's.

### **ADJOURNMENT**

The meeting adjourned by consensus at 7:25 pm.