



## PLANNING COMMITTEE MEETING

**Wednesday, March 16, 2011**

7:30 a.m.

Merrimack Valley Workforce Investment Board  
Lawrence, MA 01843

Members Present: Peter Matthews, Fred Carberry, Atty. Robert Leblanc,  
Michael Munday, Rosemary Chandler

Members Absent: Ron Contrado, Kevin Page, Juan Yopez, Joseph J. Bevilacqua

Staff Present: Rafael Abislaiman, Odanis Hernandez, Deborah Andrews,  
Susan Almono, Mary Kivell

Guests Present: Howard Allen, Arthur Chilingirian

### **I. Approval of Minutes of January 26 & February 11, 2011**

A quorum being present, Peter Matthews called the meeting to order at 7:40 a.m. Peter then called for a motion on the minutes of the January 26 & February 11, 2011 meetings.

**Rosemary Chandler made a motion to accept the minutes of the January 26 & February 11, 2011 meeting as submitted with Fred Carberry seconding the motion. Motion passed.**

### **II. Request to Transfer Funds from "Adult" to the "Dislocated Worker" Category**

Arthur Chilingirian referred to a Request for Funding Transfer document which was sent to the committee for review regarding the lack of sufficient funds for the ITAs in the pipeline for Dislocated Workers. With three and one half months left in this fiscal year, he is requesting the transfer of \$34,769 from the FY11 Adult ITA Lag Funds to the FY11 WIA Dislocated Worker Training Fund.

**Motion by Robert LeBlanc to approve the transfer of \$34,769 from the FY11 Adult ITA Lag Fund to the FY11 WIA Dislocated Worker Training Fund. Mike Munday seconded the motion and motion passed.**

### **III. Legislative Update**

Ralph Abislaiman said that Deborah Andrews had obtained the 2012 federal funding list that was there distributed to the committee. He said that the first item is the critical one, DOL WIA: Dislocated Workers, Adults and Youth. The U S House budget zeros out WIA, the Senate level funded it, and the President wants somewhat more in the WIA line item. Rafael said that he believes a compromise will be reached for somewhat less funding than this year and that it would be somewhere within the gap between the House and Senate allocations.

Peter Matthews wondered why the House is looking to cut that line item. Bob LeBlanc said that some legislators see WIA as an extension of welfare and unemployment and feel that training programs inhibit people wanting to work. Chili also said that the representatives think that there is enough money in the system and view some programs as duplicative, overlapping and providing the same services.

Rafael said that, at its inception, WIA was a deal between the Clinton administration and the Gingrich House so it was joint Democrat and Republican legislation. He expects that the end result will not be zero funding for 2012, but probably considerably less than level funding.

Chili asked Rosemary Chandler what this will do to our budget allocation. Rosemary said that we have to wait to make that decision. The state doesn't have the census tract formula and come April Commonwealth Corporation may say to use existing funds if there is money left. Bob LeBlanc asked how the State uses census and unemployment information to determine regional WIA allocation.

Rosemary said that there are three different types of information sources other than census data. When the state unemployment is more 6.5% the Feds consider us as one whole state entity instead as a state with poorer and richer tracts. The Commonwealth partially mirrors what the feds do. If we are asked not to mirror but to use different pockets of unemployment, we still have to maintain 6.5% unemployment average. If one came above 6.5% we could allocate differently.

Chili noted that single state criteria doesn't help us in this region because we have higher than the State unemployment average. Chili said that Hamden WIB lost \$900,000 in funding, Boston \$700,000 and we also lost in our last allocation.

Peter Matthews asked whether, if the budget is not passed by July 1<sup>st</sup>, we would have any funding? Rosemary said that we would probably get a 20-25% cut in Massachusetts and allocations would be adjusted down. Ralph stated that the cut could be a lot less than our FY11 WIA funding.

There was also discussion on whether the federal government would use continuing resolutions to fund WIA until a final agreement was reached. Rosemary said that there is talk regarding pulling dislocated worker funds in some states as well as NEG funding.

Rafael also said that the tragedy in Japan will have an impact here and inflation may increase. Bob said that China will be helping to rebuild in Japan and that will also impact our economy. Peter Matthews said that we will continue to monitor the progress at the federal level and try to keep on top of possible cuts.

Rafael Abislaiman said that ValleyWorks Career Center is the only fully unionized career center in the state. He said that the Massachusetts Supreme Court recently ruled that if a municipal union agreement has expired and was not resigned within three years, it is no longer valid.

Union agreements normally require that layoffs be based on seniority - those who are most senior are the last ones to be laid off. If the union agreement has lapsed, there is latitude as to who should be laid off. We could conceivably choose to keep junior people who provide more service. Ralph said that we should try to determine Governor Patrick's views on the issue before we act one way or another.

#### **IV. In-House Training Referral Automation**

Ralph said that in anticipation of budget cuts, we have had in-house discussions on automating parts of the in-house training referral process. He said that Chili is not currently in agreement with his views.

Ralph said that if there are budget cuts, how can we try to maintain a high level of service with fewer people? We need to look at the way we do some things. At this point, in-house training referral is a multi-step process that has involved six people. The process determines training eligibility by reviewing client characteristics and gauging client marketability. It can involve many steps such as CORI checks, transportation reviews and documentary minutia which is sometimes missed until WIB staff review client referral files to make sure that all is in order.

Ralph said that he sees this as the MVWIB being involved in direct customer service and not in service monitoring, which is the statutory responsibility of the WIB. He stated that he thinks the ValleyWorks systems should be partially automated to ensure that training referral not be completed without all the necessary information steps being correctly completed. Specific, threshold information should be completed before subsequent steps are taken and before a referral package goes to the next person for approval. We are hoping to both speed up the process and make it more possible to manage. Through automated record keeping, we could track the most frequent mistakes and address them through training. We could also track who continued to make mistakes.

Bob LeBlanc asked what is broken. Ralph said that we should be able to determine if someone is eligible for training in six weeks and not in twelve or fifteen weeks. Bob asked why so long.

Chili said that individuals come in and often have appointments with an REA or ES person or go to a resume workshop. He said that he would have to look at individual

cases as to why some take longer than others. He did say that with pending funding cuts a better solution is to hold people accountable and ensure that written paperwork is done right the first time so that people could move through the system more quickly.

He said that Odanis catches issues such as a recent careless mistake of the cost of a program which comes right off of the MOSES system. He is working with training staff to get it right the first time.

Ralph commented that as the only fully unionized center in the state, senior people are transferred to jobs that they need to be trained for and younger qualified staff are let go. He stated that Chili faces an ongoing problem because senior people will often need to be retrained when there are cuts.

Peter Matthews said it is good business to reduce human error by setting up an automated process for that purpose.

Bob asked if we were doing any work on the budget and Ralph said that he has asked for information in terms of staff and who is senior vs junior. Bob asked if we evaluate for the most productive person. Ralph said that we all know the answer and that we need to minimize the effects of personnel cuts due to the tight fiscal situation.

Chili said that before cutting staff he would like to see where we cut services. It could be as extreme as UI moving out to a call center or even closing offices. Chili also talked about saving money by not renewing software that is not widely utilized. Lots of things impact the budget.

Ralph said that training vendors will also suffer when cuts happen and an April agenda item should be what cuts are advised in training. It is not a good idea to retain all case management and eliminate workforce training.

#### **V, Letter to the Local Delegation re: YouthWorks**

Ralph referred to a copy of a letter similar to the ones sent to the region's State House delegation regarding YouthWorks. He stated that workforce development suffers throughout the nation because we are asked to remediate what should have been taught in the k-12 schools.

He said that dedicating Youthwork money to minimize violence and crime is a good idea when there is lots of money but that the 85% unemployment rate for Hispanic and Black youth is a more serious immediate problem. He also wondered whether a relatively small number of minimum wage summer jobs is a deterrent to crime.

He wondered if it is prudent to be putting subsidized jobs money into serving underperforming inner city kids when there are higher performing poor Hispanic and Black youth who cannot find a summer job.

We can do better than 15% employed rate if we focus more of our resources on youth who are doing better in school. Summer jobs would help higher performing at-risk youth develop workplace habits and a history of paid work. Youth performing better in school would also be more likely to be retained or rehired by employers.

Peter Matthews noted that we had changed the eligibility criteria for training. Ralph said that we are now trying to persuade the state to change the eligibility criteria for subsidized summer employment.

Bob said that we need to take care of the kid who does it right and doesn't get into trouble. He said that kids watch other kids and we are not teaching the right values with our tax money. Bob also suggested sending a letter to the Labor and Workforce Development committee. Ralph said that we need to focus on helping economically disadvantaged kids enter the workforce – especially when 85% of Latinos and Blacks are unemployed as compared to 63% of other youth populations.

Mike Munday of Arwood Machine said that his last two hires are Hispanic and they are working out well.

#### **VI. Preliminary Discussion: Reducing the ITA cap from \$15K to \$8K**

Ralph Abislaiman said that possible Federal funding cuts necessitate that we discuss reducing the ITA cap. The current ITA cap is \$15K and we could reduce it to \$8K. The average cost of group training is \$4,500.

Bob LeBlanc asked about a waiver for training in excess of the cap. Fred Carberry said that waivers can be tricky and end up being the norm. The new cap makes sense. The reason the cap was raised is that health care still had openings available and the training we were offering was only entry level. There were openings at higher levels, such as x-ray and sonography. The board decided to adjust the cap to open up training for those mid-level jobs but that training hasn't happened. There have been only a few ITAs at the \$15,000 cap and those were for hairdressing.

Chili said that most training caps are \$5,000 and Boston is at \$8,000. Peter Matthews said that if we set a new cap with a waiver he would like a waiver report back on a quarterly basis and information on whether people in waiver programs found jobs.

Ralph also talked about an ITA limit per person per lifetime with perhaps ITAs to facilitate career changes in light of labor market changes. Bob LeBlanc said we need to look at training outcomes.

Peter suggested continuing this discussion next month.

#### **VII. Board Letters to Senator Scott Brown**

Rafael said that government employees cannot lobby legislators but board members and volunteers can. He said that there seems to be confusion at the federal legislative

level about WIA. WIA is not an extension of unemployment. The system manages who gets intensive services and training and the private sector has a voice in the process.

Rosemary Chandler said that they have had these conversations in other areas. In the past there was Career Day at the Statehouse. Government employees cannot lobby but can inform. She said that a letter to Senator Scott Brown talking in a clear way to the successes of WIA and how it helps people is a good idea. You can provide information on what the benefits of these programs are and the board members can detail how the private sector benefited.

Peter Matthews suggested setting up a semi-annual legislative breakfast for Senator Brown and state legislators highlighting face-to-face what we do and how effective programs are. Legislators talk to each other and this is a way to get the word out. Peter said that we could focus on two or three specific success stories.

Bob LeBlanc said that if we are trying to persuade the Senator to join the vote on the budget issue we need to come up with an innovative piece in a time of persistently high unemployment. Training is perceived to be part of the welfare system. He said that the purpose of training funds is to put money into training with the goal that participants get a good private sector job to make us more competitive globally. System successes are overshadowed by institutional bureaucratic minutia that mitigates change.

Discussion followed on possibly losing some of our traditional allies and whether to send a letter. Rosemary Chandler said that she agrees with what Bob said but that it is also a good idea to send a letter on successful programs. Massachusetts is doing very well and has a high success rate. Other states are leaving money on the table. We need to try to inform him to keep funding in place and that it is worthwhile for small employers. Members should send some kind of support letter and something more in depth can be planned and done at a later time.

Ralph said that we know enough about the need and demographics in this area and also that the Senator wants to be re-elected. Fred Carberry said that Senator Brown needs to be informed. He is a new senator and we can tell him our success stories and how Massachusetts does a better job so he will have the right information.

Mike Munday said that the Workforce Training Fund Grant for his company is a great success story. Those successes have been well documented especially when targeted at manufacturers. Fred said this would be an excellent example and that the effectiveness rings more true if it is relayed by employers.

Ralph said that he would prepare a statement and send it to the committee to take whatever action they deem fit.

**VIII. Adjourn**

**Having no further business Fred Carberry made a motion to adjourn the meeting seconded by Robert LeBlanc. Motion passed and the meeting adjourned.**

Respectfully submitted,

*Mary Kivell*

Recorder