



PLANNING COMMITTEE MEETING

Wednesday, April 18, 2012

7:30 a.m.

Merrimack Valley Workforce Investment Board
Lawrence, MA 01843

Members Present: Peter Matthews, Kevin Page, Fred Carberry, Michael Munday

Members Absent: Atty. Robert Leblanc, Ron Contrado, Juan Yopez; Joseph Bevilacqua

Staff Present: Rafael Abislaiman, Barbara Zeimetz, Mary Kivell

Guests Present: Arthur Chilingirian

I. Approval of Minutes of February 15, 2012

Peter Matthews called the meeting to order at 7:35 a.m. and called for a motion on the minutes of February 15, 2012 meeting.

Motion by Michael Munday seconded by Fred Carberry to approve the minutes of the February 15, 2012 Planning Committee meeting as submitted. Motion passed.

II. FY2012 Third Quarter Report & Career Center Update

Deputy Director Barbara Zeimetz presented the FY'12 Third Quarter Report. She said that it is basically a summary of the third quarter labor exchange program and performance summary. She that the total number of job seekers seen is 11,372 which is 78% of plan. The unemployed job seeker category is at 10,673 which is also 78% of plan and on target. Persons with disabilities stands as 461 which Barbara said is 4% of the population served. The number of UI claimants is at 102% which exceeds plan and total entered employments is 1,726 or 70% of plan which is a little behind. She asked Chili to explain.

Arthur Chilingirian explained the employer served numbers stating that services and job orders are two different things. Looking at job orders for the last 18 months and also the number of job fairs with employers present job orders completed prompted him to question the report numbers so he ran a more detailed state report. He said that the state report indicated 1,331 entered employments. Chili said that if someone is hired in July and the same job is filled in December, it is counted as only one hire. He is looking for a real number of hires and that he will find out and will report back to the board. Mike Munday said that the number may be just this quarter and not cumulative. Kevin Page asked whether a job order is for 20 of the same jobs is only counted as one. Barbara Zeimetz agreed that the numbers look wrong and said we will figure it out.

Chili said that if he was reporting for the newspapers his outlook on the economy would be different from what we are reading. Entered employment jobs are not coming as fast as last year. The jobs we are getting are around \$17.50 and we are having difficulty placing people who are coming off 99 weeks of

unemployment and may need to re-skill. Chili said that his staff is doing employment status follow-ups on Tuesday evenings and are adding a couple of other nights to contact clients.

Mike Munday said that he has interviewed skilled machinists and asked why they have been out two years. He said that they have taken advantage of the time off on unemployment and have worked under the table in New Hampshire. Chili said that technology is changing so fast that two years is a lot of time to be unemployed and that Mike is lucky to have a couple of OJTs. Mike said that he has had success with employees from Customized Machine Training. Kevin Page said that they have gone to the high schools looking for candidates and they have been told that all the juniors and seniors are placed so if they want they can sponsor a freshman or sophomore. He said that they are trying to work on prospective employee security issues and do apprenticeships.

Barbara moved on to the Participant Characteristics which she said are pretty evenly divided between male and female. 38% identify themselves as Hispanic or Latino but Barbara said that customers are allowed to select more than one ethnic group. Barbara said that participants are fairly well educated with only 15% less than high school. Rafael Abislaiman asked Chili how many participants' education is assessed and Chili said that only the ones who go into training. The regional resident statistics show that most clients are from Lawrence, Haverhill, and Methuen and 6.8% are from other MA regions as well as 14.3% out of state.

Barbara said that the Title I Adult Program is the hardest to serve group. The entered employments look low as the state has changed the rules. Chili said that now, after 90 days without services, a client is automatically exited. Also now, if an employed person comes back for something like just accessing the computer lab, then the 90-day clock active customer starts again and we do not get credit for an employment exit even if they have a job. We cannot exit them until they no longer need services.

Barbara asked if we would ever catch up and wondered how it will continue to affect our performance numbers. Fred Carberry suggested adjusting the goals in the next year's Annual Plan to measure to the new rule. Chili said that it will probably take a fiscal year to catch up. There was discussion on the number of exiters and Rafael said that the last quarter usually shows a strong finish.

Chili said that many clients are low income with barriers to employment and thus difficult to place. Mike Munday suggested adding a column to the Quarterly Report with the number of these people that have jobs. Barbara said that is a good idea and they will add that column. The 'Adult' category participant characteristics show that they are mostly female with 47% having a high school diploma or GED and 36% being TAFDC recipients. Rafael wondered why the age begins with 19 instead of 18 and Barbara said that they are looking at that.

The next program is the Title I Dislocated Worker Program and Barbara said that there are 425 participants and that we are at 101% of plan. Barbara said that there are 265 total exiters which are trade programs. Ralph said that it looks the new state automated exit system is also impacting these numbers and asked Chili to explain.

Chili said USDOL issued a TEGl in 2006-2007 defining hard exits and that is the rule which the automated system implemented in October. Now when people get a job and we report it after 90 days go by they are exited. The new hard exit rule states that if a client uses the resource room or accesses case management even if employed the clock starts over. Rafael said that this seems to be a bureaucratic snafu.

Barbara explained that the reason behind instituting this rule is that many regions never exited people unless they got a job. They carried folks rather than exit them and get a negative exit. Barbara said that they were trying to prevent large numbers from languishing for years on the books.

Barbara continued with the Title I Youth Program and said that there are concerns with the entered employment rate and we are trying to figure out what to do. Mike Munday mentioned that at the recent NAWB conference he learned that the unemployment rate for 18-24 year olds is 22%. Older workers are taking the jobs that normally would go to youth.

Barbara said that training options are limited for males and most of the training programs attract mostly female participants. Peter Matthews wondered where the 18-24 year olds fit in unpaid internships. Chili said that most paid or unpaid internships are with the high schools although there was \$20,000 in HPW funds for subsidized training. Kids were put in training in hospitals. The majority of internships are in connecting activities through the high schools.

Rafael Abislaiman said that out of last year's 200 plus subsidized summer jobs for youth employment only two got jobs or 1% of the total and that we as a board should try to improve that number. Chili said that putting people in the private sector hasn't worked as they have no money to hire. He said that they have even offered OJT which employers didn't want. It seems like they often only want the free work.

Mike Munday said that his experience is that OJT is the best way to get people on board. You get six months to train and see if they have a good attitude and want to learn a job and then you can hire them. Barbara Zeimetz said that we need to find employers who will take younger kids and teach them something. Even if they don't get hired they get some training that may help them get a job. Rafael wondered when an OJT gets credited as a positive outcome and Chili said that it does when the trainee gets hired. He said that there is one youth who did an electrical OJT and is doing quite well. Kevin Page also said that they had a good experience with LARE and the electronics program for youth but then Lucent had a layoff and there were older experienced workers available so they went that route.

Peter Matthews said that his credit union will soon start hiring again and spoke about hiring bilingual part-time tellers in the meantime. He also spoke about the change in their benefit to a different compensation plan. The previous one was at almost 50% of salary. They have eliminated the defined benefit plan which was very expensive to fund and now instead offer a 401k. Kevin Page said that at Raytheon they are changing to a 401k for new hires and Mike Munday said that it won't be long before the public sector is forced to make similar changes. Rafael mentioned that we are integrated into the state payroll system who run are payroll and that we also benefits going through the city. We are exploring changing that for new hires and a minimum plan to do that for part-time and temporary workers Fred Carberry said that other WIBs have faced this issues. Some have reached financial 401k settlements with employees once they transitioned to a 501C3 status. He said that the change is doable.

Barbara then said that we need to start planning soon for next year and will be asking for Planning Committee members help, particularly with youth. She said that if anyone knows of any alternative program models, please let her know. Fred Carberry asked about the recruiting for summer jobs and mentioned that most of last year's placements were in the public sector. Chili said that the Business Service Reps are working on placements and Barbara Zeimetz said that one issue is that the funding source prohibits private companies.

Barbara then reported on the NEG grants which Chili noted has the hardest to serve people he had encountered in his many years of experience. In both the Sonoco and Solo Cup instances, career center and state staff are working with people who previously worked as box packers and other low

level jobs at those companies. Most of the people being served are receiving English as a Second Language and ABE instruction paid for by non-WIB, state funds. They can get help for two years. Our career center receives funds to case manage enrollees but the Commonwealth controls who, where and when training is provided. We only have control of 5 training enrollments in the Solo Cup grant and none in Sunoco's. Chili said that we have applied for a set aside ARRA extension and put a modification in for vouchering for Lowell, Cambridge and one other region. We should be able to meet our numbers.

III. Innovation Proposal for a pilot Career Center at Lawrence High School

Rafael Abislaiman said that the Innovation Proposal we recently submitted had to be no more than 20 double spaced pages with a separate 15-page evaluation plan. A proposal outline was provided at the last quarterly meeting and the abstract is part of today's meeting package.

He asked what folks thought of the last meeting. Committee Chair Peter Matthews said that he promised to discuss the issue raised by the ABE providers at this Planning Committee meeting. He referenced the vendors who provide ABE/GED training and what they expressed in the letter presented at the meeting. The planning Committee has similar objectives. The Committee recognizes that a lot of people will go unserved but that we must prioritize because of funding cuts.

Rafael Abislaiman said that when the Planning Committee Chair asked for a motion to **"affirm that the WIA-funded Individual Training Account (ITA) grade 7.9 academic threshold requirement applies to youth, adults and dislocated workers but that adults are not required to have either a High School Diploma or a GED"** we made an error in letting the interested vendors vote. Ralph said that they could speak when the Chair recognized them but should not have been allowed to vote because they had a financial interest in the decision.

Peter said that he never discourages full and open discussion and that was why he had said that we would bring the matter back to the planning committee to discuss one more time. Rafael agreed and said that the first issue is that GED training is often not completed when people get jobs and the second issue is that we shouldn't be providing academic education but instead jobs skill training for jobs that employers want filled. We need to prioritize now when there is high unemployment and less money.

Fred Carberry agreed that limited dollars used for GED training takes away from skills training. It is not necessarily within our mission to provide education services. Barbara Zeimetz said that often GED programs take people at a lower level and we are looking to programs designed at a higher level. She noted that existing GED programs are never full and one of the hardest things about them to get participants who are constant and complete the curriculum. In the context of the WIB Quarterly Meeting vote, Barbara said that a bidder should neither speak nor vote if they have an interest in the decision. Rafael said that they can speak as long as they are recognized by the chair. Barbara disagreed stating that the policy has long been that they should not speak if they have a vested interest. Fred Carberry said that as long as there is full disclosure it is ok.

Peter Matthews said, to sum it up, the position of the board remains the same and the recent policy remains in place with the primary focus on skills training. We will keep in mind the conflict of interest which he has historically been concerned about. If other non-WIA funds are available, we may look at funding GED training.

Rafael then said the idea of putting a Career Center in Lawrence High School is a timely one now that the Lawrence schools are in receivership. Rafael said that vocational schools are doing a very good job and that much more vocationally focused activities at Lawrence High School would improve the current four year 50% non-completion rate. We can offer job guidance, world to work exposure, and vocational after-school programs.

Peter Matthews relayed his experience as a member of the Stakeholder Group which he said has ended. His committee has forwarded their recommendations to Receiver Jeff Riley. He said that once it is released he will forward it to the committee. Peter said that being the only non-academic on the committee, he couldn't convince the other members to share his views of certain issues. In particular, he couldn't persuade them to add vocational courses to the curriculum. He was told that the state discourages this at LHS because GLTS and WVTS provide vocational education. But Peter told them that when students are not admitted to the vocational schools they go to Lawrence High School. He said that if should be able to provide non-college bound freshman with a high school diploma that includes some vocational skills. He cited an example of Algebra I being taught differently and more vocationally. He said that the new administration may take care of this. Peter said that they should work to hire qualified teachers and retain them. He also opined that parents, students and the community need to have new and higher expectations. Peter said that the recommendations are broad enough for the receiver to act in whatever way works.

Peter said that he appreciated the WIB allowing him to serve as it was a great experience and he hopes that the receiver takes the report and runs with it. He said that the receiver may come back to the group for additional advice.

Rafael said that, at the last meeting, Mayor Fiorentini expressed views very similar to those that Peter just expressed. He said that Haverhill kids are dropping out because they can't get into Whittier Tech and that they need an alternative to a college-bound curriculum. Mike Munday said that times have changed and vocational schools offer a viable alternative to a college-bound education. Peter mentioned that if a youth takes five to six years to get a high school diploma, he is already behind.

IV. Discussion on Planning Committee Meeting Day & Other Business

Peter Matthews mentioned that Ron Contrado asked if we would consider a change to the Planning Committee meeting day from the third Wednesday of the month. He has another ongoing meeting conflict on that day. Peter also said that sometimes attendance has been a problem on Wednesday. After discussion it was agreed to have the next few Planning Committee meetings on Thursdays at 7:30 a.m. as that time seems to work for committee members. It might also improve attendance. Also mentioned was bringing a female board member onto the Planning Committee. Rafael said that he would consult with board chairman Joseph Bevilacqua and Planning Committee chair Peter Matthews on this matter.

V. Adjourn

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

Respectfully submitted,

Mary Kivell,

Recorder