



PLANNING COMMITTEE MEETING

Wednesday, May 18, 2011

7:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Peter Matthews, Rosemary Chandler, Juan Yopez

Members Absent: Fred Carberry, Ron Contrado, Kevin Page, Michael Munday, Atty. Robert Leblanc, Joseph Bevilacqua

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

Guests Present: Arthur Chilingirian

I. Approval of Minutes of April 20, 2011

A quorum being present, Peter Matthews called the meeting to order at 7:47 a.m. Peter then called for a motion on the minutes of the April 20, 2011 meeting.

Rosemary Chandler made a motion to accept the minutes of the April 20, 2011 meeting as submitted with Juan Yopez seconding the motion. Motion passed.

II. Legislative Update

Rafael Abislaiman explained that, as he reported at the last meeting, there are no federal annual budget guarantees beyond the next three months or so. It appears that the cuts by region are between 5-10% and that state cuts are at 10-15%. ARRA will also be going so the total cuts are larger.

Rosemary Chandler said that the state cuts are 12-13%. Some planning figures with local allocations are expected next week. Rosemary said that Wagner Peyser hasn't changed much and that WIA cuts are significantly less than expected, locally looking at 4-5%. Last year there were funds to offset cuts from the state to local regions. There will be no state level help this year. She said that existing reserve funds will go to the states to use to support that system. This year, state, versus regional, workforce development system federal cuts are large. They reduced the MA state system from 15% of total funding to 5% of the total, with the difference distributed to the regions. She also mentioned that the feds are also still looking at the next three quarters so state funding numbers are iffy.

Chili mentioned that Senator Coburn had participated in a budget meeting he attended. He wasn't sure how much negotiation was still needed about this and next year's budget.

Deborah reported that she had a conversation with Senator Scott Brown at a recent Newburyport Chamber event. When she told him she worked for the WIB he said that there would be a lot of posturing but not to worry because workforce development would be ok.

Ralph wondered if consolidating and merging some WIBs would saving money. Rosemary said that she had been unexpectedly out for ten days but attended a senior staff meeting yesterday. Her sense was that consolidation hasn't moved much and that the Secretary is considering a variety of ways to become more efficient. This issue has come up in previous administrations. Rosemary said that her personal observation is that every time this has come up, there is a request from the administration to demonstrate cost savings. There is a strong potential that something will happen but they will need to gather information. The Secretary will meet with workforce boards and career centers. Juan Yepez asked about the possibility of merging similar areas. Ralph wondered if larger state-wide WIBs pursued federal grants as much as smaller WIBs. We apply, as do other MA WIBs, for a variety of federal grants. We may be more driven to meet local, regional needs and thus leverage more federal funds.

There is a controversy at the MA WIB Association as to whether the association head is supporting consolidation as opposed to supporting existing WIBs. The association head's argument is that we can either have consolidation happen to us or we can attempt to manage how it is done.

Rosemary said that states save money on WIBs combining executive directors, payroll and consolidating administrative costs. If WIA is re-authorized, the Governor has the opportunity to re-designate areas. Current regions may be restructured so that larger regions with similar economies come into being. Rosemary also said that this administration has the will to make changes. Chili said that Boston, with a population of over 500,000, would automatically keep its designation. Rosemary also mentioned that in the western part of the state, people drive for 50 miles to go to the registry and career centers.. There would be push back from local legislators to hold what they have there. Ralph said that he hopes that unfounded CEO corruption charges do not impact this WIB's chances of staying intact.

Rosemary talked about WIBs that operate programs that are not part of WIA. Such programs are usually for youth and include things such as Connecting Activities and YouthWorks. Those are ok. She said, however, that some WIBs are getting bigger and some of their programs are farther afield and don't support the overall career center structure. It is good to focus on career center-related activities.

Chili said that even with cuts the same numbers of people are coming in and further cuts will impact the quality of services. Rafael said that WIBs were created to respond to employers and to give voice to employer concerns. We need to balance the bureaucratic tendency to ossify services and that make the interests of the organization paramount.

Juan Yepez asked about how many WIBs there are and how many Career Centers. Chili said that there are 16 WIBs and 37 career centers. Discussion followed on the structure of other WIBs. Only North Central rotates CEOs and Mayors would not want to see career

centers in their areas close. Also discussed was the fact the designated city (Title 1 Administrator/lead agency) is liable for any disallowed costs. There was talk about asking Mayors to contribute to supporting the centers but Chili said that even if the city provides space there is still the cost of computers, IT staff, etc. Chili said that he is at full capacity in Haverhill and that in the past the split between the Lawrence/Haverhill career centers was 75/25 but now it is 60/40. Juan Yepez raised the question of cutting back in Lawrence and expanding Haverhill. Ralph said that people from the upper end of the valley come to Haverhill. Rosemary said that we are still feeling the impact of the recession. If folks were not unemployed, we may not have seen these customers. We will need to pay attention to the numbers as the economy improves. Chili noted that customers who sign up for unemployment are required to take a workshop at the career center.

Juan asked about data on foot traffic at the centers and Ralph said that the MVWIB Career Center Quarterly Performance Report has that information.

Chili spoke about a recent job fair in Salisbury that was attended by 700 job seekers from Amesbury, Newburyport, Seabrook and Salisbury.

III. Transitional Employment Program Debriefing with CommCorp

Rafael Abislaiman said that he and Susan Almono put together a proposal for a Transitional Employment Program and submitted it to Commonwealth Corporation. It was not funded and he said that he was unhappy with the process and has asked for a hearing. At the hearing, CommCorp stated that it was looking for programs to provide skills training and wrap around supports for the very hardest to serve.

CommCorp stated that we submitted a good occupational skills proposal but that our target population was not hard enough to serve and that we did not have enough wrap around services. We had partnered with Raytheon for 24 youth to become assemblers. The local proposal that CommCorp funded is to train 48 homeless mothers for daycare jobs at Little Sprouts or restaurant related work at Sal's Pizza. We ask ourselves how the winning proposal can provide the wrap around services for 48 as opposed to our 24 with the same amount of money. Our proposal also has subsidized employment for 6 weeks and the required connection with the career center. The winning proposal did not have a career center connection.

Chili said that there were 27 proposals with three groups reading 9 proposals each. He stated that it is a problem that everyone did not read all 27 proposals because people grade differently. Susan wondered whether the real issue here is the desire to fund programs for the hardest to serve. Chili noted that career centers have been bypassed in the past, when welfare training funds were provided to other entities and not the career centers.

Ralph said that he is going to Commonwealth Corporation to look at the winning proposals. He hopes to get a copy of this area's funded proposal but is not sure that is possible.

IV. Youth Council Update

Deborah Andrews said that the Youth Council update was provided for review in the meeting packets for those who wanted the opportunity to review it.

She said that we have \$230,000 in YouthWorks funding to serve 120 youth with 85% meeting financial guidelines and 15% meeting financial guidelines as well as additional barriers. She said that if anyone is interested in hiring youth to please let her know. They will work from July 6th – September 2nd for 20 – 25 hours per week.

WIA Program OSY Education and Food Service first cycle had 7 entered employments (6 training related), two in post-secondary education, and one in the military. The second cycle had 8 enrolled and 7 earned OSHA certification with internships starting this month. The Education & Medical Assistant program has 8 enrolled and all have their CPR/1st Aid Certification with 4 completing internships and 2 entered employments (1 training related). Deborah stated that the ITA expended monies have gone up 5% in the last month. The Connecting Activities program externships have been completed and we are exploring self funding by asking employers to provide funds and/or externships in an effort to develop a pot of money dedicated to providing externships past June 30th. Teachers have expressed an interest in doing externships into the summer. One of the teachers has already put what she learned into her algebra curriculum.

Deborah said that in 2010 we served 561 youth through Connecting Activities.

V. Vendor Negotiated Budget Modification

Rafael said that he is not sure how things were done before he became executive director but since the Planning Committee decides funding allocations he would like to have guidance on how much they wanted to be involved in budget modifications. He would like to propose that if the WIB/DGA/VWCC and a vendor agree that a contract modification is warranted, that modification can be made and the Planning Committee informed after the fact. This will apply only to programs that have already been contracted, only in the case of contract reductions and only if the modifications are mutually agreed to.

Peter Matthews said that a good guideline when voting on items that come up without prior notice is that if anyone needs further information the vote should wait until they get that information. If the vote is unanimous then we should proceed. Rosemary Chandler said that it would be helpful if the motion requested be put in writing for the committee to vote on in the future.

Motion by Juan Yopez to allow staff and vendors to negotiate mutually agreed to reductions in existing contracts, as long as the board or their designee (the Planning Committee) is subsequently notified. Rosemary Chandler seconded the motion and the motion passed.

VI. H1B Proposal

Ralph explained that the purpose of the DOL H1B proposal is to have U.S. Citizens and legal residents fill jobs that are currently being filled by foreigners with better matched technical or academic skills. There is a sizable amount of money available to support employers with on the job training to induce them to hire American. We plan to propose an OJT program for 100 new employees over the next four years. During the training period, 50-90% of an employee's salary will be covered covered by program funds for up to about \$22K.

We propose to apply for about a \$3M four year program with roughly 85% of the money going toward OJTs and 15% to career center and WIB program coordination. The program will also include about \$300,000 for college-based training for employer needed certificates, higher level math and English. Part of our intent is to bring qualified, mid-skilled Hispanics into more mid-level jobs in the regional economy. We would ask for employers' guidance on how to do so.

Ralph said that our grant will address new jobs being filled by people brought in from other countries and that it is not for incumbent workers, only for new hires. An OJT contract specifying mutual obligations would need to be in place for each employer and trainee.

Peter Matthews asked if this is something that would apply to a promising bilingual young man he would like to hire but is overqualified. He would like to train the young man in a higher position, but cannot take on the entire expense. Ralph said that it sounds like a terrific match and that we would need to check the job description against the list of specific and allowable H-1B occupations. If a case can be that the job is on the list, then the young man would be a very good match for the program.

Rosemary Chandler spoke about the need for Muslim butchers as an example of a type of job that may qualify for H1B. There was discussion about whether employers would be required to advertise for a month to recruit a citizen and then move forward to go to an H1B. Qualifications depend on the jobs on the list, but Peter's concept is the right one. Ralph asked Peter and other board members to consider participating.

Chili said that he views the proposal as having the goal of keeping jobs in America. Chili and Susan talked about getting demographic information from the state UI claimant files, listing education information, ethnicity, age, gender and occupation of folks that have been unemployed for over 27 weeks. Rosemary said that she will assist as she can with data gathering. It will depend on what is captured now on claimant forms. In order to speed up the intake process they have dropped some demographic data collection.

Rafael explained that he is sending out over 80 letters to ask folks to partner with us on this proposal.

VII Other Business

Juan Yepez then raised the issue of the recent data breach and Rosemary said that a virus infiltrated the network and that people who used the computers in the last few weeks were going to be sent notifications. The local media had also been given a telephone number folks could contact if they were concerned about their information being accessed.

Peter Matthews said this is a concern in today's world. He spoke about a contract that his credit union has with a vendor who constantly tries to hack into their system without

success. They have been certified as one of the top 14 most secure sites by their internet security vendor.

VIII. Adjourn

Having no further business Rosemary Chandler made a motion to adjourn the meeting seconded by Juan Yepez. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell

Recorder