

ADMINISTRATIVE COMMITTEE MINUTES

June 11, 2009

I. ROLL CALL

MEMBERS PRESENT:

Carl Gervason

MEMBERS ABSENT:

Charles Shaw

William Peterson

Patty Gendernalik

Mary Matuja

OTHERS PRESENT:

John Bierbusse

Mr. Gervason called the meeting to order at 8:35 a.m.

II. APPROVAL OF MAY 14, 2009 COMMITTEE MINUTES

CARL GERVASON APPROVED THE MINUTES OF MAY 14, 2009 AS PRESENTED.

III. WORKFORCE INVESTMENT ACT (WIA)

a. Recommendation to Modify PY'08 Budgets

i. Dislocated Worker

The 2008 dislocated worker program budget was presented for review. The previous request to the State for \$2 million has been approved and incorporated into the budget. Of this, \$1.6 million will be transferred into the adult program since there is a greater need for that population. Carry-in to the upcoming program year beginning July 1st was slightly increased. The majority of funds will be dedicated to training and training needs for dislocated workers. The budget totals \$7,183,435.

After review and discussion, **CARL GERVASON MOVED TO MODIFY THE PY'08 DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.**

ii. Adult

Due to the previous action, the budget was revised to reflect the transfer of funds. Carry-in to the new budget was also increased. The majority of funds are dedicated to training and training needs for economically disadvantaged adults. The budget totals \$9,829,600.

After review and discussion, **CARL GERVASON MOVED TO MODIFY THE PY'08 ADULT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.**

IV. Recommendation to Approve PY'09 Budgets

a. WIA Dislocated Worker

The 2009 budget was reviewed. Mr. Bierbusse noted that the initial allocation is less this year than last by approximately \$3.5 million. However, the budget will increase throughout the year as additional funds are requested. A transfer of \$850,000 will be made for the adult program; five percent is dedicated to administrative costs and three percent is expected to carry in to the next year. The majority of funds are dedicated to training for dislocated workers. The budget totals \$3,917,535.

After review and discussion, **CARL GERVASON MOVED TO APPROVE THE PY'09 DISLOCATED WORKER BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.**

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The 2009 dislocated worker recovery act budget was presented for review. Recovery Act dollars are allocated until 2011 and must be budgeted separately. Since April, a portion of the initial budget has been expended leaving \$3,604,087 remaining for the 2009 budget. The majority of funds will be dedicated to training dislocated workers. The budget totals \$3,183,351.

CARL GERVASON MOVED TO APPROVE THE PY'09 RECOVERY ACT DISLOCATED WORKER BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

b. WIA Adult

There is a slight increase of funding for the adult program. It is anticipated that this budget will increase throughout the year as transfer of funds from the dislocated worker budget will continue in order to provide services to economically disadvantaged adults. Five percent of the allocation will be targeted to administrative costs and three percent is projected to carry in to the next year. The majority of funds are dedicated to training. The budget totals \$5,680,209.

CARL GERVASON MOVED TO APPROVE THE PY'09 WIA ADULT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

The 2009 adult program recovery act budget was reviewed. It is anticipated that the majority of funds will be used this year. Three percent is dedicated to administration costs; five percent is targeted for carry-in with the majority of funds dedicated to participant training. The budget totals \$3,728,839.

CARL GERVASON MOVED TO APPROVE THE PY'09 RECOVERY ACT ADULT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

c. WIA Youth

The 2009 youth program allocation is similar to the previous year. The year round program offers services to both in-school and out of school youth. The budget totals \$3,999,186.

CARL GERVASON MOVED TO APPROVE THE PY'09 YOUTH PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

The youth program recovery act budget is dedicated to the summer program only, anticipating services for up to 2,000 young people. The majority of funds are targeted to the wages of students who will earn the current minimum wage of \$7.40 per hour. The budget totals \$4,445,164.

CARL GERVASON MOVED TO APPROVE THE PY'09 RECOVERY ACT YOUTH PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

d. WIA Administration

The administration budget provides wages and fringe benefits for administrative staff who work solely with Workforce Investment Act programs. There is \$825,851 available; \$319,741 will be directed to the administrative cost pool making the budget total at \$396,110.

CARL GERVASON MOVED TO APPROVE THE PY'09 WIA ADMINISTRATION BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

The recovery act administration budget has an estimated \$621,000 of carry-in from the initial allocation received in April. These funds are tracked separately. WIA staff wages and fringes are paid through this budget, which totals \$137,100.

CARL GERVASON MOVED TO APPROVE THE PY'09 WIA RECOVERY ACT ADMINISTRATION BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

e. WIA Incumbent Worker

The 2009 allocation is slightly less than the previous year. The board previously authorized transfer of funds to the Thumb area to support the Employer Builders Alliance. Therefore, local funds to train incumbent workers are \$222,785 and the remaining \$250,000 will be transferred to the Thumb area. The budget totals \$472,785.

CARL GERVASON MOVED TO APPROVE THE PY'09 INCUMBENT WORKER PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

f. Administrative Cost Pool

The administrative cost pool is derived from contributions from the Workforce Investment Act, the JET program, Employment Service, both MPRI programs and other miscellaneous funding sources. The budget supports the majority of the central administrative staff and was slightly increased due to an increase of staff. Indirect costs paid to Macomb County for their services increased this year. The budget totals \$1,525,950.

After review, **CARL GERVASON MOVED TO APPROVE THE 2009 ADMINISTRATIVE COST POOL BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.**

g. Information Technology & Computerization

This budget supports IT staff and purchases, maintenance and repair of computer equipment. Funds are pooled from all other funding sources. The budget totals \$752,000.

CARL GERVASON MOVED TO APPROVE THE 2009 INFORMATION TECHNOLOGY & COMPUTERIZATION BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

h. Michigan Older Americans Community Service Employment Program

This budget supports a program that services economically disadvantaged individuals 55 years of age and older with training to assist them in returning to unsubsidized employment. There are 76 positions funded through this budget, which has increased by approximately \$65,000 since last year. The majority of funds are directed to participant wages. The budget totals \$652,801.

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CARL GERVASON MOVED TO APPROVE THE PY'09 MICHIGAN OLDER AMERICANS COMMUNITY SERVICE EMPLOYMENT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

i. Wagner-Peyser Employment Service

The employment service budget supports staff for the program where customers must register for unemployment benefits by registering on the Talent Bank and are also required to seek employment. The budget is similar to the previous year and totals \$1,504,585.

CARL GERVASON MOVED TO APPROVE THE PY'09 WAGNER-PEYSER EMPLOYMENT SERVICE BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL.

V. TRADE ADJUSTMENT ASSISTANCE (TAA)

a. Expenditure Report

Since the State's policy revision for distribution of TAA funds, there is no initial allocation granted for the year. Funds are requested as needed and the organization is reimbursed for actual expenditures, eliminating the need for monthly budget modifications.

Year-to-date comparisons were reviewed reflecting fiscal year 2008 at \$1,968,815.96 compared to fiscal year 2009 at \$3,078,302.82.

After review and discussion, the report was accepted and filed.

VIII. OTHER BUSINESS

There was no other business

IX. ADJOURNMENT

The meeting adjourned at 9:35 a.m.

Respectfully submitted,

Laura Carne
Recording Secretary