

ADMINISTRATIVE COMMITTEE MINUTES

May 14, 2009

I. ROLL CALL

MEMBERS PRESENT:

Mary Matuja
Carl Gervason
Patty Gendernalik

MEMBERS ABSENT:

Charles Shaw
William Peterson

OTHERS PRESENT:

John Bierbusse

Ms. Matuja called the meeting to order at 8:35 a.m.

II. APPROVAL OF APRIL 22, 2009 COMMITTEE MINUTES

CARL GERVASON MOVED TO APPROVE THE MINUTES OF APRIL 22, 2009 AS PRESENTED; SUPPORT BY PATTI GENDERALIK. MOTION CARRIED UNANIMOUSLY.

III. WORKFORCE INVESTMENT ACT (WIA)

a. Recovery Act: Recommendation to Modify PY'08 Budgets

i. Adult

Mr. Bierbusse reported there was originally no provision regarding transfer between WIA programs of Recovery Act funds. A policy change was approved so that provisions under WIA legislation will apply to ARRA funds allowing transfer of up to 30% between programs. Since there is a greater need in the adult program, a recommendation was made to transfer \$1,555,322 of dislocated worker funds into the adult program budget. Carry-in to the upcoming program year beginning July 1st was increased to \$3,288,700.

The majority of funds will be dedicated to training and training needs for economically disadvantaged adults. The budget totals \$667,744.

After review and discussion, **CARL GERVASON MOVED TO MODIFY THE PY'08 ADULT PROGRAM RECOVERY ACT BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY PATTI GENDERALIK. MOTION CARRIED UNANIMOUSLY.**

ii. Dislocated Worker

Due to the previous action, the budget was revised to reflect the transfer of funds. Carry-in to the new budget was also increased to \$2,842,000. The budget totals \$546,555.

After review and discussion, **CARL GERVASON MOVED TO MODIFY THE PY'08 DISLOCATED WORKER RECOVERY ACT BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY PATTI GENDERALIK. MOTION CARRIED UNANIMOUSLY.**

IV. JOBS, EDUCATION & TRAINING (JET) PLUS PROGRAM

a. Recommendation to Modify FY'09 Budget

On May 5, 2009, Governor Granholm issued an executive order to balance the State budget. This

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action eliminated JET Plus pilot programs statewide; however, local funds will be reimbursed to cover expenditures. Staff submitted an expenditure report for this program through March 31st. An additional \$250,000 has been expended since then and a revision will be made.

The campus centered component contract with Macomb Community College was severed. However, due to interest by the college, negotiation of costs to provide some of the services for this population will commence through other funding sources. The budget totals \$601,482.

PATTI GENDERNALIK MOVED TO MODIFY THE FY'09 JET PLUS PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

V. CAREER ADVANCEMENT ACCOUNTS (CAA)

a. Recommendation to Modify FY'09 Budget

Discussion for a career advancement accounts program began over two years ago. The federal government released \$1.5 million to the State of Michigan and the State is required to match funds to operate a pilot program. Approximately six demonstration projects were devised. The Macomb/St Clair WDB was chosen to participate. Services were designed initially to service those individuals who participated in buy-out programs offered through the auto industry and were expanded to include incumbent workers. A number of areas deobligated funds and this board agreed to accept any deobligated funds. Therefore the budget increased by \$682,996 and all funds must be spent by June 30th. Internal procedures will be performed to transfer eligible WIA charges to the CAA budget to close out the program. The budget total is currently \$1,121,877.

After review and discussion, **PATTI GENDERNALIK MOVED TO MODIFY THE CAREER ADVANCEMENT ACCOUNTS BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

VI. GF/GP NO WORKER LEFT BEHIND

a. Recommendation to Modify FY'09 Budget

The GF/GP No Worker Left Behind was also impacted by the Governor's executive order effectively eliminating this funding source. Expenditures have been submitted through May 5, 2009 for reimbursement. The budget currently totals \$428,940.

After review and discussion, **CARL GERVASON MOVED TO MODIFY THE FY'09 GF/GP NO WORKER LEFT BEHIND BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.**

VII. 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.

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Year-to-date comparisons were reviewed reflecting fiscal year 2008 at \$1,748,098.51 compared to fiscal year 2009 at \$2,762,843.83.

Mr. Bierbusse informed members that all Chrysler plants in the area have been trade certified. The Sterling Heights Assembly Plant has over 1,600 employees who will be eligible for TAA benefits. The plant is expected to close in 2010.

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

VIII. OTHER BUSINESS

Members reviewed the latest account of funding sources reflecting a current balance for this program year at \$56,640,884. Mr. Bierbusse warned of upcoming decreases in Workforce Investment Act dollars as the rest of the nation suffers increased unemployment. The dislocated worker program will experience a 42% reduction of funds statewide.

He reported further that there has been discussion with the UAW Chrysler National Training Center to negotiate utilizing their facility to provide training to affected Chrysler workers under a 2-year lease operated jointly with the UAW, Chrysler and Michigan Works. A second proposal under discussion would expand services to other auto-related employees. The site is located in Warren in the 9 Mile and Dequindre Road area.

Members also discussed researching green technology employment opportunities.

IX. ADJOURNMENT

The meeting adjourned at 9:35 a.m.

Respectfully submitted,

Laura Carne
Recording Secretary