

**ADMINISTRATIVE COMMITTEE MINUTES**

May 13, 2010

**I. ROLL CALL**

**MEMBERS PRESENT:**

Mary Matuja  
William Peterson  
Carl Gervason

**MEMBERS ABSENT:**

Charles Shaw  
Patty Gendernalik

**OTHERS PRESENT:**

John Bierbusse

Mr. Peterson called the meeting to order at 8:30 a.m.

**II. APPROVAL OF APRIL 20, 2010 COMMITTEE MINUTES**

**MARY MATUJA MOVED TO APPROVE THE MINUTES OF APRIL 20, 2010 AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**III. Workforce Investment Act (WIA)**

**a. Recommendation to Modify PY'09 Budgets**

**i. Adult**

A previous modification resulted with a transfer of dislocated worker funds into the adult budget. The \$850,000 is now being returned to the dislocated worker budget where there is a greater need for funding. Adjustments were made to various line items. The budget totals \$4,791,077.

**CARL GERVASON MOVED TO MODIFY THE PY'09 ADULT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY.**

**ii. Dislocated Worker**

The dislocated worker budget has suffered a large decrease in allocation as the State has recalled \$4.2 million; therefore \$850,000 was returned from the adult program budget to help offset the decrease. As a result of the decrease in the regular allocation, the State has reallocated funds to the dislocated worker *recovery act* allocation. Line items were adjusted accordingly. The budget totals \$5,305,782.

**MARY MATUJA MOVED TO MODIFY THE PY'09 DISLOCATED WORKER BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**iii. Statewide Activities - Adult**

Ours is the only Michigan Works agency to receive additional statewide activity dollars for the adult program. Carry-in dollars for 2010 were reduced to zero bringing the total budget to \$1,969,352.

**CARL GERVASON MOVED TO MODIFY THE STATEWIDE ACTIVITIES ADULT BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY.**

**IV. Workforce Investment Act (WIA) Recovery Act**

**a. Recommendation to Modify PY'09 Budgets**

**i. Dislocated Worker**

The \$4.2 million rescinded from the regular dislocated worker budget has been reallocated the Recovery Act dislocated worker budget bringing the total to \$7,585,118. Line items adjusted accordingly.

**MARY MATUJA MOVED TO MODIFY THE DISLOCATED WORKER RECOVERY ACT BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**ii. Adult Program**

In order to expend recovery act funds, there will be no carry-in to the 2010 program year. The \$600,000 is incorporated into the line item budget bringing the total to \$3,908,757.

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

**V. Workforce Investment Act (WIA)**

**a. Recommendation to Approve PY'10 Budgets**

**i. Adult**

The budgets for the new program year are all undergoing a decline due to the national economy where monies are being distributed nationwide to other areas experiencing high unemployment.

The 2010 adult program budget is experiencing a ten percent (10%) decline this year. These are the only dollars available for the entire program year. At this time the adult program has obligation of over \$2.5 million to continue the training of participants already in training programs. Therefore, there is concern that we have obligated more money than is available. The budget totals \$3,708,449.

**MARY MATUJA MOVEAD TO APPROVE THE PY'10 ADULT PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**ii. Dislocated Worker**

The new dislocated worker budget has been reduced by a half million dollars; however, there remains the possibility to increase funding as the year progresses. Michigan has received \$68 million for the regular dislocated worker program of which they retain 40% and distribute 60% locally. The Michigan Works directors are encouraging the State to apply for more National Emergency Grant funds; last year the federal government allocated \$20 million NEG dollars to the seven counties in southeast Michigan. The new budget totals \$4,954,255.

**MARY MATUJA MOVED TO APPROVE THE PY'10 DISLOCATED WORKER BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**iii. Youth**

The new youth allocation reflects a ten percent (10%) reduction this year. Line items are adjusted accordingly. The budget totals \$4,289,318.

**MARY MATUJA MOVED TO APPROVE THE PY'10 YOUTH PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

**IV. Administration**

The administration budget pays salaries and fringe benefits for WIA only staff. Five percent will be allocated into the central administration. The majority of funds go into the administrative cost pool. The budget totals \$393,100.

**CARL GERVASON MOVED TO APPROVE THE PY'10 ADMINISTRATION BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY.**

**VI. Trade Adjustment Assistance (TAA)**

**a. Expenditure Report**

The TAA expenditure report reflects funds spent since 2007 to date. Members noted the significant increase in spending from \$709,898 in the 2007 fiscal year to the current amount this year of \$6,271,182.

**VII. OTHER BUSINESS**

Two handouts were distributed showing the amount of monies expended for both the adult and dislocated worker customers. The WIA adult program reports expenditure of \$4,867,077 of regular WIA funds; \$3,988,757 of recovery act funds; and statewide activity funds of \$2,009,352 bringing the total to \$10,865,186 through May 10<sup>th</sup>.

The WIA dislocated worker program reports expenditure of \$5,485,782 of regular WIA funds; \$7,722,118 of recovery act funds; and \$3,634,834 of National Emergency Grant funds bringing the total to \$16,842,734.

These reports reflect that there will be approximately \$33 million of expenditures this year while new allocations will provide only \$11 million for the 2010 program year.

**VIII. ADJOURNMENT**

The meeting adjourned at 9:05 a.m.

Respectfully submitted,

Laura Carne  
Recording Secretary