

**MINUTES OF THE  
WORKFORCE DEVELOPMENT BOARD**

May 27, 2010

The Macomb/St. Clair Workforce Development Board met Thursday, May 27, 2010 at the Clinton Township Michigan Works Office, 43630 Hayes Road, Clinton Township MI with the following members present (✓ denotes private sector):

**AT ROLL CALL:**

- |                  |                   |
|------------------|-------------------|
| ✓ Patricia Anger | ✓ Dominic LaRosa  |
| Ken Austin       | Mike Moran        |
| ✓ Frank Blowers  | ✓ William Morelli |
| John Bozymowski  | Gary Polulak      |
| ✓ John Daoud     | ✓ Charles Shaw    |
| ✓ Peter Keating  | Erin Smith        |
| Maria Kokas      | Jennie Tunnell    |
| George Kovtun    |                   |

**ARRIVALS AFTER QUORUM CALLED:**

- ✓ Mary Matuja

**MEMBERS ABSENT:**

- |                     |                    |
|---------------------|--------------------|
| ✓ Chris Bessenecker | William Peterson   |
| ✓ Robert Doetsch    | ✓ Paul Reiz        |
| Nancy Falcone       | ✓ Joseph Scramlin  |
| ✓ Patti Gendernalik | Rene Stephan       |
| ✓ Carl Gervason     | ✓ Kristine Tremble |
| ✓ Mike Kramer       | ✓ Mike Weigand     |
| ✓ Scott Orts        | Bernell Wiggins    |
| Phil Papes          |                    |

**OTHERS PRESENT:**

- |                 |                  |
|-----------------|------------------|
| John Bierbusse  | Doreen MacDonald |
| Jim Patterson   | Joe Dueweke      |
| Patty Madigan   | Cris Robson      |
| Chris Reilly    | Deborah Porter   |
| Cathy Pomaville | Diane Weiss      |
| Kathy Jordon    | MacKenzie Cook   |
| Jasmine Connor  | Stacy White      |
| Tatiana McCants | Ron Tokarz       |
| Laura Render    | Bonnie Kalmar    |

**Macomb/St. Clair Workforce Development Board  
May 27, 2010**

**1. Call to Order**

Chairman Shaw called the meeting to order at 3:05 p.m.

**2. Roll Call**

Roll call was taken with 15 members present (7 private sector). Action items delayed until obtaining a quorum.

**4. Chairperson's Report**

Mr. Shaw advised interested board members to contact the administrative office as soon as possible if they are interested in attending the annual Michigan Works conference being held in Traverse City this September.  
*(Matuja arrived constituting quorum)*

**a. Youth Essay Competition Awards**

Frank Blowers welcomed and presented certificate and cash awards to essay winners: in-school third place winner Tatiana McCants and first place winner Stacy White; out-of-school second place winner Jasmine Conner and first place winner MacKenzie Cook. All were congratulated. Certificates and awards will be forwarded to winners who were unable to attend.

**3. Approval of Previous Minutes**

**MARY MATUJA MOVED TO APPROVE THE MINUTES OF APRIL 22, 2010 AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**5. Committee Reports**

**A. Education & Adult Programs Committee**

**1. Meeting of May 20, 2010**

**a. Recommendation to Approve Incumbent Worker Training Programs**

Mr. Kovtun reported that Utica Body and Assembly has submitted a proposal for \$66,600 to train twelve (12) employees for program management certification, which will be required to retain the contracts the company has with General Motors and Chrysler Corporation. The training requested is listed on the State's Career Education Consumer Report which authorizes approved training institutions and programs.

The second request is from St. Clair County Community College to train ten (10) employees of Mapal, Inc at a total of \$8,699. Actual training cost is \$7,800 with remaining funds dedicated to administration by the college.

**DOMINIC LaROSA MOVED TO APPROVE THE TWO INCUMBENT WORKER TRAINING PROGRAM PROPOSALS AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**b. Recommendation to Revise FY'10 JET Program**

A change to a case management system for the JET program, which has operated in the same fashion since 1996, was presented. Mr. Kovtun reported that the change is driven to increase the work participation rate. The current system involves numerous instructors and specialists who spend a minimal amount of time with customers who move through a very compartmentalized program. The new model allows the ability of case managers to develop a rapport with participants to better assist them through the program. Case managers will be trained to use MIS tools to monitor their assigned participants weekly hours ensuring they meet the federally required core activity hours. Another benefit allows the participants to remain together establishing a bond, making them willing to assist each other and share valuable resource information. The new model begins October 1<sup>st</sup>.

**PATRICIA ANGER MOVED TO APPROVE THE JET CASE MANAGEMENT MODEL AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.**

**c. Informational Items**

**i. Plant Closure Report**

**Macomb/St. Clair Workforce Development Board  
May 27, 2010**

One layoff was reported. A union representative for the Port Huron Area School District reported an expected layoff of potentially 27 workers July 1<sup>st</sup> due to closure of three schools at the end of the school year. Some may be retained but at a lower wage. An orientation was conducted May 3<sup>rd</sup> at the Port Huron Michigan Works office.

Trade certification was received by General Motors Tech Center in Warren including on-site contract workers, Faurecia in Shelby Township also including contract employees; International Automotive Components in Warren; General Motors Power Train in Warren; and The Crown Group in Port Huron. Trade orientations will be scheduled for affected employees pending receipt of employee information from all companies. TAA certification has been amended for Norgren Automation Solutions in Clinton Township to include their subsidiary, Syron Engineering.

**ii. Update of MPRI Programs**

The MPRI program targets at-risk offenders being paroled from the prison system. Similar services are provided in both the Macomb and Thumb Area programs. Patty Madigan, the board's MPRI Specialist, reported that parolees are being approved for release at a much greater rate due to prison closures and cuts in Department of Correction funding; however, funding is increasing for the Michigan Prisoner Re-entry Initiative.

Parolees can avail themselves of transportation, clothing, food, medical/dental/optical/prescription assistance, along with housing assistance. Michigan Works provides training assistance along with job placement assistance, etc. Macomb Community College has begun an 11-week course in small engine repair resulting with three (3) credit hours upon successful completion. Ms. Madigan reported that all programs are operating very well but are continually polished to achieve the maximum success for parolees. She reported a success story of one participant.

**B. Administrative Committee**

1. Meeting of May 13, 2010

**a. Recommendation to Modify PY'09 WIA Adult Program Budget**

Mary Matuja reminded members of a past modification which 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 are made to various line items. The budget totals \$4,791,077.

**FRANK BLOWERS MOVED TO MODIFY THE PY'09 WIA ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**b. Recommendation to Modify PY'09 WIA Dislocated Worker Program Budget**

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 adjusted accordingly. The budget totals \$5,305,782.

**JOHN BOZYMOWSKI MOVED TO MODIFY THE PY'09 WIA DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED; SUPPORT BY DOMINIC LaROSA. MOTION CARRIED UNANIMOUSLY.**

**c. Recommendation to Modify PY'09 WIA Statewide Activities Adult Program Budget**

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

**DOMINIC LaROSA MOVED TO MODIFY THE PY'09 WIA STATEWIDE ACTIVITIES ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY GEORGE KOVTUN. MOTION CARRIED UNANIMOUSLY.**

**Macomb/St. Clair Workforce Development Board  
May 27, 2010**

**d. Recommendation to Modify PY'09 Recovery Act Dislocated Worker Program Budget**

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

**PETER KEATING MOVED TO MODIFY THE PY'09 RECOVERY ACT DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED; SUPPORT BY GARY POLULAK. MOTION CARRIED UNANIMOUSLY.**

**e. Recommendation to Modify PY'09 Recovery Act Adult Program Budget**

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

**PATRICIA ANGER MOVED TO MODIFY THE PY'09 RECOVERY ACT ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**f. Recommendation to Approve PY'10 WIA Adult Program Budget**

Mrs. Matuja reported that all budgets for the new program year are 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 obligations 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.

**FRANK BLOWERS MOVED TO APPROVE THE PY'10 WIA ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**g. Recommendation to Approve PY'10 WIA Dislocated Worker Program Budget**

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.

**GARY POLULAK MOVED TO APPROVE THE PY'10 WIA DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**h. Recommendation to Approve PY'10 WIA Youth Program Budget**

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

**PETER KEATING MOVED TO APPROVE THE PY'10 WIA YOUTH PROGRAM BUDGET AS PRESENTED; SUPPORT BY MIKE MORAN. MOTION CARRIED UNANIMOUSLY.**

**i. Recommendation to Approve PY'10 WIA Administration Budget**

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.

**WILLIAM MORELLI MOVED TO APPROVE THE PY'10 WIA ADMINISTRATION BUDGET AS PRESENTED; SUPPORT BY MIKE MORAN. MOTION CARRIED UNANIMOUSLY.**

**j. Informational Items**

**Macomb/St. Clair Workforce Development Board  
May 27, 2010**

**i. Trade Adjustment Assistance (TAA) Expenditure Report**

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

**ii. WIA Program Expenditure Update**

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 approximately \$33 million of expenditures this year while new allocations will provide only \$11 million for the 2010 program year.

**6. Executive Director's Report**

Mr. Bierbusse discussed the budgetary problems the board is facing in the upcoming program year beginning July 1<sup>st</sup>. All recovery act monies have been eliminated accounting for a loss of \$10 million.

As expected, funding decreased in all areas of the country due to the national recession. While Michigan is experiencing the highest unemployment rate, there are not as many unemployed people as other states. Due to a hold harmless clause, Michigan's adult resources may be reduced no more than ten percent. The dislocated worker program for the State will experience a 14% reduction; the local reduction is 6.95%. The youth program allocation statewide is reduced ten percent; the local reduction is ten percent. A summer supplement to the National Emergency Grant must be used by September 30<sup>th</sup>.

Many customers are already enrolled in training and there will not be sufficient funds to continue for another year. Additional dislocated worker funds will be requested from the State to address this concern. Currently, there are 5,500 customers on a waiting list for training.

Staff will need to become aggressive in identifying additional funding sources. Enrollments have halted due to funding obligations of those currently enrolled in long-term training. The federal government does not recognize those obligated funds when awarding allocations. The statewide MWA directors are asking the State to petition for more national emergency grant funds.

A document requesting an additional \$4,750,000 of state adjustment grant funds was presented for approval. Once submitted, it is anticipated receipt of funds in September.

**PATRICIA ANGER MOVED TO APPROVE SUBMISSION OF THE REQUEST FOR ADDITIONAL STATE ADJUSTMENT GRANT FUNDS AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**7. Other Business**

There was no other business.

**8. Hearing of the Public**

There were no comments from the public.

**9. Scheduling of Next Meeting**

The next general meeting is scheduled at the St. Clair Inn for 4:00 p.m., Thursday, June 24, 2010. Members will be notified.

**Macomb/St. Clair Workforce Development Board  
May 27, 2010**

**10. Adjournment**

**WILLIAM MORELLI MOVED TO ADJOURN; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.** The meeting adjourned at 3:50 p.m.

Respectfully submitted,

Laura Carne  
Recording Secretary