

ADMINISTRATIVE COMMITTEE MINUTES

September 11, 2008

I. ROLL CALL

MEMBERS PRESENT:

Angelo Nicholas
Carl Gervason
Del Becker
Charles Shaw

MEMBERS ABSENT:

William Peterson
Mary Matuja

OTHERS PRESENT:

John Bierbusse
Bernice Kerner

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

II. APPROVAL OF AUGUST 14, 2008 COMMITTEE MINUTES

DEL BECKER MOVED TO APPROVE THE MINUTES OF AUGUST 14, 2008 AS PRESENTED; SUPPORT BY ANGELO NICHOLAS. MOTION CARRIED UNANIMOUSLY.

III. PROGRAM YEAR 2008 BUDGET MODIFICATIONS

a. WIA Adult

With the closeout of year end budgets, the estimated carry-in to the 2008 budget was recalculated to reflect the actual carry-in figure. Therefore, \$42,958 was redirected into classroom training for the economically disadvantaged adults who participate in the program. The budget totals \$6,233,338.

b. WIA Dislocated Worker

Again, with the closeout of year end budgets, the estimated carry-in to the 2008 budget was recalculated to reflect the actual carry-in figure. Therefore, \$251,933 was redirected into classroom training for the dislocated workers who participate in the program. The budget totals \$6,283,959.

c. WIA Youth

After closeout of the youth budget, actual carry-in decreased from the estimated amount. Therefore, to compensate, the estimated carry-in to 2009 was reduced to keep the budget in line. The total for programming remains at \$3,871,829.

d. WIA Administration

The administration budget experienced the same issue with a decrease from the estimated carry-in. Therefore, to compensate, the estimated contribution to the administrative cost pool was reduced to keep this budget in line. The total budget remains at \$392,850.

e. Wagner-Peyser Employment Service

Estimated carry-in was corrected to reflect actual carry-in amounting to an increase of \$38,147 which was redirected to the employment service providers.

After review, **CARL GERVASON MOVED TO MODIFY THE PY'08 WIA BUDGETS AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY DEL BECKER. MOTION CARRIED UNANIMOUSLY.**

IV. FISCAL YEAR 2009 BUDGET RECOMMENDATIONS

a. Jobs, Education & Training (JET)

The 2009 JET budget is similar to the previous year and is comprised of three revenue sources. Revenues are derived from the State's general fund/general purpose dollars and federal WIA and TANF dollars. The combined total is \$4,916,281. While there is a minor decrease in TANF funds, the State compensated by increasing the

**Administrative Committee
September 11, 2008**

GF/GP allocation. All WIA and GF/GP funds will be assigned to the JET Projects line item to support the service providers at the various centers. The TANF funds are used to operate the program. Both classroom training and on-the-job training line items have been reduced and refocused through the JET PLUS program. The budget totals \$4,332,168.

b. Jobs, Education & Training Plus (JET PLUS)

There is approximately \$50 million available to fund JET Plus, a pilot program operated by six MWAs in the state. The selected sites are Berrien, Kent, Genesee, Macomb, Saginaw and Wayne counties where 5,000 cash welfare recipients will be allowed to access vocational training which should lead to career employment and self-sufficiency. Two components are available: a community outreach model for individuals who lack a high school diploma or GED and a campus-centered model for those who have a high school diploma or GED and are suited for training opportunities at Macomb Community College. A number of elements are required: vocational training; English as a Second Language; computer literacy, support services, child care and transportation assistance, etc. The local allocation is \$4,202,000. The program budget totals \$3,850,000.

c. Food Assistance Employment & Training

The food assistance program provides training opportunities for single adult who receive food assistance only from the Department of Human Services. The primary customers are those who exit the Michigan Prisoner Re-entry Program (MPRI). The budget totals \$304,954, and increase of \$68,909 from last year.

After review, **DEL BECKER MOVED TO APPROVE THE FY'09 JET, JET PLUS & FOOD ASSISTANCE EMPLOYMENT & TRAINING PROGRAM BUDGETS AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

V. TRADE ADJUSTMENT ASSISTANCE (TAA)

a. Expenditure Report

Since the State changed policy 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.

Members compared the year-to-date expenditures of 2007 to 2008, i.e., \$1,371,062.64 to \$3,303,481.97. The large increase is due to the direct effect of local plant closures where trade certifications have been approved by the federal government. After review and discussion, the report was accepted and filed.

VI. Workforce Investment Act

a. PY'07 Fourth Quarter Performance Report

Fourth quarter statistics for WIA programs were reviewed. Ms. Kerner reported that the State has not yet issued final figures but noted that of the 17 standards, nine were exceeded, seven were met, and the older youth credential rate failed due to the transient nature of this population. Once final figures are in, the report will be presented.

VII. OTHER BUSINESS

a. Modification to Michigan Older American Community Service Employment Program Budget

Mr. Bierbusse reported receipt of an additional \$5,000 to be incorporated into the Older American E & T budget. Funds were added to the classroom training line item. The budget totals \$587,988.

b. Approval of Grainger Community Investment Plan Budget

Grainger is a private corporation who has granted \$100,000 to the State of Michigan for training opportunities through the Department of Labor and Economic Growth to be used by the community college network. Five

**Administrative Committee
September 11, 2008**

colleges were selected to receive funds. Macomb Community College will receive \$22,500 and this board has the responsibility of assessing and referring customers to the college for training.

After review and discussion, **ANGELO NICHOLAS MOVED TO MODIFY THE MICHIGAN OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM BUDGET AND APPROVE THE GRAINGER COMMUNITY INVESTMENT PLAN BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

The State has received notice of federal approval for a \$6.2 million National Emergency Grant to assist dislocated workers affected by the auto industry. The local allocation will be approximately \$800,000. A budget will be presented upon confirmation.

Also, the State is releasing \$15 million through the general funds to assist with the No Worker Left Behind initiative. The local allocation has not yet been released. A new budget will be presented upon confirmation.

Mr. Bierbusse noted further that allocations for both adults and dislocated workers has increased 50% and the board's expenditures have increased at twice the rate as last year. There has been an 80% increase in participant training through the two WIA programs. The Career Advancement Accounts program is additional and designed to assist those who took advantage of the auto industry buyouts. Staff was also meeting with company representatives at the Chrysler Stamping plant to address dislocation of another 800 employees, who have already been trade certified.

New budgets to accommodate this activity will be presented at the next meeting.

VIII. ADJOURNMENT

The meeting adjourned at 9:25 a.m.

Respectfully submitted,

Laura Carne
Recording Secretary