

**MINUTES OF THE  
WORKFORCE DEVELOPMENT BOARD**

December 6, 2007

The Macomb/St. Clair Workforce Development Board met Thursday, December 6, 2007 at the Michigan Works Clinton Township Atrium Office, 43630 Hayes Rd, Clinton Township, Michigan with the following members present (✓ denotes private sector):

**AT ROLL CALL:**

- |                  |                   |
|------------------|-------------------|
| ✓ Patricia Anger | ✓ Dominic LaRosa  |
| ✓ Del Becker     | ✓ Mary Matuja     |
| ✓ Frank Blowers  | ✓ William Morelli |
| John Bozymowski  | Angelo Nicholas   |
| ✓ Dave Brandt    | ✓ Scott Orts      |
| ✓ John Daoud     | Philip Papes      |
| Nancy Falcone    | William Peterson  |
| ✓ Carl Gervason  | Gary Polulak      |
| ✓ Peter Keating  | ✓ Rick Regan      |
| George Kovtun    | ✓ Paul Reiz       |
| ✓ Michael Kramer | ✓ Charles Shaw    |
| ✓ Ed Kubes       | Jennie Tunnell    |

**ARRIVALS AFTER QUORUM CALLED:**

N/A

**MEMBERS ABSENT:**

- |                  |                  |
|------------------|------------------|
| Lillian Adams    | Myra Gonino      |
| Ken Austin       | Vickie Ledsworth |
| ✓ Ron Chriss     | ✓ Charles Michel |
| ✓ Dawn Drozd     | Mike Moran       |
| ✓ Lester Gilbert | ✓ Carol Thurber  |
| ✓ Mary Gilbert   |                  |

**OTHERS PRESENT:**

- |                   |                    |
|-------------------|--------------------|
| John Bierbusse    | Patty Madigan      |
| Bob Apczynski     | Linda McLatcher    |
| Terri Davis       | Marsha Prose       |
| Beth Diehl        | Audrey Raya        |
| Allen Eisenhauer  | Stacy Schuller     |
| Jackie Greathouse | Debbie Szatkiewski |
| Lynn Hosking      | Martha Waroway     |
| Bernice Kerner    | Allen West         |
| Holger Ekanger    | Jean Wurmlinger    |
| Doreen MacDonald  |                    |

1. **Call to Order**

Chairman Regan called the meeting to order at 6:05 p.m.

2. **Roll Call**

Roll call was taken with 24 members present (16 private sector).

3. **Approval of Previous Minutes**

**WILLIAM MORELLI MOVED TO APPROVE THE MINUTES OF OCTOBER 25, 2007 AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.**

4. **Chairperson's Report**

Chairman Regan welcomed the board and staff and wished everyone a happy holiday season.

5. **Committee Reports**

A. **Education & Adult Programs Committee**

1. Meeting of November 15, 2007

a. **Recommendation to Modify PY'07 Dislocated Worker *No Worker Left Behind* Plan**

Ms. Tunnell reported that the State has mandated the *No Worker Left Behind* dislocated worker program dollars be kept separate from the main dislocated worker program. The original allocation for this plan is \$43,272; an additional \$122,775 has been received for program operation. With the addition of carry-in funds from 2005 and 2006, the total available is \$442,795. All monies will be allocated to training with no funds set aside for administration.

**FRANK BLOWERS MOVED TO MODIFY THE PY'07 DISLOCATED WORKER *NO WORKER LEFT BEHIND* PROGRAM PLAN AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

b. **Recommendation to Approve PY'07 Statewide Activities *No Worker Left Behind* Plan**

New funds have been received from the State for the *No Worker Left Behind* initiative, which requires a separate plan. Funds are derived from State set-aside dollars with approximately \$3.6 million being distributed throughout the State of Michigan. The local allocation is \$335,837. All funds will be dedicated to participant training.

**ED KUBES MOVED TO APPROVE THE PY'07 *NO WORKER LEFT BEHIND* STATEWIDE ACTIVITIES PROGRAM PLAN AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

c. **Recommendation to Modify PY'07 Dislocated Worker Program Plan**

Due to deobligation of funds from various MWAs who did not expend at least 85% of their previous allocation, monies were returned to the State and then redistributed to MWAs who have spent full allocations. Therefore, the Macomb/St. Clair WDB received an additional \$55,120 in dislocated worker program dollars which were incorporated into the current plan. All funds will be dedicated to participant training.

**DOMINIC LaROSA MOVED TO MODIFY THE PY'07 DISLOCATED WORKER PROGRAM PLAN AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**d. Recommendation to Modify PY'07 Adult Program Plan**

Also affected by MWA deobligations, the State has redistributed funds for the adult program. The local plan received an additional \$358 for incorporation. Once again, all monies will be directed to participant training.

**WILLIAM MORELLI MOVED TO MODIFY THE PY'07 ADULT PROGRAM PLAN AS PRESENTED; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY.**

**e. Recommendation to Modify PY'07 Youth Program Plan**

Continuing with deobligated money, the youth program received an additional \$6,428. All will be dedicated to out-of-school participant training.

**PETER KEATING MOVED TO MODIFY THE PY'07 YOUTH PROGRAM PLAN AS PRESENTED; SUPPORT BY DEL BECKER. MOTION CARRIED UNANIMOUSLY.**

**f. Recommendation to Modify PY'07 Service Center Operations Statewide Activities Plan**

The final plan to be affected by deobligations, the service center operations plan received an additional \$16,585 and will be used in the support of the various centers.

**WILLIAM MORELLI MOVED TO MODIFY THE PY'07 SERVICE CENTER OPERATIONS PLAN AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**g. Recommendation to Modify the Five-Year Comprehensive Plan**

Each year the comprehensive plan requires modification to maintain accuracy. Updates were made to labor market analysis to reflect unemployment rates and demand occupations; the local Michigan Works system to include the new center opening in Warren; training activities to incorporate requirements of the *No Worker Left Behind* initiative; funding which also addresses the new requirements of the *No Worker Left Behind* initiative; revisions to the Trade funding policy; and identification of contractors for the youth program.

**FRANK BLOWERS MOVED TO MODIFY THE FIVE-YEAR COMPREHENSIVE PLAN AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**h. Recommendation to Approve FY'08 JET Plan**

While members previously reviewed an overview of the JET program in October, the State of Michigan has released initial funding for the program as a result of a 30-day State Continuation Budget. One-twelfth of anticipated funds to support the JET program has been received. There is currently \$360,975 available. As the State's budget has been approved, it is expected that the whole allocation will be received soon to continue operations.

**MARY MATUJA MOVED TO APPROVE THE FY'08 JET PROGRAM PLAN AS PRESENTED; SUPPORT BY DEL BECKER. MOTION CARRIED UNANIMOUSLY.**

**i. Recommendation to Approve Eight Incumbent Worker Proposals**

Additional proposals have been received for incumbent worker training. Five proposals were made by St. Clair County Community College and an additional three were delivered by Macomb Community College. The formula established for funding remains the same, i.e., previously funded proposals will be capped at 50% of request; new proposals capped at 75% of

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requests; and a cap of \$15 per hour per employee. Requests total \$237,713, which will expend the entire 2007 program year funding. However, it is possible that employers may withdraw requests due to a variety of reasons. If so, funds will be deobligated and made available for future proposals.

**WILLIAM PETERSON MOVED TO APPROVE THE EIGHT INCUMBENT WORKER PROPOSALS AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**j. Informational Items**

**i. Plant Closures**

Ms. Tunnell announced closures for Lapeer Metal Stamping in Mt. Clemens and JDC Logistics in Warren.

Lapeer Metal Stamping is permanently closing its Mt. Clemens facility which will affect 46 employees. However, operations will be moving to their facility in Dearborn and all affected employees will be offered positions. Information regarding Michigan Works will be provided to those not interested in transferring,

JDC Logistics is terminating all 14 employees and closing on December 7<sup>th</sup>. The company is currently in receivership and while employees are no longer working, they are being paid until December 7<sup>th</sup>. Staff are in the process of attempting to locate names and address of affected employees in order to schedule an orientation.

Trade certifications were made to PCS Company in Fraser and Intasco USA in Port Huron. Trade orientations were held for both facilities.

**ii. Revision to TAA State Funding Policy**

Staff was notified that the State is changing its fiscal policy for distributing TAA funds. It is now required that the agency submit billing for reimbursement. Therefore, monthly modifications will not be necessary. Staff will continue to report participant activity. By the end of the 2008 fiscal year, all MWAs will be required to use debit cards to pay for TAA training and to automatically generate accrual expenditures. This procedure is already in place locally through the agency's comp card system.

**B. Administrative Committee**

**1. Meeting of November 29, 2007**

**a. Recommendation to Approve PY'07 WIA Statewide Activities *No Worker Left Behind* Budget**

As part of federal WIA dollars allocated to the State of Michigan, Mr. Peterson reported that 15% is set aside from the youth and adult programs and 40% is withheld from dislocated worker funds. These additional revenues held by in the State's set aside funding were distributed to assist in the *No Worker Left Behind* initiative. The local allocation is \$335,837. All monies will be directed to training.

**PATRICIA ANGER MOVED TO APPROVE THE PY'07 STATEWIDE ACTIVITIES - NO WORKER LEFT BEHIND BUDGET AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.**

**b. Recommendation to Modify PY'07 WIA Dislocated Worker *No Worker Left Behind* Budget**

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An additional \$122,775 was received for incorporation into the Dislocated Worker - *No Worker Left Behind* budget. There will be no contribution to administrative costs and all funding will be targeted for training. The budget now totals \$442,795.

**DOMINIC LaROSA MOVED TO APPROVE THE PY'07 WIA DISLOCATED WORKER - NO WORKER LEFT BEHIND BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.**

**c. Recommendation to Modify PY'07 WIA Dislocated Worker Program Budget**

The regular dislocated worker program has received two additional allocations. Initially received was \$55,120 through excess carry-in from deobligations of other service areas. Also, staff had previously requested additional funds and the board was awarded \$970,000 to incorporate into the budget bringing the total to \$5,791,502. All new funds will be directed to classroom training.

**DEL BECKER MOVED TO MODIFY THE PY'07 WIA DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED AND TO FORWARD TO THE BOARD OF DIRECTORS FOR FINAL APPROVAL; SUPPORT BY PAUL REIZ. MOTION CARRIED UNANIMOUSLY.**

**d. Recommendation to Modify PY'07 WIA Adult Program Budget**

As reported, excess carry-in of \$358 was also received for the adult program and all new funds are targeted to training. Also noted was \$350,000 transferred out of dislocated worker funds into adult programs, bringing the total budget to \$3,230,154.

**GEORGE KOVTUN MOVED TO MODIFY THE PY'07 WIA ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY PAUL REIZ. MOTION CARRIED UNANIMOUSLY.**

**e. Recommendation to Modify PY'07 WIA Youth Program Budget**

Excess carry-in of \$6,428 was received for the youth program with all new funds being targeted to out-of-school youth training. The total budget is \$3,124,021.

**FRANK BLOWERS MOVED TO MODIFY THE PY'07 WIA YOUTH PROGRAM BUDGET AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.**

**f. Recommendation to Modify PY'07 WIA Michigan Works Service Centers Budget**

Excess carry-in of \$16,585 was received for incorporation into the service centers operational budget. Increases were directed to rent and office supplies due to the opening of the new Warren facility. The budget totals \$401,755.

**DEL BECKER MOVED TO MODIFY THE PY'07 WIA MICHIGAN WORKS SERVICE CENTERS BUDGET AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.**

**g. Recommendation to Approve FY'08 JET Program Budget**

The JET program now replaces the Work First program. Funding is derived from three sources, ie, federal Temporary Assistance for Needy Families (TANF) funds; WIA funds; and the State's general fund/general purpose funds. The TANF contribution is \$3,694,089; the State's contribution is \$885,528; and the WIA contribution is \$252,172 combining for a total of \$4,831,789 which is a slight increase over the 2007 Work First program budget. However, Mr. Peterson noted the State's portion experienced a 5% decline. It was noted that all Reed Act dollars are no longer available. With the JET program operating the same as Work First, there were no major changes in the line items. However, increases for leases, equipment purchases,

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and information technology & computerization were made due to the opening of the Warren facility. The 2008 budget totals \$4,356,370.

**PETER KEATING MOVED TO APPROVE THE FY'08 JOBS, EDUCATION & TRAINING (JET) PROGRAM BUDGET AS PRESENTED; SUPPORT BY DEL BECKER. MOTION CARRIED UNANIMOUSLY.**

**h. Recommendation to Approve Additional Staff Positions**

Since the inception of the MPRI programs, the two community coordinators who administer the two programs in our jurisdiction as independent contractors have been receiving \$80,000 annually as mandated by the Michigan Department of Corrections. However, upon review, staff determined that the board is out of compliance with the Internal Revenue Service regulations which clearly define independent contractor versus employer status. In order to avoid any future issues with the IRS, it was recommended that the two MPRI community coordinator positions be converted from independent contractor to actual staff positions of the Board. The salaries will be established at \$60,110 with the remaining \$19,890 directed to fringe benefits.

**PETER KEATING MOVED TO APPROVE THE TWO ADDITIONAL STAFF POSITIONS AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED. One NO vote.**

**i. Informational Items**

**i. WIA PY'07 First Quarter Performance Report**

Staff identified failure of the adult entered employment rate and is working to learn the fault of this standard and will keep the committee informed. Also failed is the older youth credential rate which may possibly be due to a data entry issue. Staff will research to clarify. The remaining standards were either met (5) or exceeded (9).

**6. Executive Director's Report**

Mr. Bierbusse took this opportunity to introduce attending staff. All were thanked for their efforts in operating a successful program on behalf of the board of directors.

Upon his resignation from the board, Roland Pesek was acknowledged with a plaque and a very grateful thank you for his more than 20 years of service as a member and past chairman of the board of directors.

**7. Other Business**

There was no other business.

**8. Hearing of the Public**

On behalf of St. Clair County Community College, Doreen MacDonald thanked the board for their generous support of programs serving county residents. She also thanked staff for their help and cooperation over the years.

**9. Scheduling of Next Meeting**

The next general meeting is scheduled for 3:00 p.m., Thursday, January 24, 2008 at the Michigan Works Atrium Office in Clinton Township, Michigan. Members will be notified.

**10. Adjournment**

The meeting adjourned at 6:55 p.m.

Respectfully submitted,

**Macomb/St. Clair Workforce Development Board  
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Laura Carne  
Recording Secretary