

**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

September 25, 2008

The Macomb/St. Clair Workforce Development Board met Thursday, September 25, 2008 at the Electrical Industry Training Center, 2277 11 Mile Road, Warren, Michigan with the following members present (✓ denotes private sector):

AT ROLL CALL:

- | | |
|---------------------|------------------|
| ✓ Patricia Anger | ✓ Dominic LaRosa |
| Ken Austin | ✓ Mary Matuja |
| John Bozymowski | Mike Moran |
| ✓ Frank Blowers | Philip Papes |
| ✓ David Brandt | William Peterson |
| ✓ Patti Gendernalik | Gary Polulak |
| ✓ Carl Gervason | ✓ Charles Shaw |
| ✓ Peter Keating | Erin Smith |
| George Kovtun | |

ARRIVALS AFTER QUORUM CALLED:

- ✓ Del Becker

MEMBERS ABSENT:

- | | |
|------------------|-------------------|
| Lil Adams | ✓ William Morelli |
| ✓ John Daoud | Angelo Nicholas |
| Nancy Falcone | ✓ Scott Orts |
| ✓ Mike Kramer | ✓ Rick Regan |
| ✓ Ed Kubes | ✓ Paul Reiz |
| Vickie Ledsworth | Jennie Tunnell |
| ✓ Charles Michel | |

OTHERS PRESENT:

- | | |
|------------------|------------------|
| John Bierbusse | Marsha Prose |
| Brenda Etheridge | Al Dunsmore |
| Tammy Russo | Doreen MacDonald |

**Macomb/St. Clair Workforce Development Board
September 25, 2008**

1. Call to Order

Vice Chairman Shaw called the meeting to order at 3:04 p.m.

2. Roll Call

Roll call was taken with 17 members present (9 private sector).

3. Approval of Previous Minutes

FRANK BLOWERS MOVED TO APPROVE THE MINUTES OF AUGUST 28, 2008 AS PRESENTED; SUPPORT BY WILLIAM PETERSON. MOTION CARRIED UNANIMOUSLY.

4. Chairperson's Report

Mr. Shaw announced that Mr. Regan was unable to attend and took this opportunity to introduce new member, Erin Smith, Area Manager for the local Michigan Department of Corrections office in Mt. Clemens. Mr. Smith has replaced Myra Gonino.

Mr. Shaw thanked Gary Polulak for hosting the board meeting. Members toured the Electrical Industry Training Center.

5. Committee Reports

A. Education & Adult Programs Committee

1. Meeting of September 18, 2008

a. Recommendation to Approve PY'08 Incumbent Worker Project

Mr. Kovtun reported that the project approved for Macomb Community College - Michigan Metal Technologies – was withdrawn, freeing up \$19,124. A new request through St. Clair County Community College, working in conjunction with the Economic Development Alliance in Port Huron, was submitted. They are seeking \$49,431 to provide training to 70 employees of Engineered Plastics Components located in St. Clair. With the massive loss of jobs at Blue Water Automotive in Marysville, it is anticipated that this retraining will retain 150 jobs. The State will match funds.

FRANK BLOWERS MOVED TO APPROVE THE PY'08 INCUMBENT WORKER PROJECT AS PRESENTED; SUPPORT BY JOHN BOZYMOWSKI. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to Approve FY'09 JET Program Plan

Mr. Kovtun presented an historical overview of the JET program. Due to the local economy the emphasis now is not only to obtain employment, but also encourages customers to seek training that will result in economic self-sufficiency. Federal regulations require a minimum of 50% of work eligible cash welfare recipients participate in defined activities for 20 per week if the youngest child is less than age six; 30 hours if over age six. Those states that do not meet this requirement risk decreased funding. The final federal regulations were reauthorized beginning October 1, 2008 where TANF regulations define core and non-core activities that count toward meeting requirements. The challenge is to design individual program plans that meet the needs of each individual and include the required mix of services in order to meet the federal work participation requirements. Partners in this initiative include not only the Michigan Works agencies, but also Michigan Rehabilitation Services and the Department of Human Services along with other community-based organizations and educational entities. There are three funding sources available. The local federal TANF allocation is \$3,733,200; WIA allocation is \$292,006; and the state's GF/GP contribution is \$891,075.

CARL GERVASON MOVED TO APPROVE THE FY'09 JET PROGRAM PLAN AS PRESENTED; SUPPORT BY PETER KEATING. MOTION CARRIED UNANIMOUSLY.

c. Recommendation to Approve FY'09 JET PLUS Plan

Mr. Kovtun presented a synopsis of the new pilot program "Jobs, Education & Training (JET) PLUS. There is approximately \$50 million available to operate six (6) pilot sites. 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. The program design consists of two models: community outreach for individuals who lack a high school diploma or GED; and the campus-centered model for those who have a high school diploma or GED are can proceed with training at Macomb Community College. A number of required elements include vocational training; English as a Second Language; computer literacy, support services, child care and transportation assistance, etc. The local pilot expects to enroll 280 customers in the community outreach component and 140 in the campus-centered component. Funds for this program total \$4,202,000.

PETER KEATING MOVED TO APPROVE THE FY'09 JET PLUS PLAN AS PRESENTED; SUPPORT BY DAVID BRANDT. MOTION CARRIED UANIMOUSLY.

d. Recommendation to Approve FY'09 Food Assistance Employment & Training Program Plan

There are no significant changes to the 2009 Food Assistance Employment & Training program. Since this program services single adults without dependents who are eligible for food assistance only, Mr. Kovtun noted that the significant population that is served are those customers who are enrolled in the Michigan Prisoner Re-entry Initiative. The federal eligibility participation time frame for this program was waived due to Michigan's current economic status. Supportive services are limited to \$50 per month. Funds are allocated by the US Department of Agriculture and total \$304,954. The program requires 20 hours of activities per week leading to a minimum of 20 hours of employment weekly.

MARY MATUJA MOVED TO APPROVE THE FY'09 FOOD ASSISTANCE EMPLOYMENT & TRAINING PROGRAM PLAN AS PRESENTED; SUPPORT BY MIKE MORAN. MOTION CARRIED UNANIMOUSLY.

e. Informational Item

i. Plant Closures

UFP Technologies - SIMCO Automotive will be closing its facility in Macomb Township and transferring the work to their plant in Kentwood, MI, on the western side of the state. Approximately 50 employees will be affected. A rapid response or worker orientation will be scheduled when the number of transfers is determined.

Spartech contacted Michigan Works to report closure of their facility in St. Clair in mid-October affecting 26 employees. Work will be relocated to other company locations. Their HR manager requested that information be forwarded so they may dispense to employees at the time of layoff. They declined a worker orientation.

Two companies have been trade certified. Chrysler's Warren Stamping Plant in Warren, where 1600 people are currently employed, was certified August 8th. A trade orientation will be conducted September 25th at the local union hall for those currently laid off. Two more will be held for all employees October 2nd and 7th. Other Michigan Works agencies from Oakland and

**Macomb/St. Clair Workforce Development Board
September 25, 2008**

Wayne counties, along with the City of Detroit, will be involved. Employees will be required to complete trade paperwork at the time of lay off and will be required to update monthly in order to receive their sub pay as outlined in their union contract.

Tower Automotive Operations in Clinton Township was certified August 19th. Approximately 200 employees are affected. Currently there have been approximately 40 lay offs. A trade orientation will be held September 30th. The report was received and filed.

B. Administrative Committee

1. Meeting of September 11, 2008

a. Recommendation to Modify PY'08 WIA Adult Program Budget

Mr. Shaw reported that 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.

FRANK BLOWERS MOVED TO MODIFY THE PY'08 WIA ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to Modify PY'08 WIA Dislocated Worker Program Budget

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.

DEL BECKER MOVED TO MODIFY THE PY'08 WIA DISLOCATED WORKER BUDGET AS PRESENTED; SUPPORT BY GARY POLULAK. MOTION CARRIED UNANIMOUSLY.

c. Recommendation to Modify PY'08 WIA Youth Program Budget

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.

JOHN BOZYMOWSKI MOVED TO MODIFY THE PY'08 WIA YOUTH PROGRAM BUDGET AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

d. Recommendation to Modify PY'08 WIA Administration Budget

The administration budget experienced the same issue with a decrease from estimated carry-in. In order 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.

DEL BECKER MOVED TO MODIFY THE PY'08 WIA ADMINISTRATION BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.

e. Recommendation to Modify PY'08 Wagner-Peyser Employment Service Budget

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.

GEORGE KOVTUN MOVED TO MODIFY THE PY'08 WAGNER-PEYSER EMPLOYMENT SERVICE PROGRAM BUDGET AS PRESENTED; SUPPORT BY WILLIAM PETERSON. MOTION CARRIED UNANIMOUSLY.

f. Recommendation to Approve FY'09 JET Program Budget

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 for a combined total of \$4,916,281. While there is a minor decrease in TANF funds, the State compensated by increasing the 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.

DEL BECKER MOVED TO APPROVE THE FY'09 JET PROGRAM BUDGET AS PRESENTED; SUPPORT BY GARY POLULAK. MOTION CARRIED UNANIMOUSLY.

g. Recommendation to Approve FY'09 JET Plus Program Budget

There is approximately \$50 million available to fund JET Plus, a pilot program operated by six MWAs in the state. The selected areas are Berrien, Kent, Genesee, Macomb, Saginaw and Wayne counties where 5,000 cash welfare recipients will be allowed to access vocational training leading to career employment and self-sufficiency. The program consists of two components: 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. The local allocation is \$4,202,000. The program budget totals \$3,850,000.

GARY POLULAK MOVED TO APPROVE THE FY'09 JET PLUS PROGRAM BUDGET AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.

h. Recommendation to Approve FY'09 Food Assistance Employment & Training Program Budget

The food assistance program provides training opportunities for single adults 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, an increase of \$68,909 from last year.

PHIL PAPES MOVED TO APPROVE THE FY'09 FOOD ASSISTANCE EMPLOYMENT & TRAINING PROGRAM BUDGET AS PRESENTED; SUPPORT BY MIKE MORAN. MOTION CARRIED UNANIMOUSLY.

i. Recommendation to Modify PY'08 Michigan Older American Community Service Employment Program Budget

Mr. Shaw reported receipt of an additional \$5,000 by the board to be incorporated into the Older American Community Service Employment & Training budget. Funds were added to the classroom training line item. The budget totals \$587,988.

DEL BECKER MOVED TO MODIFY THE FY'08 MICHIGAN OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY.

j. Recommendation to Approve PY'08 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 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.

**DOMINIC LaROSA MOVED TO APPROVE THE PY'08 GRAINGER COMMUNITY INVESTMENT PLAN BUDGET AS PRESENTED; SUPPORT BY GEORGE KOVTUN.
MOTION CARRIED UNANIMOUSLY**

k. Informational Items

i. Trade Adjustment Assistance Expenditure Report

Funds for the trade program are requested as needed and the organization is reimbursed for actual expenditures. The year-to-date report compares \$1,371,062.64 expended in 2007 versus \$3,303,481.97 in 2008. This large increase is due to the direct impact of local plant closures where trade certifications have been approved by the federal government.

ii. 4th Quarter Performance Standards

Figures are preliminary as the State has not yet issued final statistics. However, the available fourth quarter statistics for the 2007 WIA program show 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. This standard has not been met statewide.

Mr. Shaw noted further that 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.

The State is also releasing \$15 million through the general fund 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.

Allocations for both economically disadvantaged 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.

6. Executive Director's Report

Mr. Bierbusse reported that Chrysler Corporation has announced another round of early retirement / buyouts. Staff has been working with the corporation and union to identify affected employees who may be eligible for services through the *No Worker Left Behind* initiative.

A handout reflecting training enrollment comparisons from last year to this year was reviewed. Mr. Bierbusse noted a 100% increase in training.

7. Other Business

There was no other business.

8. Hearing of the Public

There were no comments by the public.

**Macomb/St. Clair Workforce Development Board
September 25, 2008**

9. Scheduling of Next Meeting

The next general meeting is scheduled for 3:00 p.m., Thursday, October 23, 2008. Members will be notified.

10. Adjournment

WILLIAM PETERSON MOVED TO ADJOURN; SUPPORT BY PATRICIA ANGER. MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 4:15 p.m.

Respectfully submitted,

Laura Carne
Recording Secretary