



**PLANNING, PROCUREMENT AND PERFORMANCE MEASUREMENT
COMMITTEE MEETING**

Thursday, May 25, 2006

8:00 a.m.

MVWIB Conference Room

Members Present: Shirley Callan, John Griffin, Donna Gambon, Pedro Arce (via telephone)

Members Absent: Chick Lopiano, Karen Sawyer Faust

Staff Present: Fred Carberry, Mary Kivell, Chris Shannon

Guests Present: Amy Weatherbee, Mike Lynch, Arthur Chilingirian

1. Approval of FY'07 Integrated Budget

Fred Carberry called the meeting to order at 8:10 a.m. and said that MVWIB Chairman Pedro Arce would be participating via telephone. He asked Amy Weatherbee to proceed with her presentation on the budget.

Amy began stating that the WIA performance adjustments by percentage were presented at last week's meeting. Outstanding questions were Donna's budget and the \$72,000 hole for the Career Center. The integrated budget which was distributed to committee members along with back up includes available funding, new funding and carry-in funding ('06-'07). The budget also includes a section on the fiscal agent and funds the fiscal agent manages; DCS staff and funds; Career Center staff and funds and WIB staff and funds. Amy explained that what we are left with is a \$72,000 hole. This is the final budget for the Annual Plan which will be presented to the MVWIB board.

Chili noted that the actual deficit is \$400,000 and is down to \$72,000 because of cuts. Also, included in this budget are funds from the discretionary fund to help cover operating costs for the first time.

Amy then presented an overview of a chart consisting of the Labor Exchange Program Summary for the Career Centers. She explained that this chart contains historical data comparing '05, '06 and '07 and will be used for the Annual Plan. It includes total job seekers served broken down into total unemployed, persons

with disabilities, UI claimants, and veterans. Under employer services total employers served consists of new to career center and repeat, and the last category is employers listing job orders. The only concern was the total number of employers served so the recommendation is that a flat 20% reduction is reasonable.

Discussion then followed on the job descriptions for the two positions at the MVWIB (Youth Workforce Program Manager and Adult Workforce Program Manager). Fred Carberry explained that we want to get these posted, advertised, interview and select the candidates by July 1st. It was agreed to allow for suggestions by the end of business Friday. These job descriptions will be advertised in the June 4th Sunday paper.

Another agenda item Fred Carberry mentioned is the endorsement to proceed with discussions with UMass/Boston.

Amy Weatherbee referred to the performance adjustments which were presented at the last Planning Committee meeting.

Motion by John Griffin seconded by Donna Gambon to approve the WIA performance percentage adjustments as presented at the last meeting. Motion passed.

The next item for a vote is the integrated budget to present to the full board based on agreements with all parties.

Motion by John Griffin seconded by Shirley Callan to approve the Integrated Budget as submitted. Motion passed.

The next item is the Annual Plan which Amy has discussed over the last couple of meetings with feedback from the Planning Committee and all interested parties. Fred Carberry said that the performance levels are being maintained even in face of the cuts in the allocation.

Motion by Shirley Callan seconded by John Griffin to approve the Annual Plan. Motion passed.

As discussed the two jobs descriptions were presented for a vote.

Motion by John Griffin seconded by Shirley Callan to approve the two MVWIB jobs descriptions (Youth Workforce Program Manager and Adult Workforce Program Manager) allowing for any suggestions until the close of business Friday, May 26th. Motion passed.

Fred then asked for a motion the minutes of the 5/19/06 meeting.

Motion by Donna Gambon seconded by John Griffin to approve the minutes of the 5/18/06 meeting as submitted. Motion passed.

The next item put forward by Chairman Arce was a request for an endorsement to proceed with discussion with UMass/Boston regarding assistance in transition and data collection.

Pedro Arce explained that this request is for UMass who offered to act as a resource, collect data, and come into the city to help. Northern Essex has also offered to help. Pedro said that the intent is for an objective perspective to assist Fred in his goals for the following year and getting UMass more involved in Lawrence. He said that there is a meeting scheduled to discuss this with Mayor Sullivan, Fred Carberry and himself.

Shirley Callan asked if there was a dollar amount attached to this and Pedro replied there may be. John Griffin asked if there was any money budgeted for outside professional services and Amy Weatherbee said that in relation to the Blue Print, \$15,000 has been budgeted to update the Blue Print, but cautioned that this is a procurement issue that requires a fair and equitable bidding process for federal and state dollars.

Pedro said that if any money is attached to it, he will be bringing the matter back to the board and will follow proper procurement. He said he will see what they are going to propose. He said that they would have to look at it first and determine if it is worth taking back to the board.

Shirley Callan again expressed her concerns and Donna Gambon asked about whether it would be taken back to the planning committee.

Pedro said that the meeting will be between the Mayor, Fred and himself and if they feel it is worth taking back, it will be taken back to the planning committee.

Chili asked about what data is being collected and wondered if it is already available from the Career Center and MOSES system. Chris Shannon mentioned that any product should be value added and not just collecting data that is already available. Amy also mentioned the labor market material available from the DCS website.

Fred Carberry also spoke about the possibility of inter-governmental agreements.

Motion by Donna Gambon seconded by Shirley Callan to table any endorsement regarding UMass until there is more information available after the meeting with the Mayor. Motion passed.

Mike Lynch cautioned not to give the perception that you are giving anyone an unfair advantage and to be sure to follow proper procurement policies.

Regarding the Blue Print Chris mentioned that companies should also be surveyed as in the past and said we should decide what we want to see for the Blue Print. It needs to be demand driven. It was agreed that the Blue Print definitely needs to be updated. Amy noted that the prior business surveys were not provided to the Career Center citing confidentiality.

Discussion then moved to what is needed for the full board meeting next week. Amy said that she needed to adjust the Youth Council recommendations and have the budget narrative, integrated budget, FY'07 performance numbers, and plan narrative ready for the board.

John Griffin said that there needs to be an explanation of the D&O insurance, a clear organizational chart and the fact that the new MVWIB Director reports to the Mayor/CEO who has final authority for hiring and firing. Amy explained that she can prepare a chart and said that the DGA staff report to John Griffin, who in turn reports to the Mayor, which is in line with the bylaws and fiduciary responsibility. Donna Gambon also noted that DCS is a partnering agency and reports to the state. It was agreed to make the funding flow chart available to the board and ask Attorney Boddy to speak to the indemnification question. DGA has already spoken to an insurance representative and has an application if the board wishes to pursue D&O insurance.

John Griffin mentioned that the Mayor has been told that money is not an issue and because of his involvement with the flood problem has not been readily available. Chili wanted assurance that the Mayor is aware that this there may be lay-offs due to funding cuts. Fred Carberry said that as Mayor and Chief Elected Official, he needs to be fully informed, so that before the board meeting he is aware and in agreement.

John Griffin then distributed the discretionary fund report and explained the revenue and disbursements. He said that he and Amy collaborated on the explanation of how that fund was generated. The 1½ page narrative describes how the money came through performance based awards through the Department of Transitional Assistance for exemplary performance. The expenditure side since FY'02 has been used very infrequently to pay for things not covered in the normal budget such as Governor's At Risk & Challenge subrecipients and staff, staff appreciation party, and legal service fees with a balance of approximately \$1m. The \$155,813 legal service fees line item in FY'06 were for Atty. DiAdamo, Sheehan & Phinney and Atty. Manzi.

Shirley Callan asked if Sheehan & Phinney are paid in full, and if so, when will the investigative report be released. Fred Carberry said that the city attorney has said that there is still an ongoing investigation with the Inspector General and the report should be held until the matter is resolved.

Shirley Callan asked if anyone had filed a FOIA. Chili said that the Inspector General investigation is a separate issue and that the Inspector General never has reported out.

Donna Gambon said that at the last meeting Atty. Paul O'Neil and Atty. Bill DiAdamo said that because public funds were expended that report would be made available when the investigation was closed.

Chili said that if Atty. Boddy doesn't explain about the report that there will be a lack of trust on the part of the board. Shirley Callan said no one is responding regarding this report.

Discussion followed on the vote of a previous board meeting when the board voted \$50,000 for the defense of the Executive Director. Amy said that is separate from the legal service fee in the discretionary fund.

Amy said that there are a variety of issues here. One is the fact that there are procedural issues in terms of how to contract for professional services. There was an attempt to begin working and contract with Brown Rudnick however, there was push back identified as the scope of work was not the scope of work as voted on by the board. There were procedural issues related to amount of money, cap, reasonable cost per. Amy continued that when the push back came, no response was given, and the Mayor's attorney made a decision that these people couldn't move forward. Amy said that her point is that if the board has budgeted money within its integrated budget to support those professional services, that are subsequently supported by the funding source the other question is procedural and Amy did not feel that due diligence was done. Mike Lynch said immediately following the meeting in question that he told the chairman he didn't know if this would be covered by federal funds and that the chairman needed to get everything together and get it to the state.

Donna Gambon said that we need to move on but we need transparency and honesty. When the settlement was paid, we were told the investigation is done and everything is fine. Donna said if that is the case then, it is public record and people will want to see it.

John explained his negotiations with Brown Rudnick, who he said have sent several notices. In conversations with Brown Rudnick, they said that the services were rendered and it is customary to have a hand shake agreement. He said that he is requesting a detailed accounting for the services including notes, reports, work product, etc.

A lengthy discussion continued on legal fees, signatory authority as well as board members concern regarding D&O insurance. Amy Weatherbee said that this procurement did not follow appropriate procedures and Mr. Griffin is seeking additional information from the Brown Rudnick.

3. Adjournment

Having no further business the meeting was adjourned at 10:20 a.m.

Respectfully submitted,

Mary Kivell
Recorder