



PLANNING COMMITTEE MEETING

Wednesday, December 17, 2014

7:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Juan Yepez, Chairman
Rosalin Acosta, Dennis DiZoglio, Mike Munday

Members Absent: Ron Contrado, Andrew Herlihy, Abel Vargas

Staff Present: Rafael Abislaiman, Mary Kivell

Others: Lisa Remington

I. Approval of Minutes of October 22, 2014

A quorum being present, Juan Yepez called the meeting to order at 7:50 AM. Chairman Yepez took a moment to introduce himself and thanked committee members for accepting the invitation to join the Planning Committee. He said that he is looking forward to helping the people of the region with jobs and training. Introductions were then made around the table.

Chairman Yepez then called for a motion on the minutes of the October 22, 2014 meeting.

Motion by Rosalin Acosta, seconded by Mike Munday, to approve the minutes of the October 22, 2014 Planning Committee meeting as submitted. Motion passed.

II. WIOA Changes

Executive Director Rafael Abislaiman explained that to help with the transition from WIA to WIOA, he would be going over one or two of the changes at each meeting. At the last meeting we went over changes to board composition and this time he would talk about possible regional area and performance outcome changes.

Rafael said that Massachusetts JTPA regions were kept the same under WIA. He said that there is some possibility of regional consolidation and that could change service areas.

This state currently has 16 WIBs but some geographically large states have regions the size of Massachusetts. If consolidation happens, we want to be one of the WIBs that survive. He said that if half of the WIBs go away, we are geographically located to survive. He mentioned that performance plays the biggest role but that politics may also play a part.

The City of Lawrence is picking up a lot of potential financial liability as the as our WIA host city. The City Budget Director believes that we are not meeting retirement liability costs with the 20% contribution that we make. (Individuals contribute 11% of their salary and the organization picks up 9%.) He says that the City's actuarial liability is closer to 40%. Ralph added that retirement costs also depend on long-term stock market growth.

Lawrence may consider whether it should take on a larger region and more potential retirement costs. Rafael said that he has a meeting with the Mayor to discuss going private as a 501C3 and transitioning city employees to private employees.

Dennis DiZoglio asked if the decision on regions is the Governor's. Rafael answered that under WIA it was the Governor's decision but under WIOA the Governor is to consult with local boards and CEOs. Rosalin Acosta asked if any of the other WIBs have 501C3 status. Rafael replied yes. He also said that he has also spoken with other WIBs who have only one or no state employees. One third of ValleyWorks staff are state employees and in WIOA they may or may not go away.

Rafael said that Chili is in a difficult situation because he doesn't supervise all VWCC staff. State staff are supervised from Boston and Chili only has 'oversight' on them similar to WIBs oversight of Career Centers. Dennis DiZoglio asked if ValleyWorks is a contractor to the WIB and not part of the WIB. Rafael said that is the case. The MVWIB awarded a WIA contract or charter to ValleyWorks in about 2000. VWCC now has 75 employees, most of whom provide direct customer service and the WIB has 4. Ralph said that we will be putting out a Career Center RFP sometime in the next two years in which we have the opportunity to address cost issues and improve efficiencies. Chili is helping with that RFP.

There was discussion on Middlesex Community College who runs two career centers. Rafael said that private sector vendors are sometimes less bureaucratic than community colleges and they provide training on a more flexible schedule. Middlesex has not gotten an inordinate number of training referral because private sector vendors have been quicker and more flexible.

Rosalin wondered about the timing with the new administration coming in and asked when we would be having relevant conversation. Rafael said that there is likely to be additional Federal and State guidance. WIOA must be in place by 6/20/16 but we could do things such as the RFP before then. He also said that there was a statement by the

new Governor to perhaps having the WIBs staffed by the Commonwealth Corporation. Rafael also said that the new Governor's Campaign website also stated that WIB areas should coincide with economic development one. Dennis DiZoglio said that our two regions coincide now.

Rosalin Acosta mentioned that she had worked with the newly announced Secretary of Labor and Workforce Development and that he is a great guy. Mike Munday said that he would like to disclose that he serves on the board of Commonwealth Corporation and that it has \$50m to fund WIB's and community colleges through public and private funding.

Rafael then addressed WIOA outcome guidelines. He mentioned that federally funded WIOA Title I is for workforce training and WIOA Title II is for remedial education (ESOL and ABE). In the past, the MVWIB dedicated considerable money to remediation. That makes sense when unemployment is low and we can dedicate funds to bring hardest to serve people into the workforce. Rafael said when UI is high it makes less sense to focus funds on the hardest to serve.

Due to high unemployment, MVWIB decided to focus more support on people who met discussed academic thresholds. But most other WIAs continued to think that that we serve the hardest to serve and the disabled at all times. We believe that WIA/WIOA Title I should normally focus on employment while Title II deals with remediation and ESOL.

Dennis DiZoglio asked about service triggers and UI. Rafael said that we always need to serve low income youth and adults but there's a spectrum of skills and barriers in those groups. Historically it's also been the case that people on UI can only get training if they are not job marketable without additional training in their prior employment sector or if their prior employment sector requires fewer employees. That is changing under WIOA.

Lisa Remington said that under WIOA there is no requirement for intensive marketability assessment services before someone is approved for training. There is some initial assessment on basic education. So we are considering how to enroll more into training at the initial stages of unemployment. But we will still look at who needs training and who can get jobs because of their transferrable skills. Federal and State regulations are still unclear and being developed.

Rafael said that we had raised the training requirement for academic skills to the 7.9 grade level and the career center had difficulty finding people at that level so we lowered it back down to 6.9. He referenced a machinist program where participants must test at an 8th grade level but some still can't convert a fraction to a decimal.

Lisa also said that the career center has a self-paced learning computer program to improve skills and they also encourage clients to enroll in Title II programs. Rafael continued stating that one third of our clients are from Lawrence but due to their low-income status they receive more of the training money and face to face services. Nationwide, inner city K-12 schools are not able to bring more people up. That may be changing in Lawrence.

Lisa said that this had been a difficult transition for her because she saw the career center as a place for services for youth who do not have a high school diploma. She said that we used to fund GED with occupational training programs and saw success. Now there are fewer services for those young people but her staff sometimes request a waiver and that has been successful.

In WIOA, assessments are for reading comprehension, computational math, and applied math are geared for youth who are native English speakers. Rafael said that learning English is critical but folks who don't speak English are able to learn and get good jobs. He referenced asbestos and lead remediation workers who use those dirty job sector as a path for well-paid employment. Lawrence has the highest per capita number of remediation workers in the country. That counters the notion that Hispanics don't want to work. Juan Yopez mentioned that he lost some employees to asbestos removal. He cautioned those employees, that although remediation pays a high hourly rate, it is often seasonal and that they should look at annual average salary.

Juan then said that over the past five years he has served on this board he feels we have done some wonderful things. He talked about changes to the summer youth eligibility that allows us to include good students who are poor and not just at risk. He said that now we need to work to get the message out of the great training services we can offer. Rafael agreed and added that the transition from WIA to WIOA may create confusion in who and how people can be helped.

III. Small Changes to Annual Plan Budget Supportive Services

Lisa Remington said that ValleyWorks provides Youths, Adults and Dislocated Workers in training with supportive services funding for things such as day care and transportation. We now need more supportive money because without it, many cannot go to training. Supportive service funding requires very low income. The allowance is \$10 per day for transportation and \$10 per day for 1 child and \$15 per day for 2 children. Lisa explained that many of the Youth participants do not live with their parents and have very little income. She further explained that we are requesting to move funds from training-related staff services to needs related supportive payments.

There was a lengthy discussion on this request and whether it reduced the amount of money available for training. Rafael stated that individual needs are hard to predict and budget for but supportive service money is normally well spent. He also said that the line item sometimes pays for participant training certificates and licensing exams upon

training completion. Juan Yepez said that based on the sheet that Lisa distributed he did the calculations and we may not have enough money to fill all the adult training slots. Lisa said that the Youth and Adult categories overlap.

Mike Munday referenced the Philips Mersen numbers and that they seem out of whack. Lisa said that Philips Mersen is a different funding stream (NEG – National Emergency Grant) and we don't have training money for it, the State has it and we only do case management. Trade programs are sometimes also vouchered out to other regions. We are here only looking to move supportive funds related to Adult, Youth and Dislocated Workers. We may come back later to have more money transferred to training or supportive services based on enrollments and need.

Mike Munday said that our job is to use funds for training and that we shouldn't reduce training to provide more supportive services. The State insists that we dedicate at least 30% of the funding to training. Rafael said that VWCC is requesting to transfer from other categories and not training. He agreed with Mike and stated that licensing certificates should be under vendor training.

Rosalin Acosta asked if we have a P & L statement. Ralph said that staff will prepare a monthly budget report for subsequent meetings. We have an Annual Plan and we will report on it vs. actual. We currently have lag funding in the salary category. Rosalin added that a P & L report will help with forecasting. Rafael agreed and mentioned that some funding categories are tentative and late in arriving. Juan Yepez said that there are plans for board member training and that it should include budgeting. Juan then recommended a vote to approve the transfer request and for ValleyWorks to come back in 30-60 days to dive into new numbers.

Motion by Dennis DiZoglio, seconded by Rosalin Acosta, to approve the budget adjustment to increase client supportive services do not reduce funds for training.

Lisa Remington then went on to explain that ValleyWorks has been closely reviewing trainee attendance. Many of the youth who attend remediation/skills programs may not be attending remediation services and are still able to meet the 75% attendance rate which makes them eligible to receive both support services and needs related payments.

Most training is six (6) hours a day and if a Youth, Adult, Dislocated Worker or NEG participant misses one (1) hour they still attend 83% for that day. The staff feels it is an indication of poor work readiness if job seekers are missing more than one hour a day and they would like to revise the policy to not reward poor attendance. The recommendation is that trainees should only receive support services and/or needs related payment if they attend at least 80% of the scheduled class hours daily an increase from the current policy of 75%.

Motion by Dennis DiZoglio seconded my Mike Munday to approve the changes to the Supportive Services Policy and Needs Related Policy to read:

Customers who receive Child Care and Transportation assistance must be present at least 80% of the time to qualify on any given day. If, for example, the course is scheduled for 6 hours and the customer attends only 5 hours in a particular day, there will be no supportive or needs related payment for that day. Motion passed.

IV. In-School Youth Program Re-Contracting

Rafael Abislaiman explained that we had two WIA-funded In School Youth Group Programs for at-risk high school seniors. Both had 75% outcome goals for a high school diploma and either obtaining employment or enrolling in post-secondary education.

The first program was at American Training Inc/LARE and they exceeded their contract goals. Program enrollment and positive completion was 100%. The second program was at Haverhill High School. That program did not meet its contract goals. Rafael said that though Haverhill's first program was good, last year's program did not succeed. We hope to work with Haverhill in the future with another RFP but, based on Haverhill High School's inability to meet performance goals, it is not recommended that we refund the program at this time.

Motion by Dennis DiZoglio, seconded by Mike Munday, to approve refunding for American Training, Inc/LARE In-School Youth (ISY) based on LARE's performance and not refund Haverhill Public School's ISY program based on Haverhill High School's inability to meet performance goals. Motion passed.

V. Next Meeting Date

Juan Yopez then asked board members if there is another day of the week that works for Planning Committee meetings due to commitments of members and scheduling of other meetings. After discussion it was agreed that future Planning Committee meetings would be held on **the third Tuesday of each month beginning at 7:30 am in the MVWIB Conference Room.**

Vi. Adjourn

Having no further business Mike Munday made a motion to adjourn the meeting. Rosalin Acosta seconded the motion and the meeting was adjourned.

Respectfully submitted,

Mary Kivell,

Recorder