



**PLANNING COMMITTEE MEETING  
Minutes**

**Tuesday, February 16, 2016**

~~7:30~~8:00 a.m.

Merrimack Valley Workforce Investment Board  
Lawrence, MA 01843

Members Present: Juan Yopez, Chairman  
Rosalin Acosta, Ron Contrado, Dennis DiZoglio, Andrew Herlihy,  
Mike Munday, Bob Westcott, Abel Vargas

Members Absent: None

Staff Present: Rafael Abislaiman, Susan Almono, Franklin Fernandez

Others: ~~Annemarie Fugge~~[Amy Weatherbee](#), Arthur Chilingirian,

**I. Approval of Minutes of January 19, 2016**

A quorum being present, Juan Yopez called the meeting to order at ~~8:17~~8:45 a.m. Chairman Yopez then called for a motion on the minutes of the January 19, 2016 meeting.

**Motion by Bob Westcott, seconded by Dennis DiZoglio, to approve the minutes of the January 19, 2016 Planning Committee meeting as submitted. Motion passed.**

- I. Request to reallocate funds from the Adult to the Dislocated Worker WIOA Category - **(Vote required)**

Arthur Chilingirian, requested a \$70,000 transfer from the Adult to the Dislocated worker category. This kind of transfer was done in the past. Chili believes that, even with the transfer, we have sufficient Adult category money for the remainder of the year. Additional Dislocated money will allow VWCC to serve a few more dislocated workers in the pipeline.

The Chairman asked whether there were concerns with reducing Adult funding. Chili believes that both categories will run out of money this year. Unfortunately funds cannot be transferred to or from the Youth category.

A question was asked of how much is spent on Adults. Amy reported that we have an ITA spending cap of \$6,000 but they normally range between \$4,800 and \$5,200. This year we have spent a total of \$112,000 on adults. Whether we transfer the money or not, we are going to run out of money. In addition, there is a National Emergency grant in which we are working to add money. We can get some adults into the National Emergency Grant.

The Chairman asked whether we track the long term employment of our ITA participants to see if they continued in the field they were trained in. Amy answered that we track every Training related outcome for 90 days and nine months. There is little tracking after that.

Other non-WIOA resources are available but, in WIOA, we are more geared to serve dislocated workers and not adult category people. We recruit, [screen](#) and appropriately refer Adult people on a continuing basis. We often use other non-WIOA adult funding to serve them. Much of our training is to get people back to work without much remediation.

**A motion was made by Ron Contrado to allow the transfer of Adult funds to the Dislocated category. It was second by Dennis DiZoglio and the Motion was unanimously approved.**

## II. **Budget Update presented by Rafael Abislaiman**

Rafael reported that spending is following the same pattern as in the last few months. Outside of the Youth training category, we are pretty much on track. Due to the State deficit, cuts may be made by the Governor. Given the uncertainty of next year's budget, we are slightly under spending.

## III. **Out-of-School Youth Group RFP (vote required)**

Copies of past performance numbers were distributed. Someone asked whether there was a change in personal during the performance time window. Rafael answered that there was a change in 2010 and 2011. Due to ARRA, we had lots more money available and more employees.

Some argued that youth policy changes were the main reason for the reduction in performance. Rafael said that there are various factors at work.

Abel Vargas asked whether some youth training had more enrollees than others. Rafael stated that CNA training is overwhelmingly the biggest training category. The number of vendors have also dropped. When you divided total ITA allocations and ITA costs by the number of vendors, you can see how difficult it is [for](#) vendors to keep things going. Most of our vendors get about \$12,000 per year. It's nearly impossible to sustain a program that way.

Amy stated that vendors offered skills training and remediation when we required both. Able made the case that the 20 CNA [number s](#) during 2010 has not changed much. Rafael added that we currently use only two CNA vendors and there were more in 2010.

Chili pointed out that the biggest vendor loss was the American Red Cross. It was an inexpensive program and had a good placement rate. However due to new certification requirements, American Red Cross no longer offers the program. In FY10 a majority of youth programs were for Certified Nursing Assistance (CNA) along with Medical billing, Medical assistant, pharmacy tech and Medical coding. The report shows that after our policies changed, emphasizing high school graduates, the number of youth being served decreased and the number of vendors also decreased.

Questions were asked on whether we are now obliged to spend 75% of our funds on Out-of-School youth. Rafael said yes, is a WIO~~L~~A requirement that 75% of the money go to Out-of-school youth. Chili pointed out that everybody in the report is an out-of-school youth.

The Chairman asked where the rest of the money goes to. Rafael stated that in 2012 and 2013 we had more kids in in-school programs than out-of-school programs. We had about 25 one year and 20 the other.

Juan asked if the report only reflected ITA high school drop-outs. Chili answered no, it's all youth in ITAs. There was a question on the percentage of high school dropouts served. Rafael stated that in the past we served mostly youth dropouts but now we serve none or almost none. We continue to have a remediation component even for high school grads. Many of the high school grads that we serve are well below 7.9 in one or another academic category and we have a policy that states that training vendors need to bring them up to at least level 9. A small minority that we enroll are at level 9, most of them are below.

A member asked whether our approach was wrong. Chili answered that we are probably not serving youth that could get through our programs, get a job, and possibly a GED. Rafael said that the fundamental problem is that we are not sufficiently reaching out to kids that fit our policy guidelines.

Chili agreed with Rafael we need to do a better job on outreach. But, but yet again, if you look at the report the problem is not just the number of youth coming in the door. Chili is convinced that the word is on the street that if you don't have a high school diploma you can't get training at ValleyWorks.

The Chairman stated that Chili brought up excellent points. He asked what happens to youth funds if we don't spend them. Chili stated we're supposed to use up to 80% of the funds every year. But it is really a two year process therefore you have two years to spend the money.

The Chairman asked how other WIB's are doing? Rafael answered that there are all kinds of difficulties this year because most regions previously spent their money on in-school-youth.

We were the exception. Amy stated we are probably one of the only regions in the state that provides youth ITAs.

### III. Hardest to serve issue

Rafael reported on a memo he sent our Department of Career Services Board member. The member is of the opinion that we are breaking the law by having a high school diploma or GED requirement. He believes that any requirements impacting program access is against the law. He threatens disallowed costs if we continue to insist that youth have a high school diploma or GED.

Rafael believes that his interpretation is wrong for several reasons. One of which is that WIOA states that regions can create local requirements. Now the counter to that is that we can't create requirements that contradict the law. But, let's face it, there must be standards by which we choose to train some people over others. The law uses a term "hardest to serve". Our DCS member believes that we are obliged to serve those who are hardest to serve. But the "hardest to serve" are ultimately the impossible to serve.

Rafael believes that it is incorrect for us to continue looking like an institutional alternative to high school graduation. It's a symbolic thing because our training numbers in no way match the number of kids that drop out in this region. There are already other WIOA programs funded in this region and throughout the state that are created to address ESOL and academic remediation issues. Those are WIOA title II programs and Lawrence [has four of them; one is](#) at Northern Essex, Notre Dame Education Center, the International Institute and the largest at the Lawrence Adult Learning Center which is part of the Lawrence School System. There's also one at [the](#) Methuen High School, Adult Learning Center and one in Haverhill at Community Action Inc.

If we were to review those programs we'd find that there are very few youth enrolled and attending them. They should be providing remediation and then we should be taking their graduates and training them for jobs. If you don't finish High School in America you're now statistically guaranteed to live in poverty. It's harmful window-dressing for us to create programs that create alternatives to graduating from high school.

The Chairman said that the same topic was discussed at an Executive Committee meeting last week. Bob Wescott stated that, after the executive committee meeting, he had reviewed parts of the law and found that it states that we have to have programs that reinforce obtaining high school diplomas. The fact that it doesn't make sense does not mean that someone can not hang an argument over us and pull out a statistic to say 'see because of your policy you are not serving these kids'. So it's not clear if the DCS representative is absolutely right or wrong.

The Chairman clarified that our career center previously served high school dropouts with no GED or high school diploma up to 2011. Planning made the decision not to train high school

dropouts that did not have at least a GED or high school diploma. Chili stated that we can still serve them if they agreed to come to our computer labs and study for the GED.

The Chairman questioned the changes made in 2011-12. How are other WIBS across the state handling this and are they successful or not successful?

Rafael said that most regions have served in school youth. The only areas equivalent to us are Holyoke and Springfield because of the sheer number of new immigrants and refugees they have and their similar High School drop-out rates. They also recently went into receivership.

There are systemic issues that go way beyond our system. Rafael stated that our system used to be a relief valve for the school administrators who would persuade some youth to leave school and go to the career center and enroll in our programs. That dynamic has changed and youth are now being helped in Lawrence Public Schools at places like the Phoenix Academy and International Adult Center High School. The school system is attempting to bring back kids that dropped-out and Rafael think that's super.

The Chairman asked if we are the only WIB that does not train kids without a high school diploma. Chili stated that [in](#) 2006 and 2007 – 2011 we ran 25 out-of-school programs and [they](#) would have included both high school graduates and high school dropouts. Rafael confirmed that we are the only WIB that requires kids to have either a high school diploma or GED for training but we that [we](#) were also the only region to have a school system in State receivership.

Able asked if we know the difference in job placements under the old and new policy. We may be right in serving only youth with a high school diploma or GED because inner-city kids graduate from high school without having all the [skills](#) right skills. Many receive twelve years of substandard education and it is not enough to simply say you graduated. You could say the same thing about Chelsea or other Gateway cities where youth also have English language skill issues. Even if they graduate they still have to fill huge gaps of marketable skills to get employment. So it is right to focus on low income youth who are more likely to succeed with our help.

Chili stated that we need to meet the criteria set by WIOA. The Chairman added that the career center serves a lot of different communities in our region. There may be drop outs in Newburyport looking for an ITA and that youth wouldn't qualify. The Chairman said it's a Valley issue and not just a Lawrence one.

Amy said that another challenge is our limited pool of training providers. For example, we've lost all of our training providers in Haverhill. Now it's a balancing act between how much to dedicate to ITAs and how much we want to offer group training programs that are unique and different so we won't be jamming everybody into ITAs.

Chili said that, unfortunately when we talk about youth ITA's we're mostly talking about health field training. The majority of youth ITAs go to Lawrence residents. There are probably only one or two that are not Lawrence residents. Amy said that we don't have programming that's of interest to young men. Advanced manufacturing is an exception; it is of interest to young men.

There was a discussion on whether we should create some kind of internship to keep kids in school and if we can stop kids from dropping out of schools. If we can't help kids stay in school maybe we should train drop-outs

Rafael said that we are dealing with societal issues beyond our ability to correct. We can, however, avoid adding to them locally and we can help better achieving economically disadvantaged youth who may not want to go to be in college full-time prepare and take advantage of job opportunities. We should also consider the cost of having no entry requirements and of training underprepared kids for jobs. We can look at programs that have no entry requirement and are funded by Pell grants at, for example, community colleges. Community colleges accept anyone including dropouts. They put high school drop outs into academic remediation programs paid for by our tax dollars. What is their success rate? Well after 6 year fewer than 13% of enrollees attain a two year degree and, so far as we know, no job placement information is required or obtained.

The Chairman said that's a different issue. Some of the kids who drop out of high school go to Community College and succeed. Rafael said that we need to consider the cost of any option and whether the option is sustainable. We are creating expectations and ways of behaving that we as a country cannot afford in the long term. Once the Planning Committee approves the Youth RFP and it is issued and responses received, we'll have a better idea how to move forward.

The Chairman said that there are two things on the table. One is moving forward with the youth RFP, of which he is in favor. The other is a discussion on whether or not we want to revert back to the old policy of training high school drop outs with no GED. We are going to have a follow-up executive committee meeting. Is our current policy something that we want to continue or should we revert back to how it was?-

Rafael stated that our DCS Board member is wrong in saying that any minimum standard is illegal. The standards are either set in writing by WIBs or implemented in a less clear and more arbitrary ways by career center staff. Employability is an unavoidable standard in workforce development.

The Chairman asked whether training programs set training standards. Rafael answered yes but continued by saying that many do a good job but other trainers are only guided by their bottom line. They will go as low as they can in setting standards in order to receive ITA funding.

Rafael continued saying that, Undersecretary Ron Marlow, who spoke to us at the last quarterly meeting, stated that career centers do a pretty good job. They help 50% of their customers get jobs. Rafael wondered why only 50% when we are closer to 72% or 74%. Well about 9 months into employment, only about 50% of career center customers are still in their jobs. 50% of the 75% we help find work lose their jobs. One of the reasons why we have so many people in CNA training is because jobs there have a high churn.

The kids that are dropping out are often intelligent. Rafael rejects the idea that inner city kids are less intelligent than other groups. If the state continue with the notion that we have to train only the hardest to serve, we will be denying services to all sorts of poor people that are striving to move up. The poor people more likely to keep jobs are going to be denied services.

The Chairman said that we shouldn't think of this as a black or white issues. We are all educated people sitting around the table and we all know that education is the way to success. However, it is it our place to elevate that issue? We should look at other WIBs around the state to see if their procedures and outcomes. Our goal is to help make people successful. And if we are not trying correctly then there are other paths that we might explore. Rosalyn asked whether we should look for leadership on the youth issue in other WIBs.

Rafael stated that we may be doing it wrong and we may be heading in the wrong direction. The fact is that we are the only region in the state that created standards. We are also the only region in the state that took issue with 20 to 40 years of inner city youths' under performance. We are the only region that argued to expand summer job opportunities for all poor kids and not just the ones who were court involved or with criminal records, or who were drop-outs. We may be doing it wrong but we're trying to do something to change a system that has not worked for inner-city youth. These are very complicated issues and we may be doing it wrong but the old way did not work and it would be a mistake to return to it.

Bob Wescott stated that he wanted to say two things. Writing a law is simple. Congress or whoever can write a law that has a great title and have a photo op and sing its praises and so forth saying look at this wonderful thing we are doing. But we can't be youths' parents. There are not enough hours in the day. We can't afford enough councilors or enough desks to sit at and support these kids. The reason kids are dropping out is because there is no one telling them that they should stay in school.

We have \$6,000 maximum to spend on each kid while the school system has about a quarter of a million to spend and yet kids are dropping out. How are we going to help the hardest to serve? They often have no concept of a father that gets up every morning to go to work and comes home to feed the family. They just don't have the necessary examples and we just hand hold in most cases.

You can spend every penny every year and have nothing to show for it at the end. Yea maybe we are making the kids feel good for a while and maybe we are feeling good for a while but when we're done, have we changed the course of their lives? Probably not. We must instead

somehow put our dollars onto poor youth who can give the highest return possible – on those where you can really change somebody’s life. Its horrendously complicated but we can’t change the mind set of all kids. We cannot save everyone and no public support system will save most of the kids who are dropping out.

Able stated there are a lot of support systems and added that even kids who have parents that wake up in the morning and go to work, and who graduate from high school, still struggle with basic skills. He has cousins fitting that description and they have been unable to move forward. They are not the population that’s hardest to serve and they are still having problems finding and keeping jobs.

Rafael said that we ~~to~~ should try to serve the aspirations of workers. Aspirational inner city people who have lots of problems but who work and pay taxes are being sacrificed in an attempt to help the hardest to serve. That is much of what’s been happening for decades.

Bob said that government is trying to get rid of sheltered works shops because they have to mainstream everybody. Big companies can afford jobs that are charitable. But small companies, where most of the jobs are, don’t have the money to make a lot of modifications that cost money butand don’t increase their competitiveness. But there is tremendous passion on the side of mainstreaming and political correctness. ~~Rafael wondered whether it was coincidental that ADA came in at the same time that trade agreements shipped millions of jobs overseas. Maybe one was a fig leaf for the other.~~

The Chairman asked how much was left in the ITA Budget for youth and Chili answered \$176,000. We must spend 75% of training money on out of school youth and 25% on in school. Whatever we carried over from last year for in-school youth was part of it. It would be difficult to run an in-school to program with the amount of funds we have. Rafael said that we might be able tie some it into summer youth.

The Chairman wondered if career youth councilors would reach more than 6 to 8 people a month if our requirement were less strict. Rafael said that the proposed group program would at least partially address that issue. The Chairman asked whether the OSY RFP’s proposal’s requirement that kids perform at some academic level would be considered illegal by the DCS board member.

Amy and Chili recommended that we depend on training vendors entrance requirements but only on the ones serving not lower than the 5.9 grade level. Chili also suggested lowering the amount of money to be RFPd.

The Chairman wondered whether eliminating the 5.9 testing level is the only way to meet the DCS person legality standard. Chili said that, rather than setting a minimum standard, received proposals s could be used to indicate what’s reasonable or unreasonable.



Rafael said that he totally disagrees with making vendors the arbiters of what's reasonable or not. Employers not vendors form 51 percent of WIBs. WIBs should be able to say up front, in the RFP, what's reasonable or unreasonable. Why has the career center said for years that we wouldn't accept ESOL instruction as part of a skills program? Why was that hard to serve population excluded? How can we say that ESOL is excluded but we can't say you have to have x number grade level? The ESOL exclusion was reasonably instituted because we can't solve every problem with our limited resources.

Chili stated that our ITA policy states that we don't do stand alone ESOL. Rafael asked why we say that, on what basis did we say it – low English fluency is a barrier. Chili answered that we ran ESL programs and they failed. Rafael said that is exactly what he thinks about bringing in kids for training that can't achieve a 5.9 [grade level](#). Chili said that if a vendor comes in and says the programs are to be 5.9 there is a lot of historical data in Moses to see whether that program works or doesn't work.

Rafael said the issue is on what legal basis we can say we won't have a skills ESL Program when it is a barrier and there's a lot of need out there; especially when we have a lots of youth that can't speak English well. What makes us able to say that and not say you have to have a minimum of 5.9 academic skills? Why aren't they both legal or illegal?

Amy asked if Rafael wanted ESOL and occupational skills training? Rafael answered that he is using the point to show that this whole idea that we can't set standards is ridiculous. If you search the role of a regional WIB or a Workforce Development Board in WIOA, it explicitly states that the WIB can set regional guidelines and recommend how funds will be used. To say that vendors and not WIBs decides is nuts. For the state to say that there cannot be any regional standard and that we can only train the hardest to serve is even greater insanity.

Chili stated that if we put out an RFP and you say you want certain occupations and tell the vendors to submit a proposal. They will submit [the proposals](#) [with in](#) academic criteria that allows enrollees to complete the course. Rafael said that what constitutes reasonableness should not be mysterious. We decide what is reasonable we set proposal standards up front, not behind closed doors in private conversations with vendors.

Chili said that expectations are set when we set outcome requirements. Rafael stated that it's unfair and unreasonable to leave those types of decisions to vendors or career center case managers that are torn in two different directions. Case managers hear that they have to serve the hardest to serve and they [they're](#) also hear that they have to be responsive to employers. Those contradictory missions create a tremendously inefficient system where we see very few people because we have to be playing the game of who is hardest to serve but not impossible to serve. Rafael stated that there have to be guidelines and the guidelines have to address the regional situation. This region is affected by a large number of newcomers, by the fact that we have one larger and one smaller immigrant city. We have to address that situation. If we strictly served the hardest to serve we'd be training the most recent arrivals

and no one from the second or third generation of immigrants. What are regional WIBs for if not to discuss and decide on those issues?

Bob said that whatever we do in response to the DCS member's complaint, we will invite more scrutiny. It's fine to put out this RFP with its standard and ~~if~~ he'll make a motion to do so. We'll see what happens in the vendor community and if anyone responds. But whatever we do is going to bring more scrutiny on what we are doing.

Rafael said that he can't escalate this by himself and that he is the CEO's and WIB's hired employee. if the WIB or CEO don't support what he's doing then he'll stop. But he thinks we should continue. Only one person has stated that we are doing something illegal by setting any sort of standards and that complaint has not been put in writing. He would take it up to the next step, which is probably the DCS manager's boss and then after that it would probably go the Feds but he didn't know.

The Chairman said that we'll discuss it more and that there was a prior example of going all the way to the Feds, when we wanted to refer newly unemployed people to Northern Essex Community College. We may want to pursue performance driving who is selected for training versus trainee standards to avoid legal issues. Rafael said that laws are subject to interpretation. That is why we have the Supreme Court. Different perspectives create different legal foundations.

The Chairman asked whether we now debating whether to remove the 5.9 grade requirement. Is that the suggestion on the table?

Amy answered that vendors ~~that~~ adjust their grade levels depending on what jobs proposals focus on. Occupations help set expected wage outcomes after training. She also questioned why the draft RFP limited participation to five cities in the region. Rafael answered that he focused on the cities because that's where the drop outs are and that many of the kids to be served don't have cars.

The Chairman asked if we should vote on the concept and move forward with the RFP and request that Rafael and Chili and Amy tweak the final touches before putting something out.

Rafael said that there's more than tweaking involved because it's a draft. The Chairman asked how much we are looking to spend on average per participant. The last thing we want to do and the last thing the committee wants to do is to just say, hey we have \$180,000 let's spend it.

Rafael said we can lower the number to be spent and that he was fine with lowering it to \$120,000 or something a little higher. The Chairman said that we should change it to around \$120K. That way we can do two programs.

**Bob Wescott made a motion to go forward with an out of school proposal for two programs and Abel seconded it. Unanimously approved.**

Rosalyn Acosta asked whether Amesbury is considered a city in the draft RFP. Rafael answered yes. The Chairman asked when the RFP will go out? Rafael said that he may need to bring the executive committee back in if he receives a written communication from DCS that if we mention any standards we are breaking the law. The Chairman asked whether Rafael was going to reach out to someone to see if our interpretation of the law is correct or if the DCS employee's is. Rafael said that he will send a version of a memo he wrote unless the Planning Committee objects. The Chairman said that we need to send it up. We should pro-actively pursue this to avoid future problems.

The Chairman asked Rafael when there would be a final draft of the RFP. We are practically in March and he wondered how much time vendors need to respond to it. Is three weeks realistic to have something by mid-April? The Chairman also asked if classes can start in April or May. Rafael stated that they needn't start this Fiscal Year so long as we obligate the funds.

Rafael said that Chili and his staff have done a good job in every category. Youth staff performance is problematic but it hasn't yet created a dynamic where we underperform. We have been one of the top youth program performers in the state. Another well known youth program, the one in Boston, has enviable private sector participation but we have normally had better WIA numbers.

#### IV. Site RFP

Abel said that a site RFP update will take us 30 seconds. Everyone should know that site visits were done a few week ago and the last committee meeting occurs later today at 12

#### **VII. Adjourn**

**Having no further business Andrew Herlihy made a motion to adjourn the meeting. Abel Vargas seconded the motion and the meeting was adjourned.**

Respectfully submitted,

*Franklin Fernandez*

*Recorder*