



PLANNING COMMITTEE MEETING

Tuesday, May 19, 2015

8:00 a.m.

Merrimack Valley Workforce Investment Board
Lawrence, MA 01843

Members Present: Juan Yepez, Chairman
Rosalin Acosta, Ron Contrado, Dennis DiZoglio,
Andrew Herlihy, Abel Vargas

Members Absent: Mike Munday

Staff Present: Rafael Abislaiman, Susan Almono, Mary Kivell

Others: Arthur Chilingirian

I. Approval of Minutes of April 21, 2015

A quorum being present, Juan Yepez called the meeting to order at 8:05 a.m. Chairman Yepez then called for a motion on the minutes of the April 21, 2015 meeting.

Motion by Dennis DiZoglio, seconded by Rosalin Acosta, to approve the minutes of the April 21, 2015 Planning Committee meeting as submitted. Motion passed.

II. Federal Regulations -WIOA

Executive Director Rafael Abislaiman said that under the new WIOA the Youth Council has been eliminated and the WIB is to have a committee of board members for youth related issues. Current non-board Youth Council members could continue to participate in an advisory capacity. In the past under WIA, the MVWIB Youth Council was charged with making funding recommendations to the full board who could either accept or reject them but the board could not initiate funding.

Rafael said that he is recommending the Youth Council be renamed the Merrimack Valley WIB Youth Committee so that everyone knows there's been a change in guidelines. Rafael said that WIOA has no statutory regulation to have a Youth Council. Dennis DiZoglio said that the name change makes sense in order to avoid confusion. Rafael also said that Cal Williams,

Youth Council Chair, would like to continue monthly meetings but Rafael feels that bi-monthly or quarterly meetings would be sufficient. That will be discussed in committee.

Motion by Dennis DiZoglio, seconded by Rosalin Acosta, that as of July 1, 2015 the Merrimack Valley WIB Youth Council will henceforth be named the Merrimack Valley WIB Youth Committee consisting of a chair, board, and advisory members. Motion passed.

III. Performance Summary as of 4/30/15

Rafael referred to the 4/30/15 Performance Summary sheet and said that we are making progress although the Youth numbers stayed the same as last month because we weren't sure of the April numbers. He said that the posted numbers are an historical snapshot because state numbers are nine months old. The Commonwealth doesn't do wage matching which gives real time figures. He explained that due to a confidentially issue that occurred several years ago, the state stopped wage matching. But our youth numbers capture some real time information.

Juan Yopez said it looks like we are doing really well. Rafael said that most training outcomes which are good and that we have put more people in training at this time than at the same time in previous years. FY 15 outcomes numbers won't be complete until the next quarter but it will then take additional time to get the official numbers.

Rosalin mentioned that the wage numbers are higher. Chili said that we are seeing some wage increases. Rafael stated that we have improved performance numbers but that we serve mostly women in the Adult category and most train to be nursing assistants because there are jobs in the field and it has good entry-level wages; but it also has a lot of churn. He said that we have to find Adult training suitable for men. He opined that minority community are in trouble. There are also more women graduating from college today.

Chili said that the youth age is being raised to 24 and in the past ValleyWorks had seen 2,000 – 2,500 youth now he said they only see 800. He explained how we recently held resume workshops at Lawrence High School and only 50 youth participated. He said that there are 3,200 students at the high school and Chili said that seniors seem to just apply for college. He also said that ValleyWorks wants all youth who are applying for summer jobs to have a resume for employers. He said that his original goal was for 100 resumes per night for a total of 400.

Rafael mentioned that high school students don't have much to report on a resume if they haven't held a job. He said that the MVWIB website has a report by Paul Harrington which stated that as of 2012 80% of students who graduated from high school went to college but, historically, after six years only a third graduate with either an Associates or Bachelors Degree. He said that only 10% of parents want their child to pursue a trade or other means of work not requiring college and added that our workforce development allocation is a small fraction of Pell scholarships. Alex Vargas noted that 80% of folks feel that the expectation is that

manufacturing jobs are coming back but 20% don't want their kids to pursue manufacturing. Dennis DiZoglio said that Barry Blackstone from Northeastern University said that the perception of manufacturing in Massachusetts needs to change. Alex Vargas mentioned a recent panel on which he participated that pushed for high school students to apply for college. He said that he had mentioned that everyone may not be suited for college and should instead look at other professions that don't require a degree.

Susan Almono said that we need to be selling different dream for some students and cited the example of a man she met on a recent flight who works for a company that sets foundations for transmission towers. His job pays well and don't require a college degree. We need to let youth see a future in other kinds of work. Rafael mentioned the fact that college is free in Germany but only 20% of students get to go. They are tested in junior high for college, some who don't qualify for college enter apprenticeship training, but about half don't qualify for either.

IV. Budget Update

Rafael explained that there are a lot of fiscal changes under WIOA and staff are trying to understand them. So we don't now have exact and up to date budget info as of 4/30/15. He instead distributed copies of the state FY 2016 allocations per region. Our WIB ranks as the eighth largest allocation in Massachusetts for FY'2016 but we are in the eleventh place in the amount of the increase we're receiving. This is because they only count people on unemployment. UI ends at the 36th week. Many can be unemployed but are not counted because they've timed-out. Rafael said that we probably have much higher unemployment due to language barriers and immigration. If we continue receiving small increases, we will fall from 8th to 9th place. Rafael also mentioned that the grey economy is growing. There are probably increasing numbers of people working under the table to survive.

Dennis DiZoglio said that with a 10% increase we be able to increase services and asked how that will impact us. Rafael agreed and said that we probably will serve slightly more youth but noted that the youth minimum wage was raised from \$8.50 to \$9.00 per hour it will impact how many youth we can serve. Dennis asked if when we develop the budget the increase will show up. Rafael said yes. Some may cover COLA increase in the union wages. WIOA stresses work experience, apprenticeships and OJTs where we pay youth salaries as part of training so we may end up paying much more per youth. He said that WIOA also mandates services for people with disabilities and that may require significant dollars per person. He said that when unemployment is low we can allocate more training dollars for people with many barriers.

Chili said that the federal government is going back to funding the hard to serve. Those in rehabilitation and education could co-enroll with job training. The adults and dislocated workers have a 30% threshold for training but there is no threshold on youth. 20% should go toward work experience as part of training.

Juan Yopez noted that some regions are receiving 20% increases. Discussion on some areas have larger increases than others followed. Rafael said that, for example, the Berkshires Region have less than 3% of the state population but it includes Pittsfield which has been hit hard with the closing of GE.

V. Other Business

Dennis DiZoglio provided information on looking at identifying clusters and workforce development needs as part of an economic master plan for the region. He said that both Susan Almono and Andy Herlihy had served on a CEDS Committee to develop a Merrimack Valley Comprehensive Economic Development Strategy in collaboration with leaders from the private, public, and nonprofit sectors, the CEDS outlines controlled, smart growth strategies for the region. Dennis said that with large manufacturers broken up the small companies don't have the capacity for training so he said that he would like to talk about identifying small clusters and their workforce development needs.

He noticed that the info Rafael gave indicates that NAMC consists of metal/material fabricating companies. In addition to the metal fabricators, the CEDS Committee identified food manufacturing, electronics, and life sciences clusters in our region. Now we need to determine how to focus on these clusters. He said that he has a new staff person coming on board and if the WIB is interested we could make overtures to employers to open the lines of communication and strengthen relationships. He suggested we put it on the table and see what the board thinks.

Rafael said that we should strategize how the board should take this on. We have representatives from various sectors on the board and we could start with them to put together sector strategies. Dennis said that we should focus on one sector, maybe the food manufacturing and discuss it at the board level to see what people think. Rafael agreed and said that sector strategy events are usually created when there are federal and state grants available to execute them.

Susan Almono said that a couple of years ago we did a training for food companies but they had low entry level wages. She wondered if maybe we should revisit that. Susan also said she is not sure how life sciences are defined and wondered if it includes health care. We are now working on a partnership with two nursing homes on health service training for current staff. The majority of our trainees are in home health care.

Rafael agreed that we need to focus on a long term plan regardless of funding. We had every sector except food service in our strategic plan. Health care is where we currently do most entry level training NAMC also has an electronics component. We want to tie training to a guaranteed prospect of employment and those are often tied to government allocations. For example, health care funding is largely government driven and much of area contracting depends on defense contract. He said that the purpose of the Affordable Care Act is to control costs cost which probably means controlling either innovation or salaries. We have tried to tie sector strategy to guaranteed employment for trainees.

Dennis mentioned discussion at a Mayors and Managers meeting that discussed tying local employment to tax break (TIF) offerings for training. This is something that is not allowed now but may be in the future. We should not constrain discussion with businesses about sector strategies or necessarily tie them to funding. We could instead work with sectors in our region's communities.

Juan Yopez said that we have board members from different industries who could explore the possibility of a good sector initiative and clusters. Andy Herlihy said that it should be well constructed and relevant for employers to come together. They do not want to discuss without clear outcomes. Susan mentioned that some sectors are clear but IT for example crosses sectors. She also mentioned storm water management and said that we need to talk about where the jobs are and how to pursue them. Lets look at health care, manufacturing and IT and other areas and see how people get their jobs in those sectors.

Juan said that given the large dollars to health care and entry-level churn, he wondered if we follow up after six months to see if people are still employed. Chile said that we do. Rafael stated that trainees usually stay a couple of years but that there is a lot of churn. We are trying to lower the churn by developing career paths for incumbent workers, CNAs at nursing homes for example. Most of the CNAs are Haitians, African and Hispanic and need to improve their English. Juan said that he is not opposed to health care training but wonder about other options such as lab tech, pharmacy tech and medical billers.

Chili said that we offer CNA, Medical Assistant and Pharmacy Technician training. He also said that training and job placement is based on supply and demand and what jobs the client wants and are able to do. Chili said that we can't muster employers and then not place anyone in their sectors. Susan said we need to see if we need to put people into training in order to get jobs. Statewide Chili said that only 10% of businesses go to the career centers.

Rafael said that our youth focus is to provide clear 'soft skills' for employment. The adult category customers have remediation problems and dislocated workers are driven by prior job experience. Targeting sector strategies makes sense but, for example, our 2007 strategic plan was based on increasing sector employment and one year later, people were being laid off. Much of employment is now driven by the government. Often people who administer training programs benefit the most.

Dennis said that we should think about strategic planning and how to facilitate sector strategies and outcomes. Rafael agreed and suggested that we start with Brian Norris who can present on area manufacturing and NAMC. We currently have about \$1m for manufacturing divided between 4 WIBs, 3 community colleges and 8 vocational schools. 80 people will be trained and so far about 72 companies are involved.

There was discussion on green jobs, recycling and now farming and Susan said that we have to address what employers are calling for and have some progressive thinking with Dennis.

She said that we need to pursue where there is an employer who is going to hire, especially companies with entry level jobs. We have done some solar work and environmental remediation but wondered how we can break into infrastructure funding. Rafael said that many infrastructure jobs are union and we need more ways to work with them. Dennis said that we can raise the issue with the board.

Juan agreed we should be planning and looking to where the jobs will be in the future. Susan and Juan mentioned the LCW residential project and trying to tap into it. Ron Contrado said that industrial farming in Essex County is a major business and wondered what the fastest growing industry sector is. Rafael said that the largest employer is retail but they have a lot of minimum wage jobs. The next is health care. Dennis mentioned the possibility that assisted living facilities may require certifications which would require trained personnel. Rafael agreed and added that, to save money, there are growing expectations for health care 'global' or 'universal employee' who can do a lot of things, even at the entry level.

VI. Adjourn

Having no further business Andrew Herlihy made a motion to adjourn the meeting. Dennis DiZoglio seconded the motion and the meeting was adjourned.

Respectfully submitted,

Mary Kivell,

Recorder