



Salvatore's Conference Center
354 Merrimack Center
Lawrence, MA

QUARTERLY MEETING

Minutes
Tuesday, October 28, 2014
7:30 AM

MEMBERS PRESENT:

Rosalin Acosta, Edward Bartkiewicz, Christine Bradshaw, Francisco Brea, Melissa Cerasuolo, Ron Contrado, Dennis DiZoglio, Rachel Concepcion, Brian DePena, Atty. Wendy Estrella, Michael Fiato, Evelyn Friedman, Dr. Lane Glenn, Andrew Herlihy, Robert Ingala, Susan Jepson, Steve Kfoury, Jeff Linehan, Joselyn Marte, Peter Matthews, Michael Munday, George Noel, Ann Ormond, Marianne Paley-Nadel, Cindy Phelan, Carol Riemer, Donna Rivera, Fred Shaheen, David Tibbetts, Abel Vargas, Robert Westcott, Cal Williams, Anita Worden, Juan Yepez

MEMBERS ABSENT:

Joseph Bevilacqua, Cesar Camargo, Supt. William DeRosa, Joe Gangi, Jr., Gary Hale, Supt. John Lavoie, Rosa Lopez, Steve Salvo, John Sarro, Jeff Sheehy, Michael Strem, Stanley Usovicz

GUESTS PRESENT:

Mayor Daniel Rivera, Don Gillis, Dawn Beati, Arthur Chilingirian, Kelley D'Arcangelo, Gary Fountain, Cindy Key, Lisa Remington

STAFF PRESENT:

Rafael Abislaiman, Cristy Gomez, Susan Almono, Mary Kivell, Corina Ruiz

1. Call to Order, Welcome & Introductions

A quorum being present, Peter Matthews, Vice Chair, called the meeting to order at 7:55 AM in the absence of Chairman Joe Bevilacqua who was attending a meeting with the Governor. Peter then welcomed the newly appointed board members and read their names. They are Rosalin Acosta, Cesar Camargo, Rachel Concepcion, Dennis DiZoglio, Michael Fiato, Andrew Herlihy, Rosa Lopez, Joselyn Marte, Marianne Paley-Nadel, Carol Riemer, Fred Shaheen, David Tibbetts, and Anita Worden.

Peter then called on Rafael Abislaiman to read a letter from Chairman Bevilacqua. The letter states that he regrets he is unable to attend today's MVWIB meeting as he is attending a meeting with the Governor. However, he wanted to write a brief note to thank the Board for allowing him to serve as Chairman over the past years. Chairman Bevilacqua's note reads as follows.

"I had the good fortune of serving as Chairman first from 2001-2004 and again was elected and served as Chairman from 2008-2014. My local WIB participation was in addition to my appointment as Co-Chairman of the Mass Workforce Investment Board first by then Governor Romney and later by Governor Patrick. In addition, I have had the honor of being elected and re-elected National Chairman of the National

Association of State Workforce Board Chairs. All of which has allowed me to experience and participate at the local, state and national levels of workforce development. During my years as Chairman of the MVWIB, I worked alongside a number of truly dedicated Board members and career center/WIB office staff who recognized the important work of the regional MVWIB. I am proud to say that over those years, literally tens of thousands of people in need and employers with jobs openings, were served. As important, together we elevated workforce development to become part of the Mayors and Town Managers economic development strategy in their respective cities and towns within the Valley. Today, I have the utmost confidence that the MVWIB will continue to assist people in their quest to succeed."

2. Approval of the June 25, 2014 Minutes

Peter Matthews then called for a motion on the minutes of the June 25, 2014 board meeting.

Motion by Ann Ormond to approve the minutes of the June 25, 2014 meeting as submitted. Bob Westcott seconded the motion and motion passed unanimously.

3. WIOA Presentation

Peter Matthews then introduced Don Gillis, Executive Director, Massachusetts WIB Association.

Mr. Gillis said that he applauds the leadership of Mayor Rivera who participated at the recent Mass WIB Annual Meeting and WIB Executive Director Rafael Abislaiman. He said that he represents the Mass WIB Association comprised of hundreds of folks around the state including association chairs and directors. He also said that he has worked with Joe Bevilacqua in the past, and with partners from the AFL-CIO and representatives of one stops to inform folks in Washington or at the state about why the workforce development system needs resources. Don said there is a lot to learn about in WIOA.

He began his presentation stating that WIOA (Workforce Innovation and Opportunity Act) will replace the Workforce Investment Act (WIA) that was adopted in 1998 with a five year provision. It expired in 2003 but was continued year-to-year. The act was replaced by WIOA on July 22, 2014 as a result of bipartisan negotiations with the Senate/House/White House. Some provisions go into effect this year but the major provisions go into effect on July 1, 2016.

The key issues addressed in WIOA are the designation of regions and local areas; the function of the Workforce Board and the regional planning requirement; required local employment and training activities; the one-stop designation, certification, competitive selection process and oversight; youth services and performance indicators.

The Governor must identify regions in consultation with local boards and chief elected officials. The Governor will also consult with the state board. The Governor must consider if workforce development areas are consistent with labor market and regional economic areas and whether they have the necessary resources to administer employment and training activities. Local boards and chief elected officials in each planning region must also engage in a regional planning process that will result in a regional plan.

Don provided several graphics/maps in his power point which included a map of the current 16 Workforce Investment Areas, map of 8 regions for the Labor Market Study with the Federal Reserve (2012), WCTF Regions, MOBD Regions (2012), NECTA's with WIA regions overlay, map of Community Colleges and WIBS, STEM Pipeline map, Public Higher Education, and job vacancy areas.

Mr. Gillis said that there is a clear consensus that the Association should adopt a policy that workforce services led by workforce development boards (new name WIOA) in partnership with the chief elected

officials should be configured in a way that is closest to the customers – employers and job seekers. Don said that the Association believes there should be 16 local areas; and that we should continue the practice of regional planning in the most effective manner. The number and configuration of “regions” should take into account existing partnerships; labor markets; and industry needs.

Duties of the board include workforce research and regional labor market analysis, employer engagement, career pathways development and establishment of sector partnerships, selection of one-stop operators through a competitive process and oversight of the one-stop delivery system in the local area. Eligible career center operators shall be an entity (public, private, or non-profit), or consortium of entities that at a minimum include three (3) or more of the one-stop partners such as an institution of higher learning, employment service State agency established under the Wagner-Peyser Act, a community based organization, nonprofit organization or intermediary; a private for profit; a government or other interested organization or entity, which may include the local chamber of commerce or other business organization, or a labor organization. Elementary or secondary schools cannot run career centers.

Mr. Gillis continued stating that youth service criteria have changed. Youth to be served will be between 16 and 24 years old and 75% of youth funding must be for out-of-school youth. Therefore, Mr. Gillis said that we need to prioritize efforts to increase state funding for in-school youth through such things as School to Career, Pathways and Connecting Activities. Mr. Gillis said that the MV WIA Unemployment is 7.3% compared to an overall MA employment rate of 6%. 12,300 people were unemployed in September 2014 with 3,912 people unemployed in Lawrence which has a 12.3% unemployment rate at last count.

Don then referenced best practices and a Cleveland, Ohio One-Stop as an example of a shift to an employer-driven model. It doubled their employment placement rate. The demand (or job) drive model prioritizes relationships with local employers. It meets their needs for skilled workers and shifts away from the social service approach that focuses on providing assessment, workshops, training assistance and case management. Career center staff skills include sales and recruitment. They don't wait for employers to call but visit employers in search of job openings and generate leads for well-qualified candidates within 72 hours. He also mentioned a Vermont HITEC Model on building apprenticeships. Don concluded his remarks by stating that this is an opportunity to transform how we provide services.

4. Reports of Committee Chairs

Peter began his remarks thanking Don Gillis for a great presentation and said that we will all benefit from your WIOA insights. Peter Matthews said that as chair of the Planning Committee we have to achieve what Cleveland has done.

The MVWIB Planning Committee has also been discussing aspects of the new Act for the last couple of months. Our focus has been on how to deal with seemingly contradictory WIOA components. Like WIA, WIOA is intended to provide intensive workforce development services. But it has two main service goals that look to be at odds with each other. One goal is to help employers make their businesses globally competitive by helping to prepare first-rate workers. The other goal is to help the hardest-to-serve people get jobs.

Hard to serve people are defined in different ways. Sometimes they're people who need academic remediation or English for Speakers of Other Languages, also called ESOL. At other times they are people who've committed a felony or misdemeanor, or have been in foster care. Under WIOA it will also increasingly mean customers who have physical or mental disabilities. So how are we going to create services that help develop globally competitive workers who strengthen area businesses while also focusing on people who have the hardest time succeeding in a job?

We might be able to do both if we had unlimited funds and could work with people intensively for many years. But although WIOA mandates that there be longer-term training for some people, there won't be enough money to address all the needs of those who are truly the hardest to serve.

Peter continued stating that years of Planning Committee discussion on this issue during WIA, and now more preparing for WIOA has led us to believe that the solution to this dilemma is to recognize that WIOA has two principle parts or Titles. Those two parts are called WIOA Title I and Title II. Title II is intended to help people who need academic remediation, special education or ESOL. Title I, the one we have influence over as a WIB here in Massachusetts. It deals directly with workforce development and on how we should be connecting employees with employers so there can be more good jobs in good companies that compete globally and grow.

In many other States, WIA and WIOA Title I and Title II activities are coordinated by a single State entity. But not in Massachusetts. Here Title II is run out of the Department of Elementary and Secondary Education's Adult and Community Learning Service also known as ACLS. ACLS receives the WIA Title II money used to fund public adult ESOL and ABE programs state wide. WIBs throughout Massachusetts have very little to do with Title II allocation decisions. Neither does the Executive Office of Labor and Workforce Development. Those decisions are instead made by ACLS under the supervision of the Commissioner of Education.

For years, most people in Massachusetts workforce development thought they had to provide Title II services with Title I funds. After the Great Recession, starting in 2010, the MVWIB Planning Committee and Board moved away from that thinking. We have instead tried to be more responsive to employer needs by raising the educational level of the folks who receive WIA Title I training and services. We have also thought it unfair to spend inordinate funds trying to persuade hard to serve people to work when there are many, many low income unemployed people in cities like Lawrence and Haverhill who are trying hard to get and keep jobs.

Peter referred a sheet in the meeting package that's titled "FY 2015 Labor Exchange and WIA Performance Summary." It breaks out how our FY 2015 WIA Title I training funds are used. Two parts of Title I funding, called the Adult and Youth categories, help people who may never have worked before or who are not recorded as having worked for at least two years. Youth category funding is used to serve and train economically disadvantaged youth, most of whom come from single parent households. In today's economy, most youth in this region don't work.

Under WIA, youth had to be 17 to 21 and could be both in and out of school. Under WIOA they will be 17 to 24 years old and 70% of them must be out of school. Youth who are out of school can include both high school drop outs and high school graduates.

In this region, the Board decided that all of our WIA Title I youth trainees must have either a high school diploma or a GED. We do not want youth to drop out of school because secondary schools have a lot more educational resources and funding than we do. So we mandate that young high school drop-outs get GEDs without using Title I funds. They must either get one on their own or, for example, use the ValleyWorks computer lab which has self-paced GED learning software available for independent study, or enroll in one of the DESE WIA Title II-funded GED training program where some may also learn English. There are about 6 publicly-funded ABE and ESOL centers in our region. They can also reenroll in HS.

In the past, high school dropouts came to ValleyWorks under the impression they could receive training and get a good job. Now, even with a diploma, good entry level jobs are hard for youth to find. Peter

also noted that a HS diploma doesn't mean remediation isn't necessary. Many of our job skills programs for people with high school diplomas or GEDs include academic remediation components to help them achieve 9th grade academic skills.

Adult category clients must have attained at least 6.9 grade level skills to qualify for Title I training. In most instances, if people have academic skills below that level, they will most often be employed at minimum wage jobs, or in jobs that require only very short term on-the-job training.

The third WIA/WIOA funding stream is for Dislocated Workers, defined as people who are collecting unemployment. These folks are generally better skilled. Peter said that all three categories together total about 350 people. This is the number planned to receive WIA funded training and services in our region this FY. Those 350 people represent about 3% of the people who will be seen at ValleyWorks. To better address this gap, we hope to expand our partnership with NECC. Mayor Rivera, President Glenn, the MA Division of Career Services, and the Regional US DOL Administrator will hopefully agree on a plan to facilitate unemployed people enrolling in non-WIA funded training soon after people go on unemployment. We may be able to significantly raise training numbers in the months and years ahead by coupling Federal Higher Education funds with WIOA.

- **Youth Council**

Youth Council Chair Cal Williams stated the previous quarter was very rewarding. The MWIB and ValleyWorks Career Center staff worked hard to ensure that area youth were summer job ready. We directly served 355 youth using public Commonwealth Corporation Summer YouthWorks, DYS Bridging the Opportunity Gap funding as well as private funding using Lawrence Mayor Rivera's new Youth Employment Private Sector Initiative. (Direct hire private sector partners raised this number to over 420.)

333 youth attended Signaling Success Career Readiness workshops. An additional 5 hours of Signaling Success Career Readiness workshops was attended by 163 youth who also completed a post-program survey and portfolio. Some of the workshop topics include workplace safety; dependability /professionalism; effective working relationships; mock interviews; and financial literacy - approximately 175 youth participants opened their first bank accounts. Youth got paid for working and were given stipends for attending workshops. All participants completed a Work Based Learning Plan - the tool used to set and measure the attainment of their work readiness goals. 89 area employers hosted at least one youth and also provided them with supervision and mentoring.

Mayor Rivera and his Chief of staff worked with us and two non-profits, the Lawrence Boys and Girls Club and Greater Lawrence Community Action Council to create a private sector youth employment program which will grow in the years ahead. The new Mayor's Initiative hopes that businesses will match privately funded jobs alongside publicly-funded ones. We made a good start on that plan and will work with our partners to ramp it up in the future.

As far as private sector donations, our Board and youth council member Mike Strem donated to cover three youth salaries and Board and Planning Committee member, Ron Contrado, covered the cost of one youth. Our host today, Sal Lupoli covered the salaries of four youth who worked here in this building. These summer programs provided a great opportunity for youth who would otherwise not have a summer job. They make a big difference in a young person's future because, as the board may remember from Dr. Paul Harrington's presentation to us last year, a youth with some work experience has a better job of graduating from both high school and college. Cal continued stating that a total of 20 summer employed youth subsequently obtained part or full time unsubsidized employment.

Our Signaling Success Career Readiness workshops broadly outlined what they need to do at work and they worked for employers for who liked their work performance and who had the business cash flow to hire them on their own. During the year ahead, the MVWIB will continue to form partnerships and reinforce relationships between the workforce development agencies, employers, school administrators and staff. These partnerships allow us to reach out to in-school and out-of-school youth and their parents. We hope to grow our college and career readiness resources, subsidized and unsubsidized employment opportunities that show the link between academic knowledge and the world of work. We are especially fortunate to have hard working partners at Lawrence and Haverhill High Schools.

Cal said that we will also continue to align our other youth programs: Connecting Activities, AMP It Up!, and STEM Careers in Clean Energy to achieve intensive programming and a seamless continuum of services that will keep youth engaged in education, career planning, employability through authentic work experiences, and in taking the educational steps needed to pursue a career and become good workers.

- ***Nominating Committee***

Nominating Committee Chair Ann Ormond presented the following slate of officers for election: Peter Matthews, Chair; Juan Yepez, Vice Chair; Bob Westcott, Treasurer; Ann Ormond Clerk.

**Motion by Evelyn Friedman, seconded by Cal Williams to approve the election of Peter Matthews, Chair; Juan Yepez, Vice Chair; Bob Westcott, Treasurer; Ann Ormond, Clerk.
Motion passed unanimously.**

CEO Mayor Daniel Rivera said that when he got elected he looked forward to being involved in a lot of things but what really excites him is helping the people of Lawrence get jobs. He said that he is thrilled that Peter Matthews, Juan Yepez, Bob Westcott and Ann Ormond are going to serve as officers to help those seeking jobs and prioritize what needs to be done. He also said that bringing new members on board like Mike Fiato, LHS Headmaster will have a huge impact in our community and change people's lives. He thanked everyone for attending and singled out Anita Worden who was selected by Boston Magazine as 1 of 100 women in business.

Rafael thanked the Mayor and the Nominating Committee and asked if there were any questions. Bob Westcott opined that some of what Don Gillis reported is statistical for the region as opposed to functional and asked if he could foresee that the size of the MVWIB area is going to change. Don Gillis said that he feels that there is a tendency to want to consolidate and the two candidates for Governor will approach it differently. He said that they should focus on industry sector and geography and consider local knowledge of employers and needs while WIBs continue to work together.

5. Report of Executive Director

Rafael said that there is good and bad in any course of action. Consolidation may be more cost-effective but it may result in fewer private sector voices guiding workforce development. Rafael said that the further away decisions are made, the fewer decisions are made locally. Private sector employers may want to speak with legislators and bureaucrats and remind them that 51% of WIBs are comprised of private sector employers.

Rafael said that the economy is changing and there are now fewer job opportunities than there were twenty years ago. Automation and robotics is a growing issue. He wondered how we can best serve those on unemployment and help them gain the skills needed to work in a changing economy. He asked

how long we can support that effort without partnering non-WIA funds to WIA soon after people become unemployed.

He said that, in some instances, folks on UI view it as a paid vacation and the longer they are on UI the greater the likelihood that they will work in the grey economy. He said that activity and enterprise in the grey economy has helped in Latin America but that the United States has thrived because it's had a strong tax base with a relatively small grey economy.

Rafael continued stating that if we don't get people working, help small businesses and grow the number of contractors who pay into UI, WIBs will be hurting. We currently get no credit for helping people who work as contractors and consultants unless they contribute to UI. When starting a business or working as a contractor, it is hard to make money and pay UI, insurance, and social security in the early years. Self-employment and small businesses constitute most job growth, but under the current system we get no credit unless a worker is paying UI one quarter and three quarters after employment.

Rafael said that we want to be a region that survives consolidation. We have mostly had outstanding performance numbers and are fortunate to have Arthur Chilingirian as Executive Director of ValleyWorks. Ralph commended Chili's hard work.

As with all things, there is always room for improvement but compared to most other regions we are doing ok. Mayor Rivera is driven to improve Lawrence and this region. He is concerned for low-income people like those in Lawrence and wonders why need to put up with bureaucratic things that make us less able to help people move ahead. We need to pay attention to our partners at the USDOL and DCS and what they say. We need their partnership and support but we should also look for better ways to improve things regionally. There is no unblemished approach to anything but we need to pick and choose approaches that are effective and sustainable in this area. We know there is a whole lot of need and we need to do better and develop procedures that work better for people in this region.

Bob Westcott mentioned that the state keeps adding to the burden of hiring an individual and is punitive to contractors. The state often makes it difficult to employ people. We need assistance from the state but not of a type that makes it onerous to hire a person under a contract.

George Noel thanked the Mayor for reappointing him to the board. He then said that he took exception with Rafael's report characterizing people on UI as on paid vacation and invited him to witness a plant closing where folks are devastated to be out of a job. He said that right now the highest amount an individual can collect is \$698 per week or 50% of earnings when employed and an additional \$25 per dependent. Those benefits quickly expire. As far as the prior discussion on contractor policies hurting business, George said that every employer at the meeting does the right thing by paying workers compensation and social security taxes. Our burden is to keep people from working in the grey economy and punish individuals who scheme to avoid paying taxes and benefits. George said that if you have employees then pay them as employees.

Rafael said that those are all excellent points and no course of action is without a down side. He said that when most people get pink slips they are devastated but some individuals on long-term UI use it as a paid vacation. We should find ways to encourage prompt retraining or job search while on UI. The problems we face as a board is to address the good and bad in any course of action and make it more good than bad.

6. Other Business

Francisco Brea said that he just witnessed two plant closings and said that people want to work. He mentioned that board member Brian DePena, a small business leader in Lawrence, wondered what this board can do for small business. Mr. DePena said that he has 12 employees and said that small businesses cannot get investment funds for expansion. There are no opportunities for financing for small, family businesses.

Dr. Lane Glenn, NECC President said that there may be a solution for Brian's dilemma. He spoke of a Lawrence Partnership which is a consortium of private and public employers in the city and banks who are looking to establish a venture fund to bridge the gap Brian talked about in the city of Lawrence. Rafael added that he would also contact Brian with the name of an organization that might help.

Chairman Peter Matthews then said that although he has been a member of the WIB since 2006, there are still things he doesn't know. He said that Don Gillis gave a great presentation and as we move forward he would like everyone to be involved. Over the years we have found that we have to focus on helping people who want to work and get a job.

7. Adjournment

Having no further business Jeff Linehan made a motion to adjourn and George Noel seconded the motion. Motion passed and meeting was adjourned.

Respectfully submitted,

Mary Kivell

Recorder