

**CENTRAL AREA MICHIGAN WORKS! CONSORTIUM
WORKFORCE INVESTMENT BOARD (WIB)
March 17, 2010
Maxfield's Restaurant * Wyman**

Members Present: Tom Batchelder, Carolyn Bennett, Doug Bush, Dennis Dunlap (nonvoting member), Tim Flynn, Steve Foster, Jeff Knox, Franz Mogdis, Carolyn Newell, Kelly Rule (alt. for Terri Romel), Erin Roberts, Don Schurr, Ralph Ward, George Yost, and the WIB (ES Rep.)

Members Absent: Robert Ferrentino, Dorothy Howard, Mary Peterson, Jeremy Sheets, Diane Smith, Bruce Traverse, David Walker, Robin Whitmore, and Steve Yager

Staff Present: Janet Bloomfield, Vice-President for Employment Training
Jan Lacy, Assistant to the President
John Van Nieuwenhuyzen, Administrator

Guests Present: Shirl Graham, MMI
Karen Perkins, ICISD
Kathy Jo VanderLaan, EightCAP, Inc./CAMWC

With a quorum present, the meeting was called to order at 5:34 pm by Tom Batchelder, Chairperson.

APPROVAL OF MEETING MINUTES

MOTION WAS MADE AND SUPPORTED TO APPROVE THE JANUARY 20, 2010, WIB MEETING MINUTES. Motion carried unanimously.

PUBLIC COMMENT

None

COMMITTEE REPORTS

• **Operations—TAA Case Management Funding Formula Recommendation**

Background:

Operations Committee members reviewed the Trade funding formula options at their meeting on February 17, 2010. This funding is to be used for case management staffing and the funds are being allocated from Wagner Peyser - ARRA. The staff presented funding formula options to the Committee and discussed the advantages/disadvantages of each.

Options:

- A. Total participants serviced in the previous program year. Uses staffing needs from a previous program year, does not adjust based on participants exited and no longer needing staff time, constant formula – adjusted annually.
- B. Active TAA caseload at the end of the program year. Recognizes staff needs at the beginning of a new program year but does not account for any significant caseloads throughout the year; based on a reasonable factor, funding formula constant for a full program year – adjusted on a program yearly basis.
- C. Active TAA caseload in the previous month. Adjusts to current staffing needs; funding formula constantly changing - based on allocations to CAMWC throughout the year.
- D. Use the current Wagner Peysner funding formula – proportionate share of total labor force (by county). Civilian labor force is not equivalent to possible Trade participants. Participants are not limited by county of residency.
- E. Use the current WIA Adult or Dislocated Worker funding formula – proportionate share of percent of region unemployed (by county). Unemployment is not equivalent to possible Trade participants. Participants are not limited to county of residency.
- F. Establish some other method.

Based on the information presented and the discussion, the Committee is recommending to the WIB that funding formula for case management services for Trade funded participants be based on active TAA caseload at the end of the program year (Option B).

Recommendation B - based on active TAA participants at end of PY		Ionia TAA	GIRESD TAA
	Active TAA as of 9/30/09	192	949
	Percentage	16.8%	83.2%
Allocation	RES - \$30,087	\$5,063	\$25,024

MOTION WAS MADE AND SUPPORTED TO APPROVE THE OPERATIONS COMMITTEE’S RECOMMENDATION OF OPTION B – ACTIVE TAA CASELOAD AT THE END OF THE PROGRAM YEAR. Motion carried unanimously.

During their meeting on the 17th, the Committee also discussed upcoming RFP rating and review and received expenditure/performance reports.

PLAN APPROVAL/MODIFICATIONS

- **PY 09 WIA Incentive Grant Plan**

Period: July 1, 2009 – June 30, 2010

Allocation (draft):

\$52,512 (PY 08 - \$68,722)

Purpose of Plan: The WIA requires the distribution of incentive grants to local areas based on exemplary program performance. Incentive grants are awarded to local areas as a positive reward for successful efforts to improve the provision of workforce investment activities. The following 17 indicators were developed to measure WIA performance:

Adult Program Activities:

1. Entered Employment Rate
2. Employment Retention Rate at Six Months
3. Average Earnings Change in Six Months
4. Employment and Credential Rate

Dislocated Worker Program Activities:

5. Entered Employment Rate
6. Employment Retention Rate at Six Months
7. Earnings Replacement Rate in Six Months
8. Employment and Credential Rate

Youth Program Activities:

Youth Ages 19 Through 21:

9. Entered Employment Rate
10. Employment Retention Rate at Six Months
11. Average Earnings Change in Six Months
12. Credential Rate

Youth Ages 14 Through 18:

13. Skill Attainment Rate
14. Diploma or Equivalent Rate
15. Retention Rate

Overall Program Activities:

16. Participant Customer Satisfaction
17. Employer Customer Satisfaction

Local Plan: Incentive funds will be utilized for programming with an emphasis in the following areas:

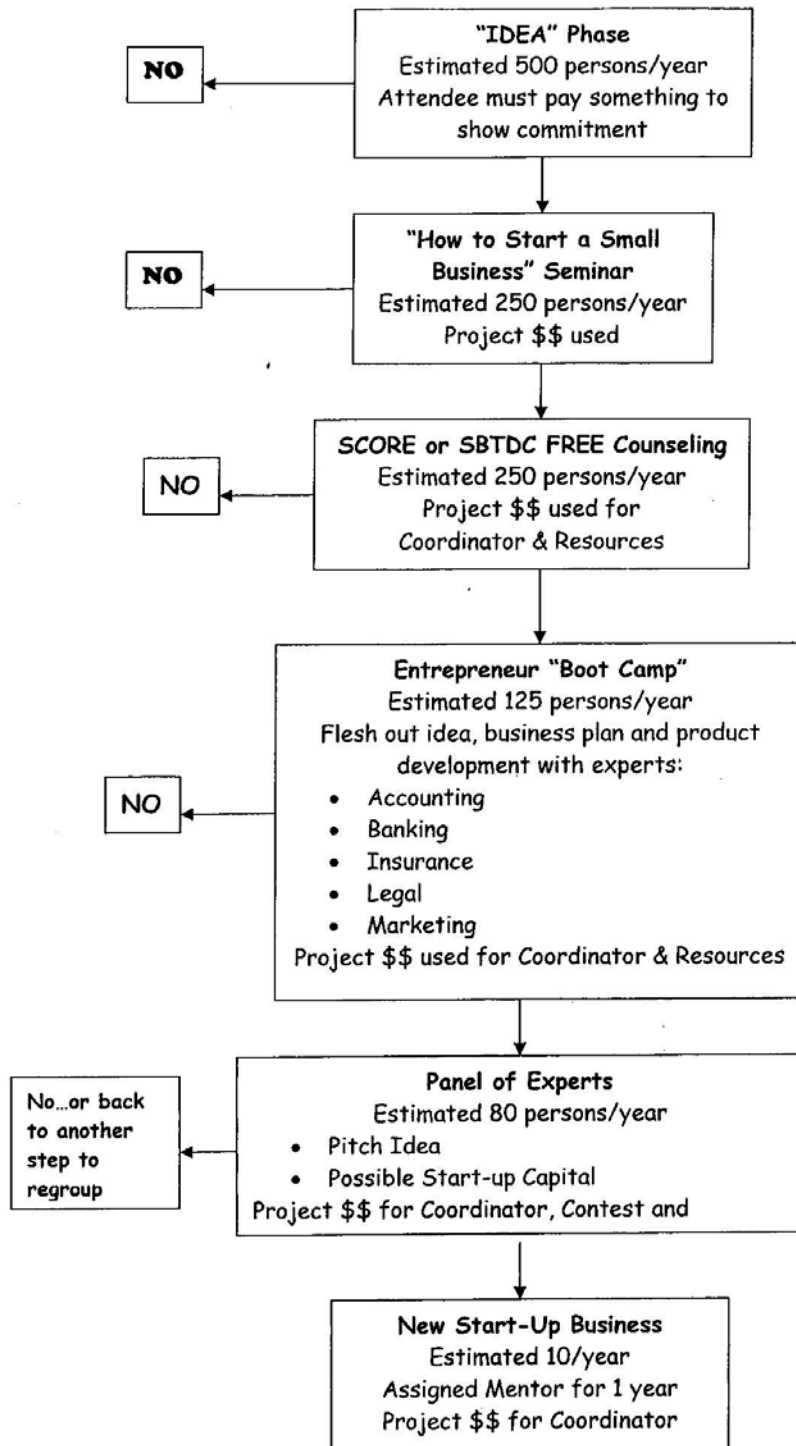
- WIA Adult services, with an emphasis on serving individuals who are seeking training services;
- Promotion of business start-up resources and services;
- Business services including an expansion of retention calls or a mechanism to track business calls across multiple agencies and across the region; or
- Support of the relocation of the Mount Pleasant Michigan Works! Service Center.

MOTION WAS MADE AND SUPPORTED TO ACCEPT THE PY 2009 WIA INCENTIVE GRANT PLAN AND FUNDING UTILIZATION AS PRESENTED. Motion carried unanimously.

ENTREPRENEURSHIP SUPPORT/DEVELOPMENT UPDATE

Kathy Jo VanderLaan, Manager of Business Solutions, was introduced. Ms. VanderLaan will be assisting with the Entrepreneurship Initiative. Board members received a handout on the Entrepreneur Initiative that summarized the chronological meeting dates and discussion highlights.

- **January 22, 2010** – Janet Bloomfield (CAMWC), Bob Ferrentino (MCC), Rob Spohr (MCC), Maria Suchowski (MCC), Kathy Jo VanderLaan (Greenville Area Chamber), Leslie Wood (MCC) – The group discussed how to encourage and support entrepreneurship in our four- county region. A model was developed.



- **February 5, 2010** – WIB Ad Hoc Meeting – Carolyn Bennett (MMDC), Bloomfield (CAMWC), Don Schurr (Greater Gratiot), Diane Smith (Ionia Co. Ec. Dev.), Spohr (MCC), Kathy Jo VanderLaan (CAMWC), Ralph Ward (WIB) – Attendees reviewed the model for entrepreneur development and shared what is currently taking place in each county with regards to entrepreneur development. Attendees were comfortable with the services currently being

provided, but agreed that perhaps the services may not be as highly marketed as they should. Carolyn Bennett and Don Schurr offered to convene a meeting with Tony Fox, Director of our MISBTDC Region. It was the staff's assessment that resources (SCORE, SBTDC, and LEDA) were not being utilized to their fullest potential. Too much time was being devoted to the start-up of the process, leaving insufficient resources to support individuals who were farther down the business development path.

- **February 12, 2010** – Bloomfield (CAMWC), Spohr (MCC), Suchowski (MCC), VanderLaan (CAMWC), and Wood (MCC) – The group discussed the reaction from economic developers and WIB members at the February 5th meeting and decided to wait to hear what developed on March 4th.
- **March 4, 2010** – Brian Anderson (MMDC), Bennett (MMDC), Bloomfield (CAMWC), Jan Folkens (MISBTDC), Tony Fox (MISBTDC), Schurr (Greater Gratiot), VanderLaan (CAMWC) – Discussion centered on the services currently offered through the SBTDC and the accessibility of this information to the general public. The concept of an “entrepreneur triage” for potential entrepreneurs to go through prior to meeting with an SBTDC or SCORE counselor raised interest. It was recommended that Tony develop training for Michigan Works! staff to help them assist a customer with preliminary assessment and research for business development before making a referral to SCORE, SBTDC, and LEDA.
- **March 16, 2010** – Marcia Black-Watson (State of MI DELEG), Bloomfield (CAMWC), Folkens (MISBTDC), Fox (MISBTDC), Schurr (Greater Gratiot), VanderLaan (CAMWC) – Bloomfield convened the meeting with Ms. Black-Watson to determine the viability of Entrepreneur Support and Development as a possible Regional Sector Alliance funding candidate. Ms. Black-Watson encouraged the continuation of discussions and development of a plan that:
 - 1) Might be innovative and transferable to other rural regions, and/or
 - 2) Regional in nature, and
 - 3) Identify capital

It was the staff's assessment that there is interest to continue exploring the feasibility of developing an entrepreneur initiative specifically for Montcalm County. The appropriateness to spread the initiative across other counties will be made with consultation with local economic development and other stakeholder representatives from those counties.

Ms. Bloomfield indicated that the State has an RFP out that would provide funding for some of the pieces needed for this effort; however, it didn't identify entrepreneurial efforts as an appropriate target for the funding. During the meeting held on March 16th, the State representatives indicated that they felt it would be appropriate, with some guidelines/parameters, i.e. identifying investment capital.

Ms. Bloomfield noted that the question before the Board is, “Do you see this as appropriate for Michigan Works! to be working in this area?” It is also her understanding that there is a need for some mechanism to get people (potential entrepreneurs) to do some preliminary things before they sit down with the individuals who do the business development pieces (i.e. Don Schurr).

The Board held lengthy discussion on the entrepreneurial initiative—development of a self-assessment tool for individuals to use in determining the potential of success as an entrepreneur, identification of venture capitalists, the role of Michigan Works!, etc. It was the consensus of the Board that 1) entrepreneurship is very important and that it wants to be behind such an effort; 2) that

a self-assessment filter function may be a very important thing and that it might be part of what Service Centers could do; and 3) that there are other parts, i.e. networking and capital development, that the Board doesn't necessarily have expertise in, but the Board could be involved with the process or discussion group that is formulating those parts.

ADMINISTRATOR'S REPORT

- **Federal/State Update:**

Budget #s coming from Washington for 2010/2011 – Projection:

- 1) 2010 – Flat for Adult and Youth, 15% Increase for Dislocated Worker
- 2) 2011 – Flat for Adult, 4% Increase for Dislocated Worker, 6% Decrease for Youth
- 3) Summer Youth for CY 10 is an unknown – DELEG is gearing up for a summer program and has stated they are being encouraged from DOL; direct contacts at the federal level are not as encouraging.

Currently, the top two issues in Washington are Health Care and Pay-as-You-Go spending rules.

The Michigan Works! Association's Legislative Day is scheduled for April 21, 2010, in Lansing. John Van Nieuwenhuyzen and Ron Retzloff, CAMWC Board Chairperson, will attend on behalf of CAMWC. Interested WIB members were invited to attend.

- **Western Michigan Consortium**

- **Energy RSA**—We have been invited, as part of the Western Michigan Consortium, which consists of 11 higher education institutions and 6 MWAs, to look at manufacturing in the areas of energy and alternative energy and the potential development of an RSA. The initiative is lead by Grand Rapids Community College. Very little information is available about it at this point in time. It is Ms. Bloomfield's understanding that United Solar has been part of the employer group, and there will be a follow-up meeting with DELEG the first of April for this particular initiative.

- **Mt. Pleasant Service Center RFP Update**—We have had a tremendous number of bids and are in the review process. Due to time restraints, the bids will be taken to the CAMWC Board of Directors for a final decision so that the project can move forward.

- **Keep Learning**—The initiative has taken a long time but appears to be starting to grow legs. Requests have gone out to foundations seeking funding to support the project. This campaign may roll out to employers in the fall—employer support of the campaign (displaying of window decals and sharing of information with employees about what “keep learning” means) is vital.

- Ms. Bloomfield has been talking with five MWAs about the needs of manufacturing, development of a fundamental skills set for manufacturers' present and future workforces, and building a common curriculum across this area. This would help raise the fundamental skills set of workers (i.e. in electronics and hydraulics) and allow manufacturers to look at diversification.

- **Status Report**—The report indicated \$13,314,880 in funding available, with \$7,542,033 expended as of February 28, 2010.

OTHER BUSINESS

Board members received copies of an article distributed at the NAWB conference entitled “How a New Jobless Era will Transform America” by Don Peck.

Committees will meet on Wednesday, April 21, 2010.

MEMBER ROUNDTABLE

Board members shared information and happenings from their local areas.

ADJOURNMENT

The meeting adjourned by consensus at 7:12 pm.