

Meeting Minutes
South Central Region 8 Workforce Board, Inc.
Quarterly Meeting
StoneGate Arts and Education Center
January 25, 2017 12:00 Noon to 1:30 PM

Board Members Present: Brenda Reetz, Gene McCracken, Trent Todd, Michael Stieglitz, Steve Johnson, Scott Baker, Ken McKee, Terry Pittman, Jason Flinn. Frank Guratzsch, Rachel Carver, Darrell White, Dennis Wimer

Others Present: John Corcoran, Shannon Laurent, Richard Rampley, Tina Judd, Chris DuKate, Trudie Dillman, Rob King, Nancy Karazsia, Robin Branch, Brian Rawlins, Phillip Dart, Jennifer Robinson, Brenda Duncan-Davis, Cassie Janes, Ed Michael

Board Members Absent: David St. John, Harold Gutzwiller, Nathan Walker, Craig Jones, Teresa Hudson, David Brinegar, Lynn Coyne, Jennie Vaughan

Call to Order

Brenda Reetz called the meeting to order at Noon. Each person present introduced themselves. A quorum of the Board was confirmed as present.

Approval of Minutes

Steve Johnson moved to accept the minutes of the 9/21/16 meeting of the South Central Region 8 Workforce Board, Inc. Frank Guratzsch seconded the motion. All voted in favor.

Regional Operator Report

John Corcoran advised the Board that since our last meeting, Paoli, Inc. announced they are closing and laying off 300+ employees. We applied to DWD for a \$100,000 Rapid Response grant to provide dislocated worker services to Paoli, Inc. employees. The grant was awarded and a contract written with Vincennes University for \$93,000. The Board retained \$7,000 for administration. The Board should approve the contract with Vincennes University.

Scott Baker motioned to approve the contract with Vincennes University. Terry Pittman seconded the motion and all voted in favor.

John Corcoran asked Richard Rampley to leave the room so that the Board could freely discuss the continuation of his contract. John explained that the Rampley Consulting contract was competitively procured for a period of two years with an optional one year extension for performance. The two year contract period ends June 30, 2017. John recommended a one-year extension to June 30, 2018.

Trent Todd motioned to continue the contract to June 30, 2018. Jason Flinn seconded the motion and all voted in favor. Richard Rampley returned to the room and thanked the Board.

John Corcoran presented a graphic **performance report for WIOA** for the year ending 6/30/16. DOL considers the region as meeting performance expectations if 80% of the goal is met for a particular standard. John noted that we exceeded the goals for all but one of the standards. Of particular note, Region 8 exceeded its earnings goals for Adults and Dislocated Workers. John congratulated the WorkOne staff for meeting the standards. Shannon Laurent noted that the WorkIN program is separately funded and offers Adult Education students working toward a High School Equivalency diploma the opportunity to train for an in-demand occupation at the same time. WorkIN offers shorter training and opportunity to go to work. Richard Rampley noted that the Earnings goals are six month wages. Dennis Wimer stated that new performance standards would be effective for WIOA and noted that the State as a whole is meeting performance and is receiving incentive awards from DOL for doing so.

John Corcoran distributed the DWD **compliance review report** dated 10/3/16. The report contains no findings of non-compliance and no recommendations for improvement. John thanked Shannon Laurent and Vincennes University for making this possible. John also presented the **audit report** for the Board for the year ended June 30, 2016. The audit also contains no compliance findings, no costs recommended for disallowance and no recommendations for improvement. John thanked the Board's Fiscal Agent, Chris DuKate with Crowe Horwath LLP for their guidance and assistance with the audit.

John explained that the Workforce Innovation and Opportunity Act requires that WorkOne centers be certified by the Workforce Development Board. John stated that DWD has issued a policy and procedure for completing the certification process. The policy is specific about who can perform this review, the individuals cannot have an organizational conflict of interest. As such, John recommended that he and Richard Rampley perform the certification process. Scott Baker asked what the alternatives are. Richard Rampley replied that Board Members could do it, we could hire someone to conduct the certification process or we could let DWD do it.

Brenda Reetz stated that she had been attending recent Indiana Workforce Board Association meetings and has a new appreciation of the Regional Operator staff and their attention to detail.

Darrell White motioned that the Certification process should be conducted by John Corcoran and Richard Rampley. Dennis Wimer seconded the motion and all voted in favor.

Shannon Laurent stated that at our September meeting, the Board approved using \$30,000 in WIOA administrative funding to assist literacy programs in the region. Shannon explained that the WIOA Final Regulations specifically prohibit the use of WIOA funds for Literacy programs unless the literacy services are combined with occupational skill training or on-the-job training. This effectively eliminates what we had planned to do which was support salaries of Literacy

staff. Shannon asked Dennis Wimer if DWD has any funding available for Literacy programs. Dennis replied that he would ask Marilyn Pitzulo if Adult Education funds were available. Shannon Laurent described the upcoming JAG Regional Competition to be held February 3rd at Ivy Tech Bloomington. The JAG program operates at Bedford North Lawrence, Eastern Greene and Owen Valley high schools. Shannon stated that our 3 JAG programs would compete against each other and that the winners would advance to statewide competition. Shannon encouraged Board members to attend this wonderful event. Brenda Reetz stated that this JAG competition is just as important as a regional sporting event. Darrell White said that JAG is a life changing experience for the participants. He has visited the class at the beginning of the year and has returned later to find that the youth have changed significantly.

WorkOne Report - Richard Rampley distributed and summarized and distributed the WorkOne Report which includes the Business Services Report. Highlights include:

- GE Bloomington – Closed – 334 layoffs, activities to help these individuals ongoing.
- Paoli LLC – 367 Layoffs beginning 1-31-17 to 10-31-17. Grants have been received for both of these employers.
- Performance was reviewed, Registrants/Participants are lower than last year. Business contacts are should exceed last year as well as job placements.
- Job Fairs continue, work based learning activities continue with 53 year to date.
- Work Ethics Certification programs at Washington HS, Owen Valley HS and Hoosier Hills Career Center.
- Richard discussed the agencies and programs that partner with the WorkOne.
- Regional annual per capita earnings

Dennis Wimer, DWD Associate Chief for Field Operations summarized changes that are occurring with State WorkOne staffing throughout the State due to budget constraints. This region will have 6 Full Time Equivalent Wagner Peyser staff going forward. Brenda Reetz stated that she had heard from the community that the Linton office would be closing or that staff would be drastically reduced. There was a discussion of the lack of transportation and need for services in Linton as compared to Bloomington. Gene McCracken also expressed concern about hearing the same thing about the Bedford WorkOne office and that as a Board member and Chief Elected Official that he should not be hearing such information from the community. There was a discussion about how this information has been leaked from DWD and the method of communication with the region.

John Corcoran stated that in order to prepare a plan we need a budget as was discussed earlier this morning.

Dennis Wimer stated that the Region should submit a plan and that he is looking to the Regional Operator to provide that plan. The Region has the information to submit a plan.

Gene McCracken stated that if the reduction of staff occurs as described it appears to be a pre-conceived plan. We had a 48% reduction in WorkOne staff when the Unemployment Insurance program was centralized. Gene stated that this layoff of staff happened before he had heard

about it. Gene said the sympathy and empathy needs to go to the persons who have lost their jobs and this cannot be done through a computer.

Gene McCracken said that he and Ed Michael are County Commissioners and are the ones that people in the Region complain to.

Dennis Wimer stated that generally the centralization and online activities related to Unemployment Insurance went well and have been beneficial to claimants and we would hope that would happen as with other programs as well...Dennis also stated that the Board needs to design a plan that will work in the Region. He provided an example of another region that has one WorkOne office and staff visit the county government offices 2 days per week. All WorkOne Express offices have been closed. Dennis stated that this Region is behind the 8 ball and the Board needs to determine what needs to be done.

Mike Stieglitz asked how funds are allocated to the Region. Dennis Wimer stated this was based on numbers of folks served on an ongoing basis, number per day, number of services per customer and number per staff member. Mike Stieglitz stated that the numbers in a rural area versus an urban area like Indianapolis cannot really be compared. Dennis stated that you need to decide where to spend the funds for example on training versus bricks and mortar. Case managers are needed but do you want to spend all your funds on staff? Mike Stieglitz questioned the allocation of funds based on volume. Dennis Wimer mentioned reductions in funding and asked with this reality how do we utilize the funds? Mike Stieglitz suggested that the State re-evaluate how volume is calculated and how funds are allocated. Dennis stated that annual funds to the region are known, the allocation is set, and the Board needs to look at the structure.

Brenda Reetz asked how the budget for the Region has changed from the prior year. Dennis Wimer said the Budget had been reduced 50%. Brenda Reetz asked how much is being taken off the top to invest in new computer software and staff in Indianapolis. Brenda stated that frequently these on-line solutions do not work. With the Affordable Care Act, face to face contact was lost and the computer system was so bad that the Hospital had to hire a Navigator to help guide people.

Dennis Wimer asked what is the right face to face contact? By partnering with community organizations, staff can go to that location to provide service.

Scott Baker said so we decide to close Bloomington. Dennis Wimer said OK give the recommendation of the Board. Dennis Wimer said 5 of 6 regions have submitted a plan and the Regional Operator in this region has not done their job. Scott Baker stated that he felt that Dennis was baiting us to do something drastic when the State has already decided what will be done. Gene McCracken asked if the State plans had anything to do with building a State Government Center in Bloomington.

Brenda Reetz stated that rural areas like Greene County have a lower cost of building and a ready workforce. Dennis Wimer stated that he did not know anything about Greene County.

Brenda Reetz stated that if he did, he would know that there is nothing there. Brenda Reetz said the State should build a call center in Linton. Brenda stated that she is confident that Region 8 can put together a great plan and that DWD listens.

John Corcoran stated that we will work to develop a plan but that we need the budget.

Financial Report

Chris Dukate with Crowe Horwath LLP the Board's fiscal agent, distributed and presented the financial report for the period ending December 31, 2016. Chris reviewed adjustments to the Budget and Expenditures compared to the Budget. John Corcoran noted that 25% of total expenditures have been for direct client expenditures. This is down a bit from the previous report. Shannon Laurent added that tuition expenditures will go up in January and February so the direct client expenditures will go up.

Trent Todd moved to accept the financial report. Scott Baker seconded the motion and all voted in favor.

Mike Stieglitz asked if the JAG program could come to Brown County. Shannon Laurent said that DWD is looking to get more funding for JAG. Dennis Wimer agreed. Shannon Laurent explained that all schools would like to start a JAG program and because of that we compile statistics by school corporation to document the neediest schools. This information includes the number of drop outs, economically disadvantaged students, welfare recipients and other such information so that we can rank schools based on objective need.

There was a discussion of pending legislation affecting workforce development.

Other Business – Public Comments

None

With no further discussion, Mike Stieglitz moved to adjourn the meeting. Steve Johnson seconded the motion, all voted in favor and the meeting adjourned at 1:42 PM.

Prepared By: John Corcoran