

**CEP, Inc. Board of Directors
Wednesday, June 18, 2014
Alley Restaurant – Ashland, WI**

Meeting Minutes

Present

Steve Sather
Jeff Muse
Bill Kacvinsky
Dee Gokee-Rindal
Lew Martin
Dave Willingham
Doug Finn
Rollie Thums
William Voight
Mary Jesunas
George Sears

Excused

Donna Williamson
Dennis Pocerlich
Joe Pinardi

Others Present

Brad Gingras
Mari Kay-Nabozny
Jenny Decker
Marcy Pratt
Mary Dietrich

Bill Kacvinsky called the meeting to order. Roll call was taken, a quorum was present. It was reported that the public meeting notice was published in two class A radio stations and reported on area radio stations.

Welcome & Introductions

It was reported that three new CEP Board members were appointed by the County Boards to be seated on the CEP Board. They were Mary Jesunas representing Price County, William Voight representing Sawyer County and Dennis Pocerlich who will represent Bayfield County. Also present were Marcy Pratt, CEP Finance Director, Mary Dietrich, CEP Assistant Finance Director and Mari Kay-Nabozny, NWWIB CEO.

Approve the Minutes from 4/16/14

George Sears made a motion to approve the meeting minutes from 4/16/14 as presented. Seconded by Doug Finn. Vote taken, carried unanimously.

Mission Statement

Brad noted the mission of CEP is to strengthen the economy by providing effective and efficient workforce development services to businesses and job seekers. Brad explained what CEP does for the new members, noting that CEP helps prepare individuals for a future career and how we go about doing that.

Brad discussed a success story about a jobseeker named Leslie who was a dislocated worker and worked with the Superior Job Center. She enrolled at WITC in the Medical Assistant program. Leslie graduated as a Medical Administrative Billing Specialist and is now working in Duluth at a hospital.

Election of Officers

Brad called for nominations for the CEP Board Officer positions of Chair, Vice Chair and Treasurer/Secretary. The election of officers takes place every two years.

Doug Finn made a motion to elect Bill Kacvinsky as the CEP Board Chair. Seconded by George Sears. Nominations were closed by Lew Martin. Vote taken, carried unanimously.

Rollie Thums made a motion to elect Doug Finn as the CEP Board Vice Chair. Seconded by George Sears. Nominations were closed by Jeff Muse. Vote taken, carried unanimously.

Doug Finn nominated Lew Martin as the CEP Board Secretary/Treasurer, seconded by Dee Gokee-Rindal. Nominations were closed by Rollie Thums. Vote taken, carried unanimously.

Management Reports

Job Center Customer Counts

Jenny gave a brief report on the Job Center customer counts for our Job Centers and outreach centers in our ten county area. She distributed an updated report for May.

Brad discussed the Social Media Impact report. An updated report was distributed. This report shows how many people are using CEP's Facebook page along with their Twitter account. There has been an increase in the number of people using social media for job search.

Dislocated Worker Report

Brad discussed the updated dislocated worker report in the meeting packet. Brad noted that there have been very few changes to this report since our last meeting which is good news. Brad reported that Main Street Clinic in Ashland is closing and will affect up to 25 people. Brad asked if there are any other closures that Board members are aware of in their communities. None were noted.

OJT & H1B Report

Brad discussed WIA OJT report included in the packet. He explained how the OJT program works. He noted that on the CEP OJT report, we're at 48 contracts. Average cost per contract is \$2,000 and average wage is \$13.00 per hour, with training hours at 300. There have been three OJTs done in Rusk County and nine in Douglas County.

Brad discussed the H1B OJT contracts which are broken down by three different WDAs. Those areas are Northwest, Fox Valley and North Central. The average cost per contract is \$4,800. The number of contracts written is 34 and average wage is \$21.00 per hour.

Personnel Update

Brad reported that there are four new hires. Andrea Huggenvik was hired as the new H1B Project Manager. In addition, Brad noted that there was turnover with the Ladysmith and Spooner Workforce System Specialist position. The person who resigned had medical issues. Jane Thompson was hired to fill that position. Brad discussed the partnership through the TAACCCT grant with WITC to help funnel TAA eligible individuals, veterans and others into IT programs and other programs as well. Mary Zinnecker was hired for this position. Brad noted that we eliminated the Industry Specialist position and created the Employer Resource Position which were posted internal and external. Tasha Hagberg was hired for the Spooner office and Skylar Dural was hired in the Park Falls Office.

Grants & Revenue Generation Update

Brad gave a grants update. He discussed the Skills WI Industry Partnership grant to do industry sector work in our area, focusing on transportation and manufacturing. He noted that our area will host events throughout our region to work with area schools and to learn more about the industry in general.

Brad discussed the Food Stamps Employment and Training (FSET) program. It used to be run by the counties and it's up for bids now. He noted that we're in discussion with Workforce Resources to possibly partner with them on this project. This will be a new realm for us that would involve new employees if we submit and receive the grant.

Brad discussed the Affordable Care Act (ACA) Minority Assistant grant to help tribal members in our region. It was found out that only one grant can be awarded to an area in relation to ACA. Brad noted that we'll keep the partnership going with other workforce areas. This grant is due in July. Discussion took place on keeping in contact with the Great Lakes Intertribal office about this.

Mari Kay-Nabozny, NWWIB CEO reported that our area and three other workforce boards submitted an \$8.9 million Ready to Work grant that will focus on long term unemployed individuals. She noted that we will not be the fiscal entity. West Central WDA would be the fiscal agent for this grant.

Brad gave a report on Crex Meadows grants. He noted that we received \$4,000 from Louisiana Pacific for Crex and \$1,000 from US bank and Enbridge Energy. It was suggested to check out the Anna Marie Foundation out of Phillips for funding.

State and Federal Updates

Brad distributed a handout on the new WIOA legislation. Brad noted WIA has been around since 1998 and it's outdated in how we serve individuals and businesses. There is a new proposed act called the Workforce Innovation Opportunity Act which would replace WIA. There will be some implications on CEP. It does eliminate 15 existing programs. It does maintain the primary structure of the WIA act. Brad noted that our youth funds will be impacted where we will have to serve out of school youth ages 18-24. Brad noted that this will affect our Crex Camp

since this serves in school youth. He noted that the Act makes the WIB more powerful and accountable. The WIB Board will reduce some of the public partners on their Board. It does require state and local plans. Job Centers will now be called American Job Centers under this legislation. The Act eliminates the sequence of services that determines how we serve individuals. It gives more flexibility in how we serve job seekers. There is a state set aside for Governors which is 15% and could be used for a number of workforce initiatives.

Brad noted under the current WIA, the CEP is mentioned seven different times. There are only three CEPs left in the nation. Under the current WIA, the CEPs were automatically designated to receive the WIA funds. Brad distributed the new legislation and the old WIA legislation that references CEP. CEPs are no longer automatically designated to provide WIOA services which could make us vulnerable. Brad noted that if CEP was not meeting performance measures which we always have in the past, the WIB has the power to choose a new service provider which could eliminate CEP as we know it. As long as CEP continues to meet and exceed our performance standards, and meet the needs of the community, it may be difficult to go in a different direction. Brad noted that in the past, CEP received an additional allocation due to formula levels and in the new legislation that allocation does not exist. In the new legislation, there is the power of the CEP Board to appoint members to the WIB. A question was raised on if there will be a training on these new changes for both Board members. Mari Kay-Nabozny noted that there will be changes on the Workforce Development Boards and less members since public sector members will not be required. Mari noted that the funding levels are set for five years and restored to pre-sequestration levels which will not take additional funds away.

Action Item: Review/Approve WIA Policy Updates

Brad Gingras explained that we need approval by the CEP Board of Directors for modifications made to the WIA policies which were distributed to the Board. Brad explained the changes and updates to the following WIA policies as required by the state DWD:

- Supportive Services Application Form
- Supportive Services Referral Form
- Professional Discretion Form
- Paid Work Experience up to \$10.00 for Adult and Dislocated Workers.
- Adult and DW Eligibility and Priority Selection

Lew Martin made a motion to approve the WIA polices presented. Seconded by George Sears. Vote taken, carried unanimously.

Action Item: Review/Approve PY 2014 Preliminary Budget

Marcy Pratt noted that we have a decrease in the budget of 1%. Items that have decreased are meals, per diem and mileage. There's an increase on subscriptions with a new case management system called TESSA. She noted there's a reduction in Board budgets. She noted that we have to pass a preliminary budget each year. Marcy discussed the second page of the budget highlighting their budget. Page three explains what we received under WIA. She noted that we did receive an increase of \$37,000. Page four outlines her estimates of PY13 dollars and that we'll carryover 19% due to the sequestration. Page five, explains where we'll get the

money to operate programs. She discussed the grants we'll receive. She noted that we did not receive the Department of Corrections contract. She discussed grants being submitted currently. On page six, she explained what it will cost us to do business and reviewed what program allocations will be for 2014. On page seven, the pie chart summarizes what we'll spend in the coming year. Pages 8, 9, 10 break down each grant individually and what they're for.

Steve Sather made a motion to approve the proposed preliminary PY2014 budget. Seconded by Rollie Thums. Vote taken, carried unanimously.

Review/Sign Conflict of Interest/Code of Standards Form

Brad explained that the Board Conflict of Interest and Code of Standards forms and annual requirement from the state that we need all Board members to sign. There are three signatures required on the two forms.

Other Business

None

Next Meeting Date and Location

The next meeting of the CEP, Inc. Board of Directors will take place on Wednesday, August 20, 2014, at 10:30 a.m. in Ashland.

Lew Martin made a motion to adjourn, seconded by George Sears. Vote taken, carried unanimously.