

**CEP, Inc. Board of Directors
Wednesday, December 17, 2014
CEP, Inc. Office – Ashland, WI**

Meeting Minutes

Present

Dee Gokee-Rindal
Jeff Muse
Bill Kacvinsky
Lew Martin
Dave Willingham
Doug Finn
Rollie Thums
William Voight
Mary Jesunas
George Sears
Dennis Pocerlich
Donna Williamson

Excused

Joe Pinardi
Steve Sather

Others Present

Brad Gingras
Jenny Decker
Mari Kay-Nabozny

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.

Approve the Minutes from 10/15/14

Lew Martin made a motion to approve the meeting minutes from 10/15/14 as presented. Seconded by Rollie Thums. 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. The success story is from Superior regarding an OJT for a legal Mexican named Ernesto who taught himself English and worked hard. He worked at Barkers Island and felt he could use extra training through the OJT program. His wife also works at Barker’s Island. The training and OJT made a positive difference in the lives of Ernesto and his family.

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.

OJT & H1B Report

Brad discussed the WIA OJT report included in the packet. He said we have total 30 contracts, with an average wage of \$12.00 per hour, 310 training hours with an average cost \$1,852.00

per contract. Five of our counties are represented. The goal is to have all counties represented. We have two contracts with Bayfield County with the Red Cliff tribe and we're working with the Bad River Tribe as well. There is a push to increase OJTS in our southern counties.

Brad discussed the HIB OJT program that the WIB operates with two other workforce areas. Right now there are 167 contracts, with an average wage of \$21.00 per hour, with average training hours at 415 and cost per contract is \$1,900. A suggestion was made to follow any news on the new cancer and renal medical center being built in Ashland as well.

Regional Employment Report

Brad discussed the regional employment report that is put together by Thomas Michels, DWD Labor Market Analyst who works out of Superior. This report provides a snapshot of all ten counties in our service area with unemployment rates, along with the rest of the nation. Brad noted that these numbers are not seasonally adjusted.

Grants & Revenue Generation Update

Brad noted that there are no pending grants at this time. Brad discussed FSET Food stamps employment and training program. He noted that we will be working in partnership with Workforce Resources to provide services to the ten northwest counties in WI. The implementation start will be April 1st. Brad noted we'll be hiring new staff to help carry out this project and this project will provide a substantial amount of funding.

Brad discussed the status of the OSHA grant we received for \$112,000. This is the third round of funding CEP applied for to provide combustionable dust training and safety training. This last grant is still pending. Cory Kempf, CEP's HR Manager is project manager for this initiative. This expands into northeastern, central and western MN and the Upper Peninsula covering 72 counties.

Brad discussed the second round of funding for the Affordable Care Act (ACA) Minority Assistant grant for \$340,000 to help members in our region. The first ACA grant we received was for \$285,000. Brad noted that we'll keep the partnership going with other workforce areas. He discussed the work being done by the ACA navigators in our region. It was noted that a report will be compiled on how many people have been assisted.

Review/Approve Policy & Procedure Update to the CEP FLOP

Brad noted that this handout is included in the meeting packet for approval. This is regarding the work experience wage we offer to individuals. He noted that the CEP Board approved to increase the wage for adults to \$10.00 p/h a couple months ago. We would like approval to increase the work experience wage for youth to \$10.00.

Donna Williamson made a motion to increase the youth work experience wage in the FLOP manual to \$10.00 per hour. Seconded by Jeff Muse. Vote taken, carried unanimously.

Approval of the CEP Pension Trustee Changes

Brad noted that Marcy Pratt, CEP Finance Director has retired and we need to add our new Finance Director, Mary Dietrich and our HR manager, Cory Kempf and Brad Gingras, CEP COO as our pension trustee for the CEP staff.

Mary Jesunas made a motion to approve the changes of trustees to CEP's pension plan to Cory Kempf, Mary Dietrich and Brad Gingras. Seconded by Jeff Muse. Vote taken, carried unanimously.

Review/Approve Consortium Document

Brad noted that the CEP Charter agreement is a document (included in the meeting packet) that the state required us to update. This consortium agreement provides a historical document that says we want to continue to keep our boundaries intact. This can be approved by the individual county boards. Brad noted that he would be willing to go to each county board meeting and to discuss this charter agreement and the new WIOA legislation which is important for Board members to be educated on. The next step is to have the county boards to sign off. It was noted that it would help if Brad could come to the county board meetings to explain this document. Brad noted that it would be nice to have this in place by the beginning of March.

A motion was made by Mary Jesunas to move forward with the County Board CEP Charter Consortium agreement and to bring it back to the CEP Board. Seconded by Lew Martin. Vote taken, carried unanimously.

State and Federal Updates

Mari Kay-Nabozny, NWWIB CEO reported that Department of Labor who funds us, received an increase. Overall, the specific budget line items increased which she explained.

Brad discussed what he learned about CEPs in general and the role of the CLEOS and what does this mean. The difference between WIA and WIOA, administratively is not that much different. The CEPs are included in the new WIOA act which he referred to. What Brad clarified is that the CEP is the CLEOs under this law. The role of the CLEO under WIOA is substantial. There is increased accountability and more local involvement for the CLEOs. What is different in the new Act is that they are not automatically designated to receive the WIOA funds quite like it was under WIA. WIOA locks the CEP region in for two years that our counties remain together as long as we have fiscal integrity. In the past, CEP's received a formula increase based on poverty levels, that is included in WIOA. The Act brought CEP's from automatic designation to initial designation but we still need to hear more from the DOL to clarify what this means. Brad discussed a letter from John Chamberlin, Attorney at Law who specializes in workforce legislation from 2000 for a historical background of the CEP's operating structure under WIA. CEP has retained Mr. Chamberlin again to help clarify the new law and what it means for the CEPs. The CLEOs are liable and accountable for all WIA funds, including misuse of funds. The grant recipient is the CLEOs and that they work very closely with our WIB. A question was raised on whether we will get another letter from John Chamberlain on where we stand. Brad asked the Board if they would like to have John Chamberlin speak to the CEP Board or to both boards

at the Joint CEP and WIB meeting on January 21st. It was noted the sooner we work with legal consultation, the better. A suggestion was made to find out what works best for John Chamberlin's schedule to come up here to present to the Board.

Areas of clarification, such as procurement for services was discussed. CEP may have to compete for the services contract with the youth procurement which is coming up soon. Brad noted that there's enough separation between the CEP and WIB to allow CEP to compete for youth funds to provide services for older youth ages 18-24. The WIB is waiting for further direction from the DOL and cannot prevent CEP from applying. Mari discussed disallowed costs that other areas in the state that the counties are accountable for. We need to know if the current structure is ok and we need direction from the DOL. A question was raised on what are our goals and next steps in the next several months. It was noted that some of these questions will be answered at the joint Board meeting on January 21st.

Brad discussed training staff on career pathways, out of school youth programs, training programs for adults and what we can do with our education partners. We need to look at our staffing structure to meet the goals under WIOA.

Other Business

Brad asked the Board for the day after Christmas off for the staff, since it lands on a Friday. It was noted to get permission from Walt Jaeger WIB member who sits on the CEP Board Personnel Committee and do this via email. It was noted that it has to have a vote from the CEP Board Personnel Committee to be approved.

Next Meeting Date and Location

The next meeting of the CEP, Inc. Board of Directors will take place on Wednesday, February 18, 2015, at 10:30 a.m. in Ashland.

Adjournment

Doug Finn made a motion to adjourn, seconded by Rollie Thums. Vote take, carried unanimously.
