

**CEP Board of Directors Meeting
Wednesday, October 21, 2015 – 10:30 a.m.
CEP Office – Ashland, WI**

Meeting Minutes

Present:

Lew Martin
Doug Finn
Rollie Thums
Dee Gokee-Rindal
Donna Williamson
Dave Willingham
Emmett Byrne
Mary Jesunas
William Voight
Joe Pindari
Bill Kacvinsky
Dee Kittleson
Jeff Muse
Brent Blomberg

Excused:

Steve Sather

Others:

Brad Gingras
Jennifer Decker
Mary Dietrich

Call Meeting to Order/Report of Public Meeting Notice

Bill Kacvinsky, CEP Board Chairman called the meeting to order. Everyone introduced themselves.

It was reported that the public meeting notice was published in two class A newspapers and aired on area radio stations in the WDA.

Approval of 8/12/15 Meeting Minutes

Dee Kittleson made a motion to approve the 8/12/15 minutes as presented. Seconded by Lew Martin. Vote taken, carried unanimously.

Mission Statement/Success Story

The mission of CEP is to provide efficient and effective workforce development services. The success story Brad discussed was from one of CEP's summer Crex camp participants from this past summer. The young man explained that he was honored to work with the other campers and that he learned so much, he decided to attend all three sessions. He said the Crex Camp was the best thing that ever happened to him.

Director's Report

Job Center Customer Impact

Jenny Decker discussed the Job Center customer counts and noted that there was an increase in traffic in the Superior office due to recruitment and interviews for the new Aldi's Grocery store up there.

Dislocated Worker Report

Brad noted that there have been no recent changes or additions to this report. He did report on the Georgia Pacific plant in Phillips that closed recently which affected 53 workers. CEP and other workforce partners provided a rapid response meeting for the laid off workers. If the workers are Trade Adjustment and Assistance (TAA) eligible, they will receive additional funds above and beyond what the other partners can provide to serve those eligible. Brad asked Board members if they knew of any closures in other communities. There were none noted.

Regional Employment Report

Brad discussed the regional employment report which covers unemployment numbers in northern Wisconsin and other areas in the state. Page one breaks down the individual counties. He noted that unemployment rates have been decreasing. This report is not seasonally adjusted. Our region compared to the rest of the state shows that our area has higher unemployment, next to Milwaukee. Nationally, we're ranked in the middle.

WIA OJT & H1B Report

Brad discussed the WIA OJT report which was distributed and noted that this is a new format through our new case management system called TESSA. He noted that our old case management system is out dated and that's why we changed to a new data management system. In order to make this transition to keep the same data as before, we'll have to work with Workforce Resources who manages the TESSA case management system. He explained the data missing is due to the new system unable to record some of the information we had before, but that will change. We had 18 OJTs. Brad discussed making changes to the OJT program, such as changing the starting wage or a lower cap on how much money can be used for each contract. A question was raised on whether we have more clients than money for OJTs. Brad said we do not have a wait list.

Brad explained that the H1B OJT report is staffed by the Workforce Investment Board in partnership with two other workforce boards. He noted that CEP has no role in this other than being the fiscal entity. That project will be coming to an end on April 1, 2016.

Grants & Revenue Generation Update

Brad discussed the Affordable Care Act (ACA) grant that CEP has been operating for the last two years. Marcy Pratt, CEP ACA Navigator submitted another grant to continue this project which we received for \$305,000. CEP will remain with Navigators for a total of three years.

Brad reported on AHEC which is the Area Health Education Centers (AHEC) to help recruit and retrain individuals in the healthcare industry. AHEC has also funded the Medical Discovery Days in the schools which is a two day session to help students learn and job shadow about healthcare occupations in several counties in our area. The grant was for \$10,000 to support that project.

Brad reported on the Duluth Superior Community Foundation Grant that was submitted to run our occupational skills curriculum call HIRED that CEP runs in area school high school districts for \$9,000. We have not heard if we received that grant or not yet.

Review PY14 Budget to Actual Spent

Mary Dietrich, CEP Finance Director explained the handout that shows what we spent in the last fiscal year. She noted that it's organized on workforce development activities as established. She reported that 36% of the budget was spent on OJTs. Grant specific activities are 25% spent. PY14 was at \$2.4 million expended. Over half of our grants were non WIOA. Mary explained the actual amount spent and she noted we were a little over spent due to hiring some assistance. We've transferred staffing money to OJTs where the demand was. Mary noted that we received an incentive award in PY13 for \$50,000. She explained that a couple grants were extended so we're over spent. She explained the budget break downs.

Action Item: Review & Approve PY15 Operational Budget

Mary explained the PY15 Operational budget. She noted that some things changed since June when she presented the preliminary budget and that this report represents all of our funds. She noted we decreased operational costs. Mary explained operational costs and total direct costs. Mary explained the 10% diminimus which is an indirect cost rate. She chose to elect for the 10% to which could generate a little profit for the company. Indirect costs includes legal services, auditing fees, and as long as those costs are under 10%, she will be in compliance. Mary explained the rental costs and what grants they are charged too. She explained that with the diminimus indirect cost rate, we do not give any money back. She discussed the break out of the 10% and what she will be charging. She explained the Board budget. She discussed the actual PY15 allocations which do not change because this comes from the Feds. Adult programs are 83% spent, dislocated worker programs are 73% percent spent and youth is at 68% spent. Admin was underspent due to the incentive award. Mary explained the carry over funds and where they were allocated. She discussed the break out of the other grants outside of WIOA, noting other grants increased by \$31,000. The last page is a summary, for staffing, boards and client services. She discussed the pie chart that includes all workforce development activities.

A motion was made by Emmett Byrne to approve the PY15 Operational Budget as presented. Seconded by Jeff Muse. Vote taken, carried unanimously.

WIOA State Monitoring & Fiscal Review Update

Brad reported that we've had a couple audits, one through WIPFLI and one through DWD on finances, programs and civil rights compliance. DWD has combined all three of these audits into one week which is more convenient. We have not received the final report, but they noted it

was a successful audit with no major concerns. Brad noted that Mary has advanced CEP ahead of many state agencies in our fiscal practices with new OMB regulations and we're being looked at as a model throughout the state. Brad explained the civil rights compliance audit where they found some practical things for us to address in accommodating our clients.

Final PY14 WIA Performance Measures

Brad reported on the federal performance measures locally at CEP and with the rest of the state. We exceeded six measures and met the other two. He noted that we did well overall.

LEO Consortium Agreement Update

Brad reported that LEO Consortium Agreement has gone out to all County Boards for approval. Some of those agreements have come in already. Brad noted that we must have them back by the end of December but we'd like to have them sooner. It was noted that Jenny Decker contacted all County Clerks who confirmed that the LEO Consortium Agreement was on their county board agendas for approval.

Action Item: Review/Approve New Youth Policy

Brad noted that anytime there's a change in policy, both Boards (CEP and WIB) have to approve it. He explained the changes of taking out the old legislation and the new policy changes under the WIOA legislation. The new legislation does not allow for incentive awards for entertainment such as stipends to the movies, etc. There were examples of incentive awards such as gas cards, retailer gift cards. The max amount is \$25 and an individual can receive up to eight incentives.

A motion was made by William Voight to approve the new Youth Policy as presented. Seconded by Emmett Byrne. Vote taken, carried unanimously.

Other Business

Jeff Muse reported that GLITC is actively searching for a CFO and if anyone knows of someone qualified, to please let him know.

Next Meeting Date and Location

The next CEP Board meeting will take place on Wednesday, December 16th at the CEP office in Ashland.

Adjournment

A motion was made by Jeff Muse to adjourn. Seconded by Lew Martin. Vote taken, carried unanimously.

The meeting was adjourned at 12:00 p.m.