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CEP Board of Directors

Wednesday, February 19, 2020 – 10:30 a.m.

CEP Office – Ashland, WI

Meeting Minutes

Present

Thomas Gordon, Sr.
Dee Gokee-Rindal
Tom Mackie
Dave Willingham
Sheryl Slaby
Dan Makovsky
Emmett Byrne
Joe Pinardi
Charlie Glazman
Dawn Petit
Elizabeth Franken
Brent Blomberg, alternate

Excused

Bill Kacvinsky

Others Present

Jeff Muse
Jenny Decker
Mari Kay-Nabozny

Call Meeting to Order

Dave Willingham, CEP Board Vice Chairman 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 newspapers in the WDA. Dawn Petit was introduced as the new Sawyer County Board representative replacing Bill Voight who moved from the area. Elizabeth Franek was introduced as the new representative for Ashland County replacing Donna Williamson.

Approval of the Meeting Minutes from 12/11/19

**Tom Mackie made a motion to approve the 12/11/19, meeting minutes as presented.
Seconded by Joe Emmett Byrne. Vote taken, carried unanimously.**

Mission Statement

Jeff Muse reported that the mission of CEP is to strengthen the economy of northwest Wisconsin by providing effective and efficient workforce development services to businesses and job seekers.

Jeff reported on two success stories. The first was a hand written note from State Representative Janet Bewley expressing how impressed she was by the YouthBuild project. Jeff distributed a photo of the home in Bad River.

Jeff discussed a thank you note from one of CEP's clients to our staff thanking them for our help. She is now a counselor for DVR. Dave noted that the success stories are good way to provide Board members with an idea on how successful our programs are.

NORTHWEST WISCONSIN CEP

Strengthening our region, one person, one business, one job at a time.

Executive Director Report

Deferred until later in the agenda.

Job Center Customer Counts

Jenny Decker reported on the Job Center customer counts for the ten county region for the month of January, noting there were 912 visits to the Job Center in our ten county region. She noted that traffic has increased in Ashland and there are a high number of people coming in needing assistance with unemployment. A question was raised on whether we could add another category on whether people are underemployed and tracking this.

Regional Employment Report

Jeff discussed the February Regional Economic Employment Report that is put out monthly by DWD. Jeff noted that unemployment numbers are starting to increase in northwest Wisconsin so it's something we'll need to keep an eye on. The state overall is lower nationally. Discussion took place on Kwik Trips and other fast food chains growing in many areas. It was noted some of these places do not pay a livable wage. Discussion took place on addressing the issue of affordable housing and healthcare.

Dislocated Worker (DW) Report

Jeff distributed the recent DW report and he explained that this report is anecdotal. The latest closures are Cabernet Cabinets in Hayward affecting 16 people and Sixth Street Market in Ashland closing unless there is a buyer, affecting 12 people. Flambeau Papers is reopening in April and will be hiring. Jeff explained to the new Board members what a Rapid Response meeting is when there is a lay off affecting more than 25 people. He noted that CEP and other partner agencies meet with individuals to let them know of services available to them.

Grants Update

Jeff reported that YouthBuild house in Bad River will be finished soon and they will begin to work with Red Cliff and break ground in May. This grant goes on for another 15 months. However the RFP for the next cycle comes out this month and our partners would like to apply for this. The people who will live in these homes have to be low income. Jeff said he has reached out to LCO Tribe about expanding this project there as well. Discussion took place on whether the homes will be owned or will be rentals. Jeff said it's up to the tribe. Dawn discussed the development of training programs for youth to learn skilled trades. Jeff noted that we're working with Sawyer County on some programs with those incarcerated. Elizabeth proposed a jail mentorship program and Jeff noted that CEP's Windows to Work program addresses that. Discussion took place about lack of public transportation in rural areas for youth or those without license.

Staffing Update

Jeff reported that new employees include Trixy Posta who is CEP's new FSET worker in Superior. Travis Patterson is one of the new Youth Services managers in Ashland and Sara White is the other Youth Services Manager in Superior. Hailey VanTil is the new part time YouthBuild assistant. Scott Schultz left his position as a DVR case manager to take the WIB position as their Director of Industry and Development.

Update on WIB/CEP Fiscal Services

Jeff reported that he has nothing to show us on paper at this time. He talked to WIPFLI out of Madison who the CEP and WIB contract with for accounting. It's taking longer to transition than we thought. All the programs are doing remarkably well but there are no numbers to quantify that yet.

Update on PY18 DWD Monitoring Report

Jeff reported that CEP went through the DWD monitoring last summer for WIOA funds. There were some audit findings and those were corrected. CEP replied as required and now the ball is in their court and they have to respond that they approve our response.

Discussion on Salary Matrix from Executive Committee Meeting

Discussion took place at the last Executive Committee meeting about whether we pay enough to recruit qualified people. Jeff noted that we do not have the funds to do that, but we do provide some very nice fringe benefits. The Executive Committee wanted some research done on what other workforce areas pay. Jean at WIPFLI will review our proposal to provide more equitable pay which may take six months or so to complete.

Action Item: Review/Approve Changes to the Personnel Policies

Jeff discussed changes in the Personnel Policies that were included in the meeting packet that involved provisions for relocation expenses.

Charlie Glazeman made a motion to approve the Personnel Policy changes as presented. Seconded by Thomas Gordon Sr. Vote taken, carried unanimously.

Action Item: Review/Approve Changes to the Fiscal Procedures Manual (FMP)

Jeff discussed the changes in the FPM which were included in the meeting packet, with the former language and the new proposed language regarding purchases over \$5,000.

Dawn Petit made a motion to approve the change to the Fiscal Procedures Manual policy as presented. Seconded by Dan Makovsky. Vote taken, carried unanimously.

State & Federal Updates

DWD Informational Meeting Update

Jeff explained that the CEP has existed for over 50 years, which first began under the federal Comprehensive Employment and Training Act (CETA) which is now the federal WIOA act which makes up about 58% of our budget. The WIB (formerly the Private Industry Council) was created in the 1980s under federal legislation, the Job Training Partnership Act (JTPA) to provide oversight over the federal Title I training dollars. He noted that the Department of Workforce Development (DWD) recently felt that the WIOA funds of WIB and CEP should have separate books. Jeff explained how the funding flows from the feds to the state and then to the CEP and WIB. If we do split up, both the CEP and WIB boards need to understand where the money is going. There were a number of concerns, thoughts and questions raised about this arrangement:

- The concerns raised by Board members is that the CEP Board, also known as the CLEOS are fiscally responsible for the WIOA funds. If there is a misappropriation of funds or any malfeasance, the counties are held accountable for paying back those funds. Discussion took place that the CEP Board and the LEO are the same group, and each county has a representative appointed to the CEP board along with additional members who represent other constituencies. The CLEO appoints the members to the WIB Board. The problem is the state feels there is a conflict of interest where the CLEOS give the WIB funds and provides funds to the service provider CEP. It was noted we call it checks and balances. The WIB chooses the service provider. The CEP Board doesn't believe there's a problem with the current status and this is ratified in the WIB/LEO Agreement that is signed every three years.
- DWD recommends that the order be reversed and make the WIB the fiscal agent of WIOA funds, a role in which CEP has been responsible for since its inception without issues, along with a long history of clean audits.
- Discussion took place that the CEP Board should be making their own decisions, not the Joint Executive Committee on behalf of the CEP Board or for the WIB.
- Discussion took place on the time frame of making a decision. The state says we need to solve this problem by July. However, it was noted that the state told us, it is ultimately up to our agencies to make this decision, not them. The Board noted that we may need more time to research this.
- Discussion took place regarding the WIB and CEP having two separate ledgers which seems fine.
- Discussion took place on the designation of how the funds flow from DOL, to the state and to the CLEOS. A concern was noted that if the WIB is the fiscal agent, they could allocate more money for their programs and there may be less for CEP programs.
- A question was raised on how the WIB and CEP agencies worked when two former directors were both employed as the WIB Board CEO and CEP Executive Director. It was noted this is how the current Minnesota CEP functions, one director for the WIB and CEP without any issues from the DOL or from the state. Jeff noted that he's meeting with the Minnesota CEP regarding how they operate. It was noted in the past, whenever there was an impasse, policy change or question that even DWD or DOL couldn't solve or figure out, legal consultation was retained to help clarify any confusion. It was noted there are new staff at the DOL who do not completely understand how the CEP's work. It was noted that there are only three CEP's left in the nation.
- Another question he raised is that we do not want CEP to lose their federal legislative status. If CEP loses their status, they may never again be able request the restoration of set aside funds or special formula funds we received in the past, based on future economic changes. There needs to be reassurance regarding this concern.
- A suggestion was made to have DWD meet with the CEP Board. A suggestion was made to create a Committee of the Board, comprised of CLEOs to research this issue further.

Comments & Announcements

None

Next Meeting Date and Location

The next meeting of the CEP Board of Directors will take place at the call of the Chairman.

Adjournment

The meeting was adjourned at 11:45 a.m.