

Private Industry Council A Workforce Development Board Board of Directors Meeting

June 6, 2006
Private Industry Council
Youth Services Bldg
2342 N. 27th St.
Milwaukee, WI
7:30 a.m.

Board Members Present: William Andrekopoulos, Darnell Cole, Lea Collins-Worachek, Robert Dennik, John Hiller, William Jenkins, Willie Johnson, Sheila Knox, Shirley Lanier, Vince Martin, Mary Moore, Gerard Randall, Jeannetta Robinson, Tim Russell, Linda Sowell, Richard Tennessen, Leonila Vega

Board Members Excused: Lyle Balistreri, Maria Cameron, Robert Cocroft, Daniel Davis, Fred Delmenhorst, George Franco, Donald Layden, Lupe Martinez, John Miller, Tom Richtman, Carol Sample, Tim Sheehy, Paul Soczynski, Tim Sullivan, Julia Taylor, Mark Thomas, Charles Vang

Guests Present: Joel Dresang (Journal Sentinel), Theresa Loerke (DWD), Lois O'Keefe (Cong. Gwen Moore's office)

Staff Present: Chytania Brown, Delores Graves, Mark Kessenich, Therese Palazzari, Patti Porth, Jovo Potkonjak, Lesley Salas, Paul Wechter, Sue Wile, Dave Wilson, Jaime Zillmer

MINUTES (Pending Board Approval)

The meeting was called to order by Chair John Hiller at 7:50 a.m. Due to the lack of a quorum, the second agenda item was addressed first. Though it was listed as an action item, Mr. Hiller suggested it be presented as informational at this meeting in order for Board members to consider the changes in depth before voting for adoption at the September meeting.

II. Chair's Report

The proposed changes to the By-Laws were presented by Tim Russell. Changes include the following:

- 1.1 – Removes language allowing the Board to conduct business outside the State of Wisconsin.
- 3.2d – Repeated non-participation is cited as a cause for removal of a member from the Board, pursuant to a 30-day notice and a 3/4 vote by the Board.
- 3.2e – Vacancies shall be filled by the Chief Local Elected Official (strike “after consultation with the Board”).
- 3.3d – Meeting notice is extended from 72 to 96 hours for personally delivered notice or 10 calendar days for written notice.
- 3.3e – Directors participating in meetings via conference call shall be deemed present.
- 4.1a – Executive Committee consists of standing Committee chairs plus one additional Director appointed by the Chairperson of the Board.
- 4.2a – Replaces “individuals” with “directors” in reference to persons who may serve on the Personnel and Finance Committee.

- 4.3a – Allows Board Chair to staff Selection and Monitoring Committee, in addition to choosing the Committee chair.
- 4.4 – Removes language allowing individuals not on the Board of Directors to serve on Board Committees.
- 5.1d – Vacancies in Board Officer positions shall be filled no later than the regularly scheduled Board meeting following the resignation or removal.
- 5.2d – Authority of the Board is now required before the Vice President signs a bank check or order for the payment of money.
- 5.2f – Authority of the Board is now required before the Treasurer signs a bank check or order for the payment of money.
- 10.5 – Language regarding non-discrimination policy was updated.
- 11.1 – A meeting to address changes in the by-laws requires a 30-day notice.

With the arrival of a 17th Board member, a quorum was reached at 7:55 a.m.

I. Approval of Minutes

Motion to approve the March 7, 2006 and April 4, 2006, minutes of the Board meetings

Dr. Cole

Second

Mr. Martin

Passed unanimously

III. President’s Report

Mr. Randall presented an overview of the 2007 budget and discussed the organization’s focus in the coming year.

Organizational challenges include cost-sharing issues in the One-Stops; a re-authorization of WIA that may raise the minimum age to 16 and focus services primarily on out-of-school youth; and the transition to common measures for performance. Both federal funding for WIA and the State’s allocation to Milwaukee County have decreased in the past few years.

There continues to be a geographic and skills mismatch between jobseekers and employers. In general, the greatest barriers to employment for jobseekers are educational deficits, lack of a driver’s license, lack of stable work history and involvement with the criminal justice system.

Though the nation and the state have registered reductions in unemployment rates in the past year, the City of Milwaukee’s rate has actually increased slightly, running a full 2% higher than the rate for Wisconsin as a whole.

Regional initiatives such as GROW Southeast, WIRED for Success and the Milwaukee 7 Regional Economic Development partnership are creating greater coordination throughout the seven counties of southeastern Wisconsin.

New partnerships include the Urban Trades Training Partnership (private sector), Project Direct Graduation (MPS), Youthbuild (HUD), Office of Justice Assistance (DOJ), Hurricane Katrina (DOL) and an environmentally focused partnership with Johnson Controls, Inc.

PIC has been instrumental in attracting the National Retail Federation Training Center to Milwaukee. Another new development is a planned Mature Worker Job Connect website.

PIC has also collaborated with MATC on the development of a Center for Immigrant Worker Integration, to be located at the current HIRE Center location. The HIRE Center will be expanded to two centers, one on the South Side and one on the North Side, to be co-located with PIC's corporate headquarters.

Budget

The total 2007 budget is \$12,895,403, of which \$7,755,803 is the 2007 WIA allocation.

This total represents a 9% decrease from the previous year's budget. In addition, 15% of the agency's total budget for FY 2007 will be comprised of non-WIA funds.

In FY 2007 total expenditures on participants will comprise 56.17% of the total budget; personnel costs will total 28.55%, a reduction from the previous fiscal year. Total staff will drop from 76 in FY 2006 to 69 in FY 2007. The Adult budget has dropped but, thanks in part to non-WIA grants, the Youth division will experience a slight increase in FY 2007.

In the administrative area, a variety of cost-saving measures have been incorporated, including staff reductions and an emphasis on retaining qualified personnel. The Human Resources and Payroll departments have been combined for further efficiencies. Also, Mr. Randall will be serving as the Director of Youth Services. In addition, a new profit-sharing plan has been adopted. This year's health insurance renewal represents only a 12% increase in cost, due to a switch to a new provider.

IV. Committee Reports

1. Personnel and Finance Committee

A. FY05 Profit-Sharing Audit

Motion to approve the FY05 Profit-Sharing Audit

Mr. Dennik

Second

Ms. Sowell

Passed unanimously

B. FY05 Financial Statement Audit Management Letter

The audit indicated that PIC needs to develop a year-end-closing checklist, which the

Fiscal Department is currently creating.

**Motion to approve the FY05 Financial Statement Audit
Management Letter**

Mr. Dennik

Second

Mr. Johnson

Passed unanimously

C. FY07 Annual Budget

There was discussion regarding the salary and raise structure for PIC employees and whether these are comparable to other Workforce Development Boards.

Motion to approve the FY07 Annual Budget

Mr. Hiller

Second

Mr. Martin

Passed unanimously

D. Financial Status Report – March 31, 2006

Board members were directed to review the materials in their packets.

2. Selection & Monitoring Committee Report

Mr. Russell directed the Board to refer to the material in their packets. He described the matters that were discussed on the April 20 public hearing to review PIC policies, as well as the May Selection meeting to make decisions on these policies. At the May meeting, the Committee took the following actions:

- Tabled the discussion regarding 10/40/50 to the June meeting
- Changed the definition of placement from \$8/hour for 32 hours per week to a flat \$320 per week;
- Allowed employed individuals with income greater than 300% of poverty guidelines to enroll in incumbent worker and other specialized trainings;
- Agreed to use WIA funds for pre-training drug testing in occupations requiring employees to be drug free; and
- Extended contracts for current WIA case management vendors for an additional six months, with a mid-point review of their progress toward performance benchmarks.

3. Job Center Network Committee Report

A. Executive Summary & Committee Minutes

The Job Center Network Committee has developed a consortium approach for the role

of the One-Stop Operator. The PIC is currently in discussion with potential consortium members and an RFP will be developed for the designation of a lead agency.

4. Youth Council Report

A. Director's Report & Committee Minutes

Dr. Andrekopoulos directed the Board to refer to the material in their packets.

V. Other Business

The Board welcomes new member Lea Collins Worachek, who has recently been named the District Manager for the Department of Vocational Rehabilitation in Milwaukee. She replaces Enid Glenn.

The Black Holocaust Museum will be opening its Jim Crow exhibit, with a June 10 opening celebration. Board members are encouraged to attend.

Mr. Randall thanked the County Executive's Office and Dr. Andrekopoulos of MPS for helping the summer jobs initiative for 2006. A total of 700 subsidized and 700 unsubsidized positions are projected for this year. The Jobs4Teens website will facilitate unsubsidized youth hires.

Ms. Sowell congratulated Mr. Randall and the PIC staff for the positive portrayal of local youth in a May 17 Journal Sentinel article about Project Direct Graduation.

Mr. Martin asked if it would be helpful for the Board to send a letter to the Department of Labor regarding proposed changes to WIA youth eligibility from 14 to 16 years and to a 70% emphasis on Out-of-School Youth. The Board asked for talking points and e-mails for members of the Congressional delegation in order to make its views known.

Rep. Gwen Moore's office is sponsoring a June 24 Youth Townhall Meeting for community feedback. More information is available at 414 297-1140.

Next Board of Directors Meeting: September 12, 2006, 7:30 a.m.

The meeting was adjourned at 9:01 a.m.